



## SYRACUSE CITY

### **Syracuse City Council Work Session Notice**

November 13, 2012 – 5:30 p.m.

Municipal Building, 1979 W. 1900 S.

Notice is hereby given that the Syracuse City Council will meet in a work session on Tuesday, November 13, 2012, at 5:30 p.m. in the large conference room of the Municipal Building, 1979 W. 1900 S., Syracuse City, Davis County, Utah. The purpose of the work session is to discuss/review the following items:

- a. Review agenda for business meeting to begin at 7:00 p.m. (5 min.)
- b. Annual Audit Report. (30 min.)
- c. Discuss employee insurance opt-out incentive program. (10 min.)
- d. Discuss hiring process for Syracuse City Police Chief. (15 min.)
- e. Discuss City Cemetery burial fees. (10 min.)
- f. U.S. Cold Storage Joint Development Agreement (10 min.)
- g. Discuss potential petition to disconnect cemetery property from Clearfield City. (5 min.)
- h. Council business. (5 min.)

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In compliance with the Americans Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the City Offices at 801-825-1477 at least 48 hours in advance of the meeting.

#### **CERTIFICATE OF POSTING**

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Syracuse City limits on this 9<sup>th</sup> day of November, 2012 at Syracuse City Hall on the City Hall Notice Board and at <http://www.syracuseut.com/>. A copy was also provided to the Standard-Examiner on November 9, 2012.

CASSIE Z. BROWN, CMC  
SYRACUSE CITY RECORDER



# COUNCIL AGENDA

November 13th, 2012

Agenda Item “b”                      Presentation of Audit Report by Finance Director  
Marshall and Wood, Richards and Associates.

## *Factual Summation*

- Any questions about this agenda item may be directed at Finance Director Stephen Marshall.
- Please review the communication memo from Wood, Richards & Associates. It helps to explain the audit results for the FY2012 audit. Ryan Child, Audit Manager from Wood, Richards & Associates, will be attending this meeting and will give a detailed presentation about this year’s audit and will be able to answer any questions that you may have.
- Please also review the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2012. It provides very good information on the financial position of the City. The City has been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting for the two previous years. I have submitted this CAFR for the award again this year with the expectation that the City will be awarded that same recognition. A lot of hard work has gone into the preparation of this report and I want to thank all the departments for their collaborative efforts.

October 30, 2012

Honorable Mayor and City Council  
Syracuse City, Utah

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information for Syracuse City for the year ended June 30, 2012. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards and *Governmental Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 9, 2012. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Syracuse City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was:

We evaluated the key factors and assumptions used to develop the net book value of fixed assets in determining that it is reasonable in relation to the financial statements taken as a whole.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The following misstatement detected as a result of audit procedures were corrected by management:

- 1: A journal entry was posted to gross up the refunding of the MBA Lease Revenue Bonds, including the additional cost of issuance on those bonds.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 30, 2012.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations.

If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Status of Prior Year Findings*

1. We recommended the City evaluate its risk assessment with respect to fidelity bonds for misappropriation and consider any changes for a blanket bond covering all employees in addition to the City Treasurer.

STATUS: The City followed our recommendation and has adjusted these bonds accordingly.

2. We discovered that some rates within the approved consolidated fee schedule did not match the actual billing rates within the Caselle billing module.

STATUS: Stephen Marshall has thoroughly reviewed and compared all rates within the fee schedule to the rates being charged within the computer system.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. We did not identify any other findings, issues, or have any additional recommendations. We commend the governing board and management for their efforts with respect to the City's finances.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the City Council and management of Syracuse City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Wood Richards & Associates, PC*  
Wood Richards & Associates

# **SYRACUSE CITY CORPORATION**

Syracuse, Utah



**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended  
June 30, 2012

# **SYRACUSE CITY CORPORATION**

**Syracuse, Utah**

**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2012**

Prepared by:

Stephen Marshall, CPA  
Finance Director

**SYRACUSE CITY CORPORATION**  
**List of Elected and Appointed Officials**  
**June 30, 2012**

*Elected Officials*

Jamie Nagle ----- Mayor  
Brian Duncan----- City Councilmember  
Craig Johnson ----- City Councilmember  
Karianne Lisonbee ----- City Councilmember  
Douglas Peterson ----- City Councilmember  
Larry D. Shingleton ----- City Councilmember

*Executive, Legal and Budgetary Officials*

Robert Rice ----- City Manager  
Will Carlson ----- City Attorney  
Stephen Marshall ----- Budget Officer

*Statutory Appointed Officials*

Brian N. Wallace ----- Chief of Police  
Cassie Z. Brown ----- City Recorder  
Robert Rice ----- City Treasurer  
Robert Whiteley----- City Engineer

*Department Directors*

Michael Eggett -----Community & Economic Development  
Stephen Marshall ----- Finance Director  
Eric Froerer ----- Fire Chief  
T.J. Peace ----- Information Technology Director  
Joseph M. Bean-----Justice Court Judge  
Kresta Robinson ----- Parks & Recreation Director  
Robert Whiteley ----- Public Works Director

**SYRACUSE CITY CORPORATION**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2012**

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**SYRACUSE CITY CORPORATION**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2012**

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# **SYRACUSE CITY CORPORATION**

## **INTRODUCTORY SECTION**



**Mayor**  
Jamie Nagle

**City Council**  
Alan L. Clark  
D. Mathew Kimmel  
Matt D. Ocana  
Douglas Peterson  
Larry D. Shingleton

October 30, 2012

To the Honorable Mayor, City Council, and Citizens of the City of Syracuse:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Syracuse City Corporation for the fiscal year ended June 30, 2012.

This report consists of management's representations concerning the finances of Syracuse City Corporation. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of Syracuse City Corporation has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Syracuse City Corporation's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Syracuse City Corporation's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Wood Richards and Associates, P. C. a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Syracuse City Corporation for the fiscal year ended June 30, 2012, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Syracuse City Corporation's financial statements for the fiscal year ended June 30, 2012, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Syracuse City Corporation's MD&A can be found immediately following the report of the independent auditors.

Entities receiving funding from the federal government are federally mandated to undergo a “Single Audit” designed to meet the special needs of federal grantor agencies. The Single Audit Act of 1996 and the U. S. Office of Management and Budget’s Circular A-133 governing single audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Although the City received funds under federal financial assistance programs, the revenue was not sufficient to require a single audit.

The State of Utah requires the City to be audited in accordance with Government Auditing Standards (GAO Yellow Book 2011 Revision) and sets forth general requirements for auditors to follow in its Compliance Manual for Audits of Local Governments. The City is responsible for compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort or earmarking; and other special tests and provisions applicable to each of its major state assistance programs as required by the State of Utah Legal Compliance Audit Guide.

### **Profile of the Government**

Syracuse City was incorporated on September 3, 1935 and is located in the northern part of the state along the Wasatch Front. Syracuse became linked to Antelope Island State Park in 1969, with construction of a causeway. The City is the gateway to Antelope Island bringing 282,145 visitors in 2011, through the heart of the city. Syracuse City Corporation currently occupies a land area of 9.5 square miles and serves a population of approximately 24,756. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

Syracuse City Corporation is governed by a six member council form of government. Policy-making and legislative authority are vested in a governing council consisting of a mayor and five other members, known as the City Council. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City’s manager. The City Manager is responsible for carrying out the policies and ordinances of the governing council and for overseeing the day-to-day operations of the City. The Mayor and City Council are elected on a non-partisan, at-large basis and serve four-year staggered terms.

Syracuse City Corporation provides a full range of services, including police and fire protection; culinary water, secondary water, sewer and sanitation; construction and maintenance of highways, streets, and other infrastructure; and recreational activities. The governing council of the City also serves as the Board of Directors for the Syracuse City Redevelopment Agency (RDA) and the Municipal Building Authority of Syracuse (MBA). The RDA and MBA are separate legal entities, but due to the oversight responsibilities of the City’s governing council in the decision making process, they are reported within the financial statements of Syracuse City Corporation. Additional information on the RDA and MBA can be found in Note 1 in the notes to the financial statements.

The annual budget serves as the foundation for Syracuse City Corporation's financial planning and control. All departments of the City are required to submit requests for appropriations to the Budget Officer in March of each year. The Budget Officer and City Manager use these requests as the starting point for developing a tentative budget. The Budget Officer then presents the tentative budget to the governing council at their first meeting in May. The council is required to hold public hearings on the tentative budget and to adopt a final budget no later than June 22<sup>nd</sup>. The appropriated budget is prepared by fund, and department (e.g., police). Department Directors may make transfers of appropriations within a department. Transfers of appropriations between departments require approval of the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the major governmental funds, this comparison is presented on pages 42-45 as part of the basic financial statements for the governmental funds. For governmental funds with appropriated annual budgets, other than the major governmental funds, this comparison is presented in the governmental fund subsection of this report, which starts on page 75.

### **Economic Conditions**

The City has experienced a slow economy with stagnant growth in revenues over the past three years. Revenues associated with construction, namely building permits and development impact fees, continue to remain below the levels of three to four years ago. The City anticipates that the housing market will still take several years to return to peak levels.

The City's tax revenues have shown signs of recovery in fiscal year 2012 with sales tax revenue and franchise tax revenue up 10.5% and 3.1% respectively over prior year. Property tax rates and levies by the City have remained relatively constant even though property values have declined. The property tax formula, provided in state law, is revenue based and the tax rate adjusts to provide the same revenue from year to year regardless of valuation- changes.

### **Long-Term Financial Planning**

Financial policy dictates that 5% to 18% of general fund revenue be kept in the unassigned fund balance of the general fund. Each year's budget plan targets an amount within that range and may be higher or lower depending on operational and capital needs of that year. The unassigned fund balance for fiscal year ended June 30, 2012, was 15.7% of revenue.

The City uses a five year capital improvement plan to focus on upcoming projects that will require funding. Modification of the plan and reprioritization of projects takes place annually. The Council and management attempt to finance all City operations on a pay as you go basis. Issuing debt is avoided if at all possible.

The City has invested long-term in infrastructure by issuing bonds in 2006 to construct a new city hall, fire station, and making significant modifications to its public works building and police station. These buildings and improvements will benefit the city for the next 30 to 40 years. The city plans to pay down its bonds over the next 15-20 years.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Syracuse City for its comprehensive annual financial report for the fiscal year ended June 30, 2011. This was the second consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the Finance Department. I would like to express my appreciation to all members of the City who assisted and contributed to the preparation of this report, and to our auditors, Wood Richards and Associates, P.C., for their cooperation and hard work. Credit must also be given to the Mayor, City Council, and City Manager for their support for maintaining the highest standards of professionalism in the management of Syracuse City Corporation's finances.

Respectfully submitted,

Stephen Marshall, CPA  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Syracuse City Corporation  
Utah

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Danson*

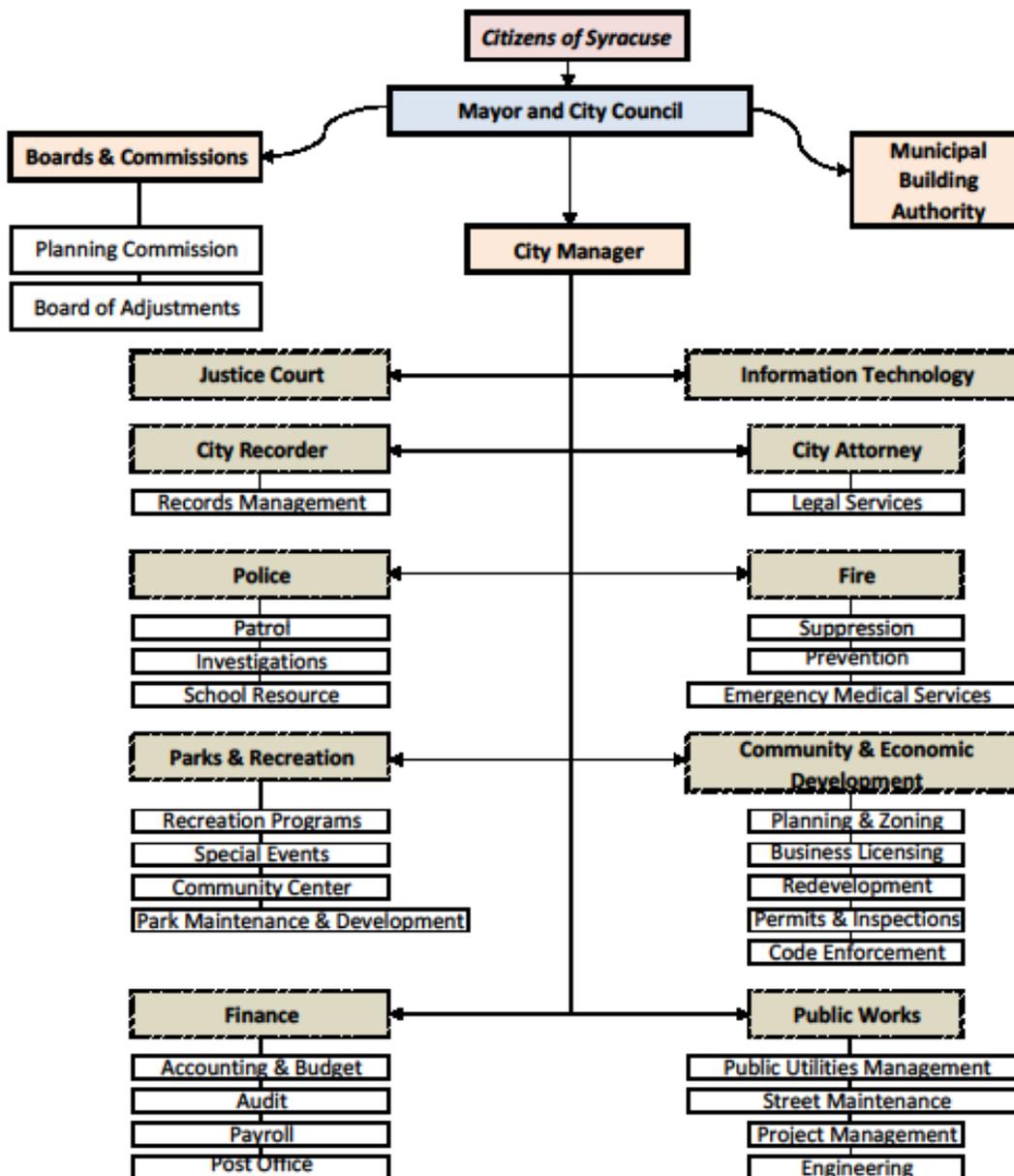
President

*Jeffrey R. Emer*

Executive Director

# SYRACUSE CITY CORPORATION

## Organizational Chart



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# **SYRACUSE CITY CORPORATION**

## **FINANCIAL SECTION**

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
Syracuse City

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Syracuse City, Utah, as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Syracuse City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Syracuse City, as of June 30, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2012, on our consideration of Syracuse City's internal control over financial reporting on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United State of America require that the management's discussion and analysis on pages 16 through 28 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Syracuse City's financial statements as a whole. The introductory section, the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual on page 76 and the Schedules of Revenues, Expenses and Changes in Net Assets – Budget to Actual on pages 77-82, and the statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual and the Schedules of Revenues, Expenditures and Changes in Net Assets – Budget to Actual listed as supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Wood Richards & Associates, PC*

Ogden, UT

October 30, 2012

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of Syracuse City's financial performance and activities for the year ended June 30, 2012. When read in conjunction with the notes to the financial statements, this section's financial highlights, overview and analysis will assist the reader to gain a more complete knowledge of the City's financial performance.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, we encourage readers to consider the information presented in conjunction with the letter of transmittal and the City's financial statements.

### Financial Highlights

- The assets of Syracuse City exceeded liabilities at June 30, 2012 by \$93,605,685 (net assets). Of this amount, \$6,817,225 (unrestricted net assets) may be used to meet the government's ongoing obligations.
- Syracuse City's total net assets increased by \$1,386,722 during the fiscal year. Net assets of governmental activities increased \$947,398 or 2.2%. Net assets of business-type activities increased \$439,324 or 0.8%. The majority of the increase in net assets during the year came from infrastructure assets contributed by developers of new subdivisions (i.e. streets, water lines, sewer lines, and storm drains).
- Syracuse City's governmental funds reported combined ending fund balances of \$4,032,661 at June 30, 2012. Approximately 40% or \$1,618,552 of the ending fund balance is considered unrestricted (committed, assigned, or unassigned) and is available for spending either at the City's discretion or upon council approval.
- At June 30, 2012, unassigned fund balance for the general fund was \$1,324,007 or 17.1% of the total general fund expenditures.
- Syracuse City's total debt increased by \$533,970. This included \$1,197,987 from issuing new capital leases for the purchase of our street lighting system, new police vehicles, and new 10 wheeler plow truck. Total principal reduction payments were made on outstanding bonds totaling \$823,000.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Syracuse City's basic financial statements which are comprised of: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information in addition to the basic financial statements.

The financial statements also include information about Syracuse City Redevelopment Agency and the Municipal Building Authority of Syracuse City, blended *component units* of Syracuse City. Both entities are separate legal creations of Syracuse City but are reported here instead of having separate reports. A detailed explanation of the reporting entity is part of the notes to the financial statements.

## Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of Syracuse City's finances in a manner similar to a private-sector business. The governmental and business-type activities are consolidated into columns which add to a total for the primary government.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, the reader will need to consider other non-financial factors. This statement combines and consolidates governmental fund's current financial resources with capital assets and long-term obligations.

The *statement of activities* presents information showing how the City's net assets changed during the fiscal year reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both of the government-wide financial statements distinguish functions of Syracuse City Corporation that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Syracuse City Corporation include general government, public safety, highways and streets, community and economic development, redevelopment, culture and recreation and park development. The business-type activities of Syracuse City Corporation include the Secondary Water Fund, Culinary Water Fund, Sewer Utility Fund, Storm Sewer Utility Fund, and Garbage Utility Fund.

## Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Syracuse City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into two types: governmental funds and proprietary funds.

*Governmental funds.* These funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

*Proprietary funds.* Syracuse City Corporation maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Secondary Water Utility, Culinary Water Utility, Sewer Utility, Storm Sewer Utility, and Garbage Utility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. Syracuse City Corporation uses an internal service fund to account for its information technology activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

## **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## **Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Syracuse City Corporation's assets exceeded liabilities by \$93,605,685 at the close of the most recent year, June 30, 2012.

The largest portion of the City's net assets, 89.7%, reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources need to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets, \$2,812,662, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$6,817,225, may be used to meet the City's ongoing obligations to citizens and creditors.

The following table reflects the condensed statement of net assets:

| <b>Syracuse City Corporation's Net Assets</b>  |                            |                 |                             |                 |                 |                 |
|------------------------------------------------|----------------------------|-----------------|-----------------------------|-----------------|-----------------|-----------------|
| <b>(Stated in Thousands of Dollars)</b>        |                            |                 |                             |                 |                 |                 |
| <b>As of June 30</b>                           |                            |                 |                             |                 |                 |                 |
|                                                | Governmental<br>Activities |                 | Business-type<br>Activities |                 | Total           |                 |
|                                                | 2012                       | 2011            | 2012                        | 2011            | 2012            | 2011            |
| Current and other assets                       | \$6,960                    | \$4,572         | \$6,559                     | \$5,559         | \$13,519        | \$10,131        |
| Capital assets                                 | 56,141                     | 56,757          | 43,524                      | 44,046          | 99,665          | 100,803         |
| Total assets                                   | <u>63,101</u>              | <u>61,329</u>   | <u>50,083</u>               | <u>49,605</u>   | <u>113,184</u>  | <u>110,934</u>  |
| Long-term debt outstanding                     | 16,388                     | 15,741          | 113                         | 226             | 16,501          | 15,967          |
| Other liabilities                              | 2,565                      | 2,388           | 512                         | 360             | 3,077           | 2,748           |
| Total liabilities                              | <u>18,953</u>              | <u>18,129</u>   | <u>625</u>                  | <u>586</u>      | <u>19,578</u>   | <u>18,715</u>   |
| Net assets:                                    |                            |                 |                             |                 |                 |                 |
| Invested in capital assets net of related debt | 40,565                     | 41,578          | 43,411                      | 43,820          | 83,976          | 85,398          |
| Restricted                                     | 1,771                      | 811             | 1,042                       | 970             | 2,813           | 1,781           |
| Unrestricted                                   | 1,812                      | 811             | 5,005                       | 4,229           | 6,817           | 5,040           |
| Total net assets                               | <u>\$44,148</u>            | <u>\$43,200</u> | <u>\$49,458</u>             | <u>\$49,019</u> | <u>\$93,606</u> | <u>\$92,219</u> |

At the end of the current fiscal year, Syracuse City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Syracuse City effectively closed its Motor Pool Fund and Special Improvement District Fund during FY2011. The City created a new Information Technology Fund during FY2012 that services both governmental and propriety funds. The funds purpose is to provide informational technology services across the City. Because the services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

The following table summarizes Syracuse City's total revenues, expenses, and changes in net assets for fiscal year 2012:

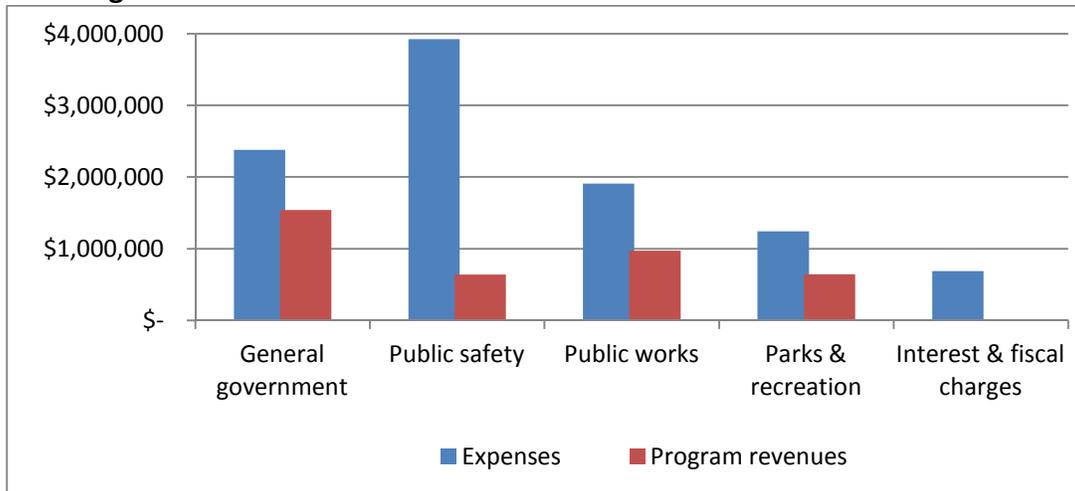
| <b>Syracuse City Corporation's Changes in Net Assets</b> |                            |                 |                             |                 |                 |                 |
|----------------------------------------------------------|----------------------------|-----------------|-----------------------------|-----------------|-----------------|-----------------|
| <b>(Stated in Thousands of Dollars)</b>                  |                            |                 |                             |                 |                 |                 |
| <b>As of June 30</b>                                     |                            |                 |                             |                 |                 |                 |
|                                                          | Governmental<br>Activities |                 | Business-type<br>Activities |                 | Total           |                 |
|                                                          | 2012                       | 2011            | 2012                        | 2011            | 2012            | 2011            |
| <b>Revenues:</b>                                         |                            |                 |                             |                 |                 |                 |
| <b>General Revenues:</b>                                 |                            |                 |                             |                 |                 |                 |
| Taxes                                                    | \$ 6,349                   | \$ 5,960        | \$ -                        | \$ -            | \$ 6,349        | \$ 5,960        |
| Impact fees                                              | -                          | 227             | -                           | 253             | -               | 480             |
| Other                                                    | 221                        | 100             | 18                          | 21              | 239             | 121             |
| Interest                                                 | 33                         | 11              | 36                          | 21              | 69              | 32              |
| <b>Program Revenues:</b>                                 |                            |                 |                             |                 |                 |                 |
| Charges for services                                     | 2,906                      | 3,110           | 5,877                       | 5,300           | 8,783           | 8,410           |
| Operating Grants and<br>Contributions                    | 890                        | -               | -                           | -               | 890             | -               |
| Capital Grants and<br>Contributions                      | 499                        | 2,946           | 233                         | 2,547           | 732             | 5,493           |
| <b>Total revenues</b>                                    | <u>10,898</u>              | <u>12,354</u>   | <u>6,164</u>                | <u>8,142</u>    | <u>17,062</u>   | <u>20,496</u>   |
| <b>Expenses:</b>                                         |                            |                 |                             |                 |                 |                 |
| General government                                       | 2,378                      | 2,094           | -                           | -               | 2,378           | 2,094           |
| Public safety                                            | 3,923                      | 3,844           | -                           | -               | 3,923           | 3,844           |
| Public works                                             | 1,907                      | 2,115           | -                           | -               | 1,907           | 2,115           |
| Parks and recreation                                     | 1,242                      | 1,299           | -                           | -               | 1,242           | 1,299           |
| Interest on long-term<br>Debt                            | 687                        | 684             | -                           | -               | 687             | 684             |
| Utilities                                                | -                          | -               | 5,538                       | 5,255           | 5,538           | 5,255           |
| <b>Total expenses</b>                                    | <u>10,137</u>              | <u>10,036</u>   | <u>5,538</u>                | <u>5,255</u>    | <u>15,675</u>   | <u>15,291</u>   |
| Changes in net assets<br>before transfers                | 761                        | 2,318           | 626                         | 2,887           | 1,387           | 5,205           |
| Transfers                                                | 187                        | 186             | ( 187)                      | ( 187)          | -               | -               |
| <b>Change in net assets</b>                              | <u>948</u>                 | <u>2,504</u>    | <u>439</u>                  | <u>2,701</u>    | <u>1,387</u>    | <u>5,205</u>    |
| Net assets - beginning                                   | 43,200                     | 40,696          | 49,019                      | 46,318          | 92,219          | 87,014          |
| <b>Net assets – ending</b>                               | <u>\$44,148</u>            | <u>\$43,200</u> | <u>\$49,458</u>             | <u>\$49,019</u> | <u>\$93,606</u> | <u>\$92,219</u> |

**Governmental activities.** Governmental activities increased Syracuse City’s net assets by \$947,398 in the current fiscal year. Key elements of the increase were as follows:

- Capital contributions from developers during fiscal year 2012 including streets, sidewalks, and curb and gutter totaled \$421,969.
- Sales tax revenue increased 10.5% or \$268,508 over the previous fiscal year while franchise taxes increased 3.1% or \$38,594.
- Overall, property taxes increased by \$82,483 in the governmental funds over prior year. Property taxes in the general fund increased by \$44,554, while the increment received by the RDA increased \$24,303. The remaining change was from fee-in-lieu received from motor vehicle registrations and delinquent property taxes.
- Class C Road funds increased 6.3%, \$42,935, over prior year.
- Impact fees related to new development increased by 49.0%, \$111,137 over prior year.
- Operating expenses in total did not fluctuate significantly. Total increase from the prior year was \$101,747 mainly due to increased cost of benefits related to health insurance and retirement.

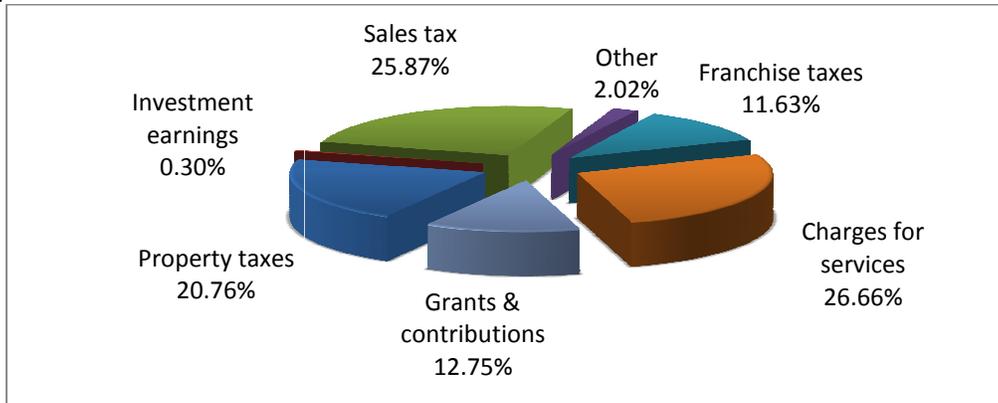
The following graphs display a different perspective on governmental activities expenses compared to program revenues attributed to the activity:

**Expenses and Program Revenues – Governmental Activities**



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## Revenues by Source – Governmental Activities



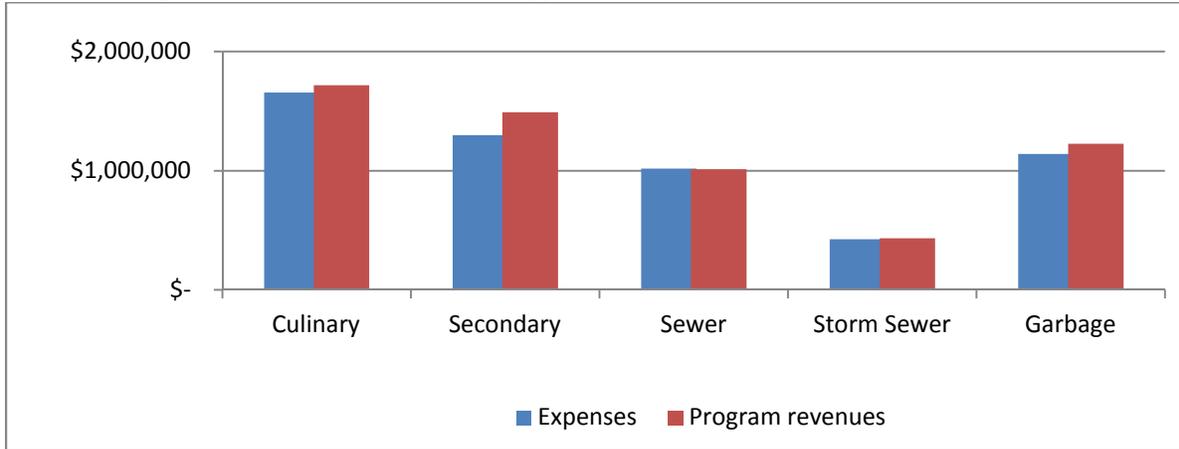
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**Business-type activities.** Business-type activities increased Syracuse City’s net assets by \$439,324 in the current fiscal year. At the end of the current fiscal year, all of the City’s business-type funds reported positive net assets. Key elements of the increase to net assets of business-type activities include:

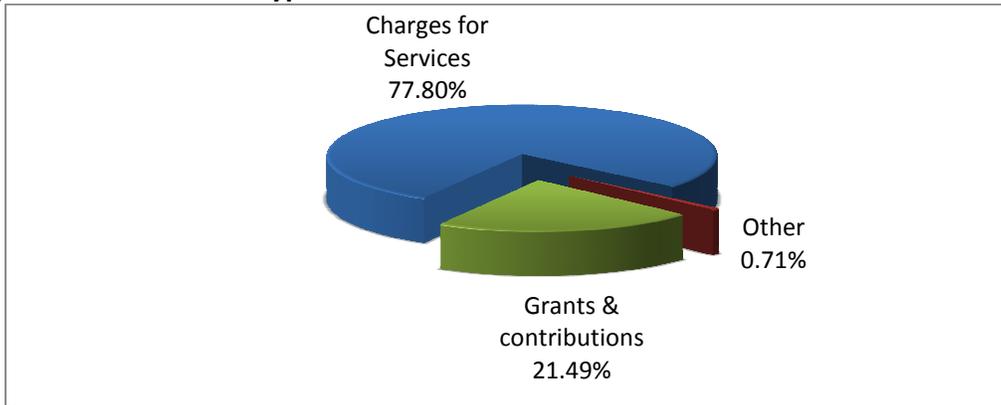
- User fee revenue from culinary water, secondary water, sewer, storm sewer and garbage services had an increase of \$162,342.
- Capital contributions from developers during fiscal year 2012 including culinary water, secondary water, sewer and storm sewer lines totaled \$161,388.
- Impact fees related to new development increased by 54.5%, \$137,617.
- Revenue from late utility bills, new connection fees, and ownership transfer fees increased by \$42,114.
- Overall expenses increased by \$282,598 mainly due to an increase in depreciation expense of \$104,335 and an increase in salaries & benefits of \$87,051.

The following graphs display a different perspective on business-type activities reflected in the City's statement of activities:

**Expenses and Program Revenues – Business-type Activities**



**Revenues by Source – Business-type Activities**



**Financial Analysis of the Government's Funds**

As noted earlier, Syracuse City Corporation uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2012, the City's governmental funds reported combined ending fund balances of \$4,032,661, an increase of \$1,933,532 from the prior year. There are five components of funds balance; nonspendable, restricted, committed, assigned, and unassigned. The nonspendable fund balance of \$643,420 includes items that are prepaid expenses and inventory. The restricted fund balance totaling \$1,770,689 is funds that must be spent for specific purposes and are externally restricted. The committed fund balance totaling \$101,157 is for funds that are not restricted but require council approval before monies can be spent. The assigned fund balance of \$193,388 is unrestricted in nature but has been assigned internally by management for a specific or intended use. Finally, unassigned fund balance of \$1,324,007 is available for spending at the City's discretion and has not been assigned for a specific purpose.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,324,007, while the total fund balance was \$3,140,592. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures. Unreserved fund balance represents 17.1% of total general fund expenditures, while total fund balance represents 40.5% of that same amount.

During the fiscal year, the fund balance of Syracuse City Corporation's general fund (budget basis) increased by \$1,669,256. Key factors in the change are as follows:

- Capital Lease proceeds received for street light conversion not used in operations as of June 30, 2012 totaling \$513,036.
- Revenue from sales tax was up 10.5% or \$268,508 over prior year.
- Revenue from fire department wild land fires up \$116,640 over prior year
- Revenue from building permits was up 51.0% or \$90,658 over prior year.
- Revenue from current year property taxes was up 2.8% or \$44,554 over prior year.
- City-wide departments worked to keep expenditures down. The majority of departments did not expend all of their budgeted funds. General government was under budget by \$118,378; public safety under budget by \$105,671; public works under by \$362,070; and parks and recreation under budget by \$105,968.

The fund balance of the redevelopment fund increased by \$262,376 or 61.3%. This increase was due to an increase in the tax increment during fiscal year 2012. The City is building up a reserve balance to use in future years when the money will be needed for infrastructure improvements within the redevelopment areas.

The fund balance of the capital improvements fund increased by \$3,405 or 1.8% while the municipal building authority fund balance decreased by \$1,505.

**Proprietary funds.** Syracuse City Corporation's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the culinary water fund at the end of the fiscal year 2012 were \$2,179,165, for the sewer utility fund unrestricted net assets were \$885,866, for the garbage utility fund unrestricted net assets were \$314,960, for the secondary water utility fund unrestricted net assets were \$1,221,890, and for the storm water utility fund unrestricted net assets were \$389,675. Change in net assets for the five utility funds were as follows: Culinary water utility fund increased \$195,378, sewer utility fund increased \$37,183, garbage utility fund increased \$85,491, secondary water utility fund increase \$44,386, and storm water utility fund increased \$63,364.

Operating revenues for the culinary water utility fund increased 5.2% or \$79,975 from the prior year. Expenses increased 9.7% or \$146,693. This increase was mainly attributed to an increase in salaries and wages expense as well as an increase in the administrative fee charged to the fund. Infrastructure contributions from developers increased net assets by \$42,420.

Operating revenues and expenses for the sewer utility fund remained fairly consistent with prior year. Infrastructure contributions from developers increased net assets by \$39,050.

Operating revenues for the garbage utility fund increased by 4.7% or 55,103. This increase was due to increase use of the City's green waste recycling program. Expenses remained fairly consistent with the prior year.

Operating revenues for the secondary water utility fund remained consistent with the prior year. Expenses increased 12.0% or \$139,083. This increase was mainly attributed to an increase in salaries and wages expense as well as an increase in the administrative fee charged to the fund. Infrastructure contributions from developers increased net assets by \$30,863.

Operating revenues and expenses for the storm water utility fund remained consistent with the prior year. Infrastructure contributions from developers increased net assets by \$49,055.

### **General Fund Budgetary Highlights**

During the fiscal year, the general fund's original budget for expenditures and other financing uses was amended from an original total of \$7,519,849 to a final budget of \$8,952,292, an increase of \$1,432,443. Some of the more significant changes to individual revenue and expenditure items are as follows:

- \$665,268 increase in the street lights fund for the street light purchase and conversion project.
- \$498,580 increase in Class "C" road projects.
- \$135,425 increase in fire department budget primarily for the purchase of a fire investigation trailer.
- \$85,500 increase in community & economic development budget for grant expenditures related to planning & design of city.

**Budget to actual.** At the conclusion of the fiscal year, there were some differences between final budgeted revenues and expenditures and actual results. Most revenue classifications exceeded budget. The most noteworthy were sales and use taxes, building permits, and wild land fires exceeded expectations by \$119,651, \$68,749, and \$68,492, respectively. One major revenue classification, federal grants, fell short of budget expectations by \$110,577. This was due to not executing the full amount of federal fund expenditures in the fiscal year and corresponding reimbursement. In total, general fund revenue exceeded the budget expectations by \$451,239 or 5.6%.

**Capital Assets and Debt Administration**

**Capital assets.** Syracuse City Corporation’s investment in capital assets for its governmental and business-type activities as of June 30, 2012, amounts to \$83,975,798 (net of related debt). The investment in capital assets includes land, buildings, improvements other than buildings, infrastructure, machinery and equipment, vehicles, and construction in progress. The total decrease in the City’s investment in capital assets for the current fiscal year was \$1,421,594 or 1.7%.

Major capital asset events during the current fiscal year include the following:

- Infrastructure from developers through acceptance of new subdivision, \$583,358. Includes curb, gutter, sidewalks, roads, culinary water lines, secondary water lines, sewer lines, storm drains, and land drains.
- Purchase 10 new hybrid police vehicles, \$394,719.
- Completed culinary water line upgrade on 1700 South, \$319,003.
- Purchase new fire tender water truck, \$255,261.
- Purchase new international 10 wheeler snow plow, \$180,755.
- Completed reconstruction of 1275 South roadway from 2000 West to 2200 West, \$173,433.
- Purchase street lights from Rocky Mountain Power, \$167,404.
- Construction of new fuel storage tank for state fuel site, \$54,204.
- Construction of new safety sidewalk along 1700 South, \$49,753.

| <b>Syracuse City Corporation’s Capital Assets<br/>(Stated in Thousands of Dollars and Net of Depreciation)</b> |                         |                 |                          |                 |                 |                  |
|----------------------------------------------------------------------------------------------------------------|-------------------------|-----------------|--------------------------|-----------------|-----------------|------------------|
|                                                                                                                | Governmental Activities |                 | Business-type Activities |                 | Total           |                  |
|                                                                                                                | 2012                    | 2011            | 2012                     | 2011            | 2012            | 2011             |
| Land, water stock & CIP                                                                                        | \$ 9,245                | \$ 9,053        | \$ 8,900                 | \$ 8,621        | \$ 18,145       | \$ 17,674        |
| Infrastructure                                                                                                 | 43,580                  | 42,935          | 49,675                   | 49,161          | 93,255          | 92,096           |
| Buildings and equipment                                                                                        | 25,934                  | 25,396          | 1,940                    | 1,942           | 27,874          | 27,338           |
| Accumulated depreciation                                                                                       | <u>(22,619)</u>         | <u>(20,627)</u> | <u>(16,991)</u>          | <u>(15,678)</u> | <u>(39,610)</u> | <u>(36,305)</u>  |
| Total capital assets                                                                                           | <u>\$56,142</u>         | <u>\$56,757</u> | <u>\$43,524</u>          | <u>\$44,046</u> | <u>\$99,664</u> | <u>\$100,803</u> |

Additional information on Syracuse City Corporation’s capital assets can be found in note 4 on pages 63-64 of this report.

**Long-term debt.** In 1992, the City issued \$2,200,000 in Water Revenue Notes with the State of Utah to finance the construction of a storage reservoir and upgrade the main transmission lines throughout the City. These are zero interest bearing notes and mature in January 2013 with principal payments due annually. The balance due on the notes at June 30, 2012 is \$113,000.

In April 2005, the City issued \$2,100,000 in sales tax revenue bonds to fund the acquisition of water shares, the construction of a water reservoir, and improvements to the parks and secondary water system. Principal payments are due annually in April through 2020. Interest is due semi-annually in April and October. The balance due on the bonds at June 30, 2012 is \$1,260,000.

At the end of the current fiscal year, the City’s blended component unit, the Municipal Building Authority of Syracuse City (MBA), had total bonded debt outstanding of \$13,602,000. The bonds were issued for the purpose of financing the construction of a new city hall, a public works addition, remodel of the police station and construction of a new city fire station. The bonds mature in 2028 with principal payments due annually in March. Interest is due semi-annually in March and September.

In March 2012, the City refinanced its 2008 MBA bonds to take advantage of lower interest rates. The refinance will provide the City with a net savings of \$235,558 in debt obligations over the remaining debt service obligation.

| <b>Syracuse City Corporation’s Long-term Debt</b> |                      |                      |
|---------------------------------------------------|----------------------|----------------------|
| <b>As of June 30</b>                              |                      |                      |
|                                                   | 2012                 | 2011                 |
| <b>Governmental Activities:</b>                   |                      |                      |
| 2005 Park Development Bonds                       | \$ 1,260,000         | \$ 1,390,000         |
| 2006 MBA Lease Revenue Bonds                      | 8,030,000            | 8,380,000            |
| 2008 MBA Lease Revenue Bonds                      | -                    | 5,521,000            |
| 2012 MBA Lease Revenue Bonds                      | 5,572,000            | -                    |
| <b>Business-type Activities:</b>                  |                      |                      |
| 1992 Water Revenue Note A                         | 55,000               | 110,000              |
| 1992 Water Revenue Note B                         | 58,000               | 116,000              |
| <b>Total</b>                                      | <b>\$ 14,975,000</b> | <b>\$ 15,517,000</b> |

State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total taxable value. The current limitations for the City are \$38,625,640. Syracuse City Corporation currently does not have any outstanding general obligation debt. In addition, state statutes allow for an additional 4% to be used for water, sewer and electrical projects thus resulting in a debt limit of 8% of total taxable value. The City’s water and sewer utility is allowed an additional \$38,625,640 in debt obligation.

Additional information on Syracuse City Corporation’s long-term debt activity can be found in note 8 on pages 67-70 of this report.

## **Economic Factors and Next Year's Budgets**

Sales tax revenues for the fiscal year ended June 30, 2012 was 10.5% or \$268,508 higher than the previous year. It is expected that sales tax revenue will continue to grow as the economy continues to recover from the recession.

Construction of new homes has been above expectations and revenues associated with residential construction have been higher than budgeted for fiscal year 2012. The city anticipates that new construction will continue to pick up and that building permits revenue in fiscal year 2013 will exceed the amounts in FY2012.

The seasonally adjusted unemployment rate for Davis County as reported by the Utah Department of Workforce Services for June 2012 was 5.6%. This is 0.6% lower than the 6.2% for June 2011. The rate reported for the State of Utah for June 2012 was 6.0%. These compare favorably to the national seasonally adjusted rate reported by the U.S. Department of Labor, Bureau of Labor and Statistics for June 2012 of 8.2%. County and state unemployment rates have been decreasing slightly over the past year. The City anticipates that unemployment rates will continue to trend downward in the next few years.

These factors along with other economic factors were considered in preparing the 2012-2013 fiscal year budget.

## **Request for Information**

This financial report is designed to provide a general overview of Syracuse City Corporation's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 1979 West 1900 South, Syracuse, Utah 84075. The report is also posted on the City's website at [www.syracuseut.com](http://www.syracuseut.com)

# **SYRACUSE CITY CORPORATION**

## **BASIC FINANCIAL STATEMENTS**

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**SYRACUSE CITY**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2012**

|                                                 | Governmental<br>Activities | Business-type<br>Activities | Total                |
|-------------------------------------------------|----------------------------|-----------------------------|----------------------|
| <b>ASSETS</b>                                   |                            |                             |                      |
| Cash and Cash Equivalents                       | \$ 737,302                 | \$ 4,960,206                | \$ 5,697,508         |
| Accounts Receivable                             | 92,246                     | 561,688                     | 653,934              |
| Taxes Receivable                                | 2,442,554                  | -                           | 2,442,554            |
| Prepaid Expenses                                | 621,982                    | -                           | 621,982              |
| Deposits & Inventories                          | 21,438                     | -                           | 21,438               |
| Unamortized Costs of Issuance                   | 509,636                    | -                           | 509,636              |
| Restricted Cash                                 | 2,534,755                  | 1,037,444                   | 3,572,199            |
| Capital Assets:                                 |                            |                             |                      |
| Land and Related Non-Depreciable Assets         | 9,244,641                  | 8,900,237                   | 18,144,878           |
| Depreciable Infrastructure                      | 43,580,615                 | 49,673,642                  | 93,254,257           |
| Buildings, Equipmt, & Other Depreciable Assets  | 25,934,513                 | 1,940,588                   | 27,875,101           |
| Less Accumulated Depreciation                   | (22,619,324)               | (16,990,559)                | (39,609,883)         |
| Total Capital Assets                            | 56,140,445                 | 43,523,908                  | 99,664,353           |
| <b>TOTAL ASSETS</b>                             | <b>63,100,358</b>          | <b>50,083,246</b>           | <b>113,183,604</b>   |
| <b>LIABILITIES</b>                              |                            |                             |                      |
| Accounts Payable and Accrued Liabilities        | 824,890                    | 512,269                     | 1,337,159            |
| Unearned Revenue                                | 1,583,699                  | -                           | 1,583,699            |
| Interest Payable                                | 156,282                    | -                           | 156,282              |
| Long-term Debt:                                 |                            |                             |                      |
| Due Within One Year                             | 1,046,354                  | 113,000                     | 1,159,354            |
| Due in More Than One Year                       | 15,341,425                 | -                           | 15,341,425           |
| <b>TOTAL LIABILITIES</b>                        | <b>18,952,650</b>          | <b>625,269</b>              | <b>19,577,919</b>    |
| <b>NET ASSETS</b>                               |                            |                             |                      |
| Invested in Capital Assets, Net of Related Debt | 40,564,890                 | 43,410,908                  | 83,975,798           |
| Restricted for:                                 |                            |                             |                      |
| Class "C" Road Activities                       | 495,038                    | -                           | 495,038              |
| Impact Fees                                     | 585,143                    | 974,450                     | 1,559,593            |
| Redevelopment Agency Activities                 | 690,508                    | -                           | 690,508              |
| Debt Service                                    | -                          | 67,523                      | 67,523               |
| Unrestricted                                    | 1,812,129                  | 5,005,096                   | 6,817,225            |
| <b>TOTAL NET ASSETS</b>                         | <b>\$ 44,147,708</b>       | <b>\$ 49,457,977</b>        | <b>\$ 93,605,685</b> |

The Notes to the Financial Statements are an integral part of this statement.

**SYRACUSE CITY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

| Activities                                      | Expenses             | Program Revenues     |                                    |                                  |
|-------------------------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
|                                                 |                      | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| <b>Primary Government:</b>                      |                      |                      |                                    |                                  |
| <b>Governmental:</b>                            |                      |                      |                                    |                                  |
| General Government                              | \$ 2,378,027         | \$ 1,540,209         | \$ -                               | \$ -                             |
| Public Safety                                   | 3,923,458            | 475,655              | 161,940                            | -                                |
| Public Works                                    | 1,907,183            | 244,743              | 728,177                            | 421,969                          |
| Parks and Recreation                            | 1,241,485            | 645,260              | -                                  | 77,431                           |
| Interest and Other Charges<br>on Long-term Debt | 687,182              | -                    | -                                  | -                                |
| <b>Total Governmental Activities</b>            | <b>10,137,335</b>    | <b>2,905,867</b>     | <b>890,117</b>                     | <b>499,400</b>                   |
| <b>Business-type:</b>                           |                      |                      |                                    |                                  |
| Culinary Water                                  | 1,656,304            | 1,716,881            | -                                  | 114,253                          |
| Sewer                                           | 1,018,178            | 1,011,523            | -                                  | 39,050                           |
| Garbage                                         | 1,140,839            | 1,224,862            | -                                  | -                                |
| Secondary Water                                 | 1,297,447            | 1,489,770            | -                                  | 30,863                           |
| Storm Drain                                     | 424,943              | 433,878              | -                                  | 49,055                           |
| <b>Total Business-type Activities</b>           | <b>5,537,711</b>     | <b>5,876,914</b>     | <b>-</b>                           | <b>233,221</b>                   |
| <b>Total Primary Government</b>                 | <b>\$ 15,675,046</b> | <b>\$ 8,782,781</b>  | <b>\$ 890,117</b>                  | <b>\$ 732,621</b>                |

**General Revenues:**  
Property Tax  
Sales Tax  
Franchise Tax  
Miscellaneous  
Gain (Loss) on Disposal of Assets  
Interest Earned  
Transfer in (out)  
**Total General Revenues and Transfers**

**Change in Net Assets**

**Net Assets-Beginning**

**Net Assets-Ending**

The Notes to the Financial Statements are an integral part of this statement.

| <b>Net (Expense) Revenue and Changes in Net Assets</b> |                                 |                      |
|--------------------------------------------------------|---------------------------------|----------------------|
| <b>Primary Government</b>                              |                                 |                      |
| <b>Governmental Activities</b>                         | <b>Business-type Activities</b> | <b>Total</b>         |
| \$ (837,818)                                           | \$ -                            | \$ (837,818)         |
| (3,285,863)                                            | -                               | (3,285,863)          |
| (512,294)                                              | -                               | (512,294)            |
| (518,794)                                              | -                               | (518,794)            |
| (687,182)                                              | -                               | (687,182)            |
| <b>(5,841,951)</b>                                     | <b>-</b>                        | <b>(5,841,951)</b>   |
| -                                                      | 174,830                         | 174,830              |
| -                                                      | 32,395                          | 32,395               |
| -                                                      | 84,023                          | 84,023               |
| -                                                      | 223,186                         | 223,186              |
| -                                                      | 57,990                          | 57,990               |
| -                                                      | 572,424                         | 572,424              |
| <b>(5,841,951)</b>                                     | <b>572,424</b>                  | <b>(5,269,527)</b>   |
| 2,261,991                                              | -                               | 2,261,991            |
| 2,819,651                                              | -                               | 2,819,651            |
| 1,267,451                                              | -                               | 1,267,451            |
| 84,647                                                 | 13,540                          | 98,187               |
| 136,010                                                | 4,732                           | 140,742              |
| 32,806                                                 | 35,421                          | 68,227               |
| 186,793                                                | (186,793)                       | -                    |
| <b>6,789,349</b>                                       | <b>(133,100)</b>                | <b>6,656,249</b>     |
| 947,398                                                | 439,324                         | 1,386,722            |
| <b>43,200,310</b>                                      | <b>49,018,653</b>               | <b>92,218,963</b>    |
| <b>\$ 44,147,708</b>                                   | <b>\$ 49,457,977</b>            | <b>\$ 93,605,685</b> |

**SYRACUSE CITY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

|                                            | General<br>Fund     | Redevelopment<br>Fund | Municipal<br>Building<br>Authority Fund |
|--------------------------------------------|---------------------|-----------------------|-----------------------------------------|
| <b>ASSETS</b>                              |                     |                       |                                         |
| Cash and Cash Equivalents                  | \$ 642,930          | \$ -                  | \$ -                                    |
| Restricted Cash                            | 1,836,074           | 690,508               | 8,173                                   |
| Accounts Receivable                        | 33,125              | -                     | -                                       |
| Taxes Receivable                           | 2,381,594           | -                     | -                                       |
| Prepaid Expenses                           | 621,982             | -                     | -                                       |
| Deposits & Inventories                     | 21,438              | -                     | -                                       |
| <b>TOTAL ASSETS</b>                        | <b>\$ 5,537,143</b> | <b>\$ 690,508</b>     | <b>\$ 8,173</b>                         |
| <b>LIABILITIES</b>                         |                     |                       |                                         |
| Accounts Payable and Accrued Liabilities   | \$ 814,577          | \$ -                  | \$ -                                    |
| Deferred Income                            | 1,581,974           | -                     | -                                       |
| <b>TOTAL LIABILITIES</b>                   | <b>2,396,551</b>    | <b>-</b>              | <b>-</b>                                |
| <b>FUND BALANCES</b>                       |                     |                       |                                         |
| <b>Nonspendable:</b>                       |                     |                       |                                         |
| Prepays, Deposits, and Inventory           | 643,420             | -                     | -                                       |
| <b>Restricted for:</b>                     |                     |                       |                                         |
| Class "C" Roads                            | 495,038             | -                     | -                                       |
| Impact Fees                                | 585,143             | -                     | -                                       |
| Redevelopment Agency                       | -                   | 690,508               | -                                       |
| <b>Committed:</b>                          |                     |                       |                                         |
| Municipal Building Authority               | -                   | -                     | 8,173                                   |
| Park Maintenance                           | 65,307              | -                     | -                                       |
| Street Lighting                            | 27,677              | -                     | -                                       |
| <b>Assigned:</b>                           |                     |                       |                                         |
| Capital Improvements                       | -                   | -                     | -                                       |
| Unassigned                                 | 1,324,007           | -                     | -                                       |
| <b>TOTAL FUND BALANCES</b>                 | <b>3,140,592</b>    | <b>690,508</b>        | <b>8,173</b>                            |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 5,537,143</b> | <b>\$ 690,508</b>     | <b>\$ 8,173</b>                         |

The Notes to the Financial Statements are an integral part of this statement.

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| Capital<br>Improvements<br>Fund | Total<br>Governmental<br>Funds |
|---------------------------------|--------------------------------|
| \$ 80,570                       | \$ 723,500                     |
| -                               | 2,534,755                      |
| 59,121                          | 92,246                         |
| 60,960                          | 2,442,554                      |
| -                               | 621,982                        |
| -                               | 21,438                         |
| <u>\$ 200,651</u>               | <u>\$ 6,436,475</u>            |
| <br>                            |                                |
| \$ 5,538                        | \$ 820,115                     |
| 1,725                           | 1,583,699                      |
| <u>7,263</u>                    | <u>2,403,814</u>               |
| <br>                            |                                |
| -                               | 643,420                        |
| -                               | 495,038                        |
| -                               | 585,143                        |
| -                               | 690,508                        |
|                                 | 8,173                          |
| -                               | 65,307                         |
| -                               | 27,677                         |
| 193,388                         | 193,388                        |
| -                               | 1,324,007                      |
| <u>193,388</u>                  | <u>4,032,661</u>               |
| <u>\$ 200,651</u>               | <u>\$ 6,436,475</u>            |

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**SYRACUSE CITY**  
**RECONCILIATION OF THE BALANCE SHEET -- GOVERNMENT FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**JUNE 30, 2012**

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Total fund balance -- governmental funds \$ 4,032,661

Amount reported for governmental activities in the statement of net assets are different because:

Capital Assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. These assets consist of:

|                                                    |                     |            |
|----------------------------------------------------|---------------------|------------|
| Land and related non-depreciable assets            | 9,021,159           |            |
| Depreciable Infrastructure                         | 43,580,615          |            |
| Buildings, equipment, and other depreciable assets | 25,934,513          |            |
| Construction in process                            | 223,482             |            |
| Accumulated Depreciation                           | <u>(22,619,324)</u> |            |
| Total Capital Assets                               |                     | 56,140,445 |

Bond issuance costs are amortized over the life of the bonds on the statement of net assets 509,636

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

|                      |                  |                     |
|----------------------|------------------|---------------------|
| Debt                 | (15,920,686)     |                     |
| Compensated absences | (302,588)        |                     |
| Unamortized premium  | (164,505)        |                     |
| Interest payable     | <u>(156,282)</u> |                     |
| Total Long-Term Debt |                  | <u>(16,544,061)</u> |

Internal service funds are used by management to charge the costs of information technology to other funds. The assets and liabilities of the internal service fund is included in the governmental activities in the statement of net assets. These amounts include \$13,802 in cash and \$4,775 in accounts payable.

|                                              |                             |
|----------------------------------------------|-----------------------------|
|                                              | <u>9,027</u>                |
| Total net assets --- governmental activities | <u><u>\$ 44,147,708</u></u> |

**SYRACUSE CITY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                                                    | General<br>Fund     | Redevelopment<br>Fund | Municipal<br>Building<br>Authority Fund |
|----------------------------------------------------------------------------------------------------|---------------------|-----------------------|-----------------------------------------|
| <b>REVENUES:</b>                                                                                   |                     |                       |                                         |
| Taxes                                                                                              | \$ 4,636,245        | \$ 445,397            | \$ -                                    |
| Licenses and permits                                                                               | 350,229             | -                     | -                                       |
| Impact fees                                                                                        | 337,850             | -                     | -                                       |
| Intergovernmental revenues                                                                         | 1,009,609           | -                     | -                                       |
| Administrative Fees                                                                                | 506,042             | -                     | -                                       |
| Charges for services                                                                               | 1,082,134           | -                     | -                                       |
| Fines and forfeitures                                                                              | 342,441             | -                     | -                                       |
| Interest                                                                                           | 28,957              | 3,354                 | 495                                     |
| Management Fee                                                                                     | 106,983             | -                     | -                                       |
| Lease revenue (payments)                                                                           | -                   | -                     | 1,174,904                               |
| Miscellaneous                                                                                      | 68,458              | -                     | -                                       |
| <b>Total</b>                                                                                       | <b>8,468,948</b>    | <b>448,751</b>        | <b>1,175,399</b>                        |
| <b>EXPENDITURES:</b>                                                                               |                     |                       |                                         |
| <b>Current:</b>                                                                                    |                     |                       |                                         |
| General government                                                                                 | 2,012,733           | 186,375               | -                                       |
| Public safety                                                                                      | 3,462,242           | -                     | -                                       |
| Public works                                                                                       | 1,121,517           | -                     | -                                       |
| Parks and Recreation                                                                               | 956,884             | -                     | -                                       |
| Capital outlay                                                                                     | -                   | -                     | -                                       |
| <b>Debt service:</b>                                                                               |                     |                       |                                         |
| Principal retirement                                                                               | 130,000             | -                     | 580,000                                 |
| Interest and other                                                                                 | 62,781              | -                     | 596,904                                 |
| <b>Total</b>                                                                                       | <b>7,746,157</b>    | <b>186,375</b>        | <b>1,176,904</b>                        |
| <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES<br/>BEFORE OTHER FINANCING SOURCES (USES)</b> | <b>722,791</b>      | <b>262,376</b>        | <b>(1,505)</b>                          |
| <b>OTHER FINANCING SOURCES (USES):</b>                                                             |                     |                       |                                         |
| Issuance of debt                                                                                   | 803,268             | -                     | -                                       |
| Issuance of refunding bonds                                                                        | -                   | -                     | 5,572,000                               |
| Payment to refunded bonds escrow agent                                                             | -                   | -                     | (5,572,000)                             |
| Sale of capital assets                                                                             | 156,404             | -                     | -                                       |
| Transfers in                                                                                       | 186,793             | -                     | -                                       |
| Transfers out                                                                                      | (200,000)           | -                     | -                                       |
| <b>Total</b>                                                                                       | <b>946,465</b>      | <b>-</b>              | <b>-</b>                                |
| <b>NET CHANGE IN FUND BALANCES</b>                                                                 | <b>1,669,256</b>    | <b>262,376</b>        | <b>(1,505)</b>                          |
| <b>FUND BALANCES, BEGINNING OF YEAR</b>                                                            | <b>1,471,336</b>    | <b>428,132</b>        | <b>9,678</b>                            |
| <b>FUND BALANCES, END OF YEAR</b>                                                                  | <b>\$ 3,140,592</b> | <b>\$ 690,508</b>     | <b>\$ 8,173</b>                         |

The Notes to the Financial Statements are an integral part of this statement.

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| Capital<br>Improvements<br>Fund | Total<br>Governmental<br>Funds |
|---------------------------------|--------------------------------|
| \$ 1,267,451                    | \$ 6,349,093                   |
| -                               | 350,229                        |
| -                               | 337,850                        |
| 77,431                          | 1,087,040                      |
| -                               | 506,042                        |
| -                               | 1,082,134                      |
| -                               | 342,441                        |
| -                               | 32,806                         |
| -                               | 106,983                        |
| (1,174,904)                     | -                              |
| 67,858                          | 136,316                        |
| <u>237,836</u>                  | <u>10,330,934</u>              |
| -                               | 2,199,108                      |
| -                               | 3,462,242                      |
| -                               | 1,121,517                      |
| -                               | 956,884                        |
| 726,492                         | 726,492                        |
| 102,658                         | 812,658                        |
| -                               | 659,685                        |
| <u>829,150</u>                  | <u>9,938,586</u>               |
| <u>(591,314)</u>                | <u>392,348</u>                 |
| 394,719                         | 1,197,987                      |
| -                               | 5,572,000                      |
| -                               | (5,572,000)                    |
| -                               | 156,404                        |
| -                               | 186,793                        |
| 200,000                         | -                              |
| <u>594,719</u>                  | <u>1,541,184</u>               |
| 3,405                           | 1,933,532                      |
| <u>189,983</u>                  | <u>2,099,129</u>               |
| <u>\$ 193,388</u>               | <u>\$ 4,032,661</u>            |

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**SYRACUSE CITY**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Net change in fund balance - total governmental funds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | \$          | 1,933,532   |
| <br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |             |             |
| Amount reported for governmental activities in the statement of activities are different because:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |             |             |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Depreciation of \$2,371,001 exceeded capital purchases of \$1,352,197 during the current period.                                                                                                                                                                                                                                                                       |             |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             | (1,018,505) |
| The governmental funds report the proceeds from the sale of assets as revenues, while the government-wide financial statements report the difference between the sale proceeds and the net book value of the assets sold as a gain or loss.                                                                                                                                                                                                                                                                                                                                              |             |             |
| Net book value of assets sold                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |             | (20,394)    |
| The long-term portion of the liability for compensated absences is not recorded in the fund level, but is reported in the statement of net assets. This is the current year change in the liability, reported as an expense in the statement of activities.                                                                                                                                                                                                                                                                                                                              |             |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             | (2,049)     |
| <br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |             |             |
| The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The governmental funds report interest expense when it is paid, however the statement of net assets reports interest when it accrues. The net effect of these differences in the treatment of general obligation bonds and related items is as follows: |             |             |
| Issuance of debt                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | (6,769,987) |             |
| Cost of issuance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 281,000     |             |
| Amortization of premium and discount                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (15,234)    |             |
| Amortization of cost of issuance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | (31,852)    |             |
| Accrued interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 19,590      |             |
| Repayment of bond and lease principal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 6,140,301   | (376,182)   |
| <br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |             |             |
| Governmental funds do not report contributions of infrastructure from developers as a revenue in the governmental statements. It is recorded as part of the entity wide presentation.                                                                                                                                                                                                                                                                                                                                                                                                    |             | 421,969     |
| <br>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |             |             |
| Internal service funds are used by management to charge the costs of information technology to individual funds. The net revenues (costs) of these activities is reported with governmental activities.                                                                                                                                                                                                                                                                                                                                                                                  |             | 9,027       |
| Changes in net assets of governmental activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$          | 947,398     |

The Notes to the Financial Statements are an integral part of this statement.

**SYRACUSE CITY**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                            | Budgeted Amounts    |                     | Actual              | Variance With<br>Final Budget |
|--------------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
|                                            | Original            | Final               |                     |                               |
| <b>REVENUES:</b>                           |                     |                     |                     |                               |
| <b>Taxes:</b>                              |                     |                     |                     |                               |
| Current property taxes                     | \$ 1,565,000        | \$ 1,565,000        | \$ 1,607,933        | \$ 42,933                     |
| Fee-in-lieu                                | 180,000             | 170,000             | 166,309             | (3,691)                       |
| Delinquent prior years' taxes              | 25,000              | 25,000              | 42,352              | 17,352                        |
| Sales tax                                  | 2,500,000           | 2,700,000           | 2,819,651           | 119,651                       |
| <b>Total</b>                               | <b>4,270,000</b>    | <b>4,460,000</b>    | <b>4,636,245</b>    | <b>176,245</b>                |
| <b>Licenses and permits:</b>               |                     |                     |                     |                               |
| Business licenses                          | 50,000              | 50,000              | 53,530              | 3,530                         |
| Building permits                           | 200,300             | 200,300             | 269,049             | 68,749                        |
| Burial permits                             | 14,000              | 20,000              | 27,650              | 7,650                         |
| <b>Total</b>                               | <b>264,300</b>      | <b>270,300</b>      | <b>350,229</b>      | <b>79,929</b>                 |
| <b>Impact fees:</b>                        |                     |                     |                     |                               |
| Park purchase                              | 10,000              | 10,000              | -                   | (10,000)                      |
| Park development                           | 130,000             | 130,000             | 181,830             | 51,830                        |
| Public safety                              | 20,000              | 20,000              | 25,860              | 5,860                         |
| Transportation                             | 100,000             | 100,000             | 130,160             | 30,160                        |
| <b>Total</b>                               | <b>260,000</b>      | <b>260,000</b>      | <b>337,850</b>      | <b>77,850</b>                 |
| <b>Intergovernmental revenues:</b>         |                     |                     |                     |                               |
| Class "C" road fund allotment              | 650,000             | 650,000             | 728,177             | 78,177                        |
| Liquor fund allotments                     | 19,000              | 22,400              | 22,495              | 95                            |
| Federal grants and reimbursements          | 64,000              | 241,900             | 131,323             | (110,577)                     |
| State and local grants and reimbursements  | 51,000              | 58,444              | 127,614             | 69,170                        |
| Local governments service agreements       | -                   | -                   | -                   | -                             |
| <b>Total</b>                               | <b>784,000</b>      | <b>972,744</b>      | <b>1,009,609</b>    | <b>36,865</b>                 |
| <b>Administrative Fees</b>                 | <b>506,042</b>      | <b>506,042</b>      | <b>506,042</b>      | <b>-</b>                      |
| <b>Charges for services:</b>               |                     |                     |                     |                               |
| Development reviews and inspections        | 101,000             | 100,100             | 156,813             | 56,713                        |
| Recreation fees                            | 178,000             | 178,000             | 180,288             | 2,288                         |
| Community Center fees                      | 30,000              | 30,000              | 30,781              | 781                           |
| Ambulance revenue                          | 190,000             | 300,000             | 283,845             | (16,155)                      |
| Traffic school and other police charges    | 17,500              | 19,400              | 21,897              | 2,497                         |
| Fire protection fees                       | 17,000              | 24,500              | 24,561              | 61                            |
| Road cut fees                              | -                   | 4,500               | 9,617               | 5,117                         |
| Post Office commissions                    | 40,000              | 40,000              | 41,316              | 1,316                         |
| Parks Maintenance fee                      | 220,000             | 220,000             | 228,050             | 8,050                         |
| Street lighting fee                        | 102,000             | 102,000             | 104,966             | 2,966                         |
| <b>Total</b>                               | <b>895,500</b>      | <b>1,018,500</b>    | <b>1,082,134</b>    | <b>63,634</b>                 |
| <b>Justice Court Fines and forfeitures</b> | <b>350,000</b>      | <b>350,000</b>      | <b>342,441</b>      | <b>(7,559)</b>                |
| <b>Interest</b>                            | <b>6,400</b>        | <b>18,500</b>       | <b>28,957</b>       | <b>10,457</b>                 |
| <b>Management Fee</b>                      | <b>103,173</b>      | <b>103,173</b>      | <b>106,983</b>      | <b>3,810</b>                  |
| <b>Miscellaneous:</b>                      |                     |                     |                     |                               |
| Sale of materials and supplies             | 500                 | 500                 | 503                 | 3                             |
| Sale of cemetery lots                      | 20,000              | 25,000              | 26,855              | 1,855                         |
| Buildings and Parks rentals                | 80,000              | 21,000              | 24,311              | 3,311                         |
| Sundry                                     | 5,000               | 11,950              | 16,789              | 4,839                         |
| <b>Total</b>                               | <b>105,500</b>      | <b>58,450</b>       | <b>68,458</b>       | <b>10,008</b>                 |
| <b>TOTAL REVENUES</b>                      | <b>\$ 7,544,915</b> | <b>\$ 8,017,709</b> | <b>\$ 8,468,948</b> | <b>\$ 451,239</b>             |

The Notes to the Financial Statements are an integral part of this statement.

**SYRACUSE CITY**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

| EXPENDITURES:                          | Budgeted Amounts    |                     | Actual              | Variance With<br>Final Budget |
|----------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
|                                        | Original            | Final               |                     |                               |
| <b>General government:</b>             |                     |                     |                     |                               |
| City council                           | \$ 55,515           | \$ 55,515           | \$ 50,625           | \$ 4,890                      |
| City court                             | 224,191             | 225,441             | 222,369             | 3,072                         |
| Administration                         | 856,377             | 881,177             | 843,851             | 37,326                        |
| Community and Economic Development     | 541,171             | 626,671             | 555,628             | 71,043                        |
| Buildings and grounds                  | 250,875             | 270,875             | 268,828             | 2,047                         |
| Information Systems                    | 71,432              | 71,432              | 71,432              | -                             |
| <b>Total</b>                           | <b>1,999,561</b>    | <b>2,131,111</b>    | <b>2,012,733</b>    | <b>118,378</b>                |
| <b>Public safety:</b>                  |                     |                     |                     |                               |
| Police department                      | 2,035,779           | 2,035,399           | 2,025,729           | 9,670                         |
| Fire department                        | 1,397,089           | 1,532,514           | 1,436,513           | 96,001                        |
| <b>Total</b>                           | <b>3,432,868</b>    | <b>3,567,913</b>    | <b>3,462,242</b>    | <b>105,671</b>                |
| <b>Public works:</b>                   |                     |                     |                     |                               |
| Building inspector                     |                     |                     |                     | -                             |
| Street Lighting                        | 108,100             | 773,368             | 241,970             | 531,398                       |
| Class "C" roads                        | 724,675             | 1,223,255           | 879,547             | 343,708                       |
| <b>Total</b>                           | <b>832,775</b>      | <b>1,996,623</b>    | <b>1,121,517</b>    | <b>875,106</b>                |
| <b>Parks and recreation</b>            | <b>1,062,852</b>    | <b>1,062,852</b>    | <b>956,884</b>      | <b>105,968</b>                |
| <b>Debt Service:</b>                   |                     |                     |                     |                               |
| Debt principal                         | 130,000             | 130,000             | 130,000             | -                             |
| Debt interest and fees                 | 61,793              | 63,793              | 62,781              | 1,012                         |
| <b>Total</b>                           | <b>191,793</b>      | <b>193,793</b>      | <b>192,781</b>      | <b>1,012</b>                  |
| <b>TOTAL EXPENDITURES</b>              | <b>7,519,849</b>    | <b>8,952,292</b>    | <b>7,746,157</b>    | <b>1,206,135</b>              |
| <b>EXCESS (DEFICIENCY) OF REVENUES</b> |                     |                     |                     |                               |
| <b>FINANCING SOURCES (USES)</b>        | <b>25,066</b>       | <b>(934,583)</b>    | <b>722,791</b>      | <b>1,657,374</b>              |
| <b>OTHER FINANCING SOURCES (USES):</b> |                     |                     |                     |                               |
| Issuance of debt                       | -                   | 803,268             | 803,268             | -                             |
| Sale of capital assets                 | 90,000              | 150,000             | 156,404             | 6,404                         |
| Transfers in                           | 186,793             | 186,793             | 186,793             | -                             |
| Transfers out                          | (200,000)           | (200,000)           | (200,000)           | -                             |
| Appropriations of Fund Balance         | (101,859)           | (5,478)             | -                   | 5,478                         |
| <b>Total</b>                           | <b>(25,066)</b>     | <b>934,583</b>      | <b>946,465</b>      | <b>11,882</b>                 |
| <b>NET CHANGE IN FUND BALANCE</b>      | <b>-</b>            | <b>-</b>            | <b>1,669,256</b>    | <b>1,669,256</b>              |
| <b>FUND BALANCE, BEGINNING OF YEAR</b> | <b>1,471,336</b>    | <b>1,471,336</b>    | <b>1,471,336</b>    | <b>-</b>                      |
| <b>FUND BALANCE, END OF YEAR</b>       | <b>\$ 1,471,336</b> | <b>\$ 1,471,336</b> | <b>\$ 3,140,592</b> | <b>\$ 1,669,256</b>           |

**SYRACUSE CITY**  
**REDEVELOPMENT AGENCY - SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                                                        | Budgeted Amounts  |                   | Actual            | Variance With<br>Final Budget |
|--------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------------------|
|                                                                                                        | Original          | Final             |                   |                               |
| <b>REVENUE:</b>                                                                                        |                   |                   |                   |                               |
| Property tax increment                                                                                 | \$ 420,000        | \$ 420,000        | \$ 445,397        | 25,397                        |
| Interest income                                                                                        | 1,000             | 1,000             | 3,354             | 2,354                         |
| Total                                                                                                  | <u>421,000</u>    | <u>421,000</u>    | <u>448,751</u>    | <u>27,751</u>                 |
| <b>EXPENDITURES:</b>                                                                                   |                   |                   |                   |                               |
| General Government                                                                                     | 73,000            | 73,000            | 66,810            | 6,190                         |
| Capital Outlay                                                                                         | 100,000           | 100,000           | -                 | 100,000                       |
| Repayment to financiers                                                                                | 120,500           | 120,500           | 119,565           | 935                           |
| Total                                                                                                  | <u>293,500</u>    | <u>293,500</u>    | <u>186,375</u>    | <u>107,125</u>                |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES BEFORE OTHER<br/>FINANCING SOURCES (USES)</b> | <u>127,500</u>    | <u>127,500</u>    | <u>262,376</u>    | <u>134,876</u>                |
| <b>OTHER FINANCING SOURCES - Transfers</b>                                                             | <u>-</u>          | <u>-</u>          | <u>-</u>          | <u>-</u>                      |
| <b>NET CHANGE IN FUND BALANCE</b>                                                                      | <u>127,500</u>    | <u>127,500</u>    | <u>262,376</u>    | <u>134,876</u>                |
| <b>FUND BALANCE, BEGINNING OF YEAR</b>                                                                 | <u>428,132</u>    | <u>428,132</u>    | <u>428,132</u>    | <u>-</u>                      |
| <b>FUND BALANCE, END OF YEAR</b>                                                                       | <u>\$ 555,632</u> | <u>\$ 555,632</u> | <u>\$ 690,508</u> | <u>\$ 134,876</u>             |

The Notes to the Financial Statements are an integral part of this statement.

**SYRACUSE CITY**  
**MUNICIPAL BUILDING AUTHORITY - SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                                                        | Budgeted Amounts |                  | Actual           | Variance With<br>Final Budget |
|--------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|-------------------------------|
|                                                                                                        | Original         | Final            |                  |                               |
| <b>REVENUE:</b>                                                                                        |                  |                  |                  |                               |
| Lease payments                                                                                         | \$ 1,174,500     | \$ 1,174,500     | \$ 1,174,904     | \$ 404                        |
| Interest income                                                                                        | 500              | 500              | 495              | (5)                           |
| Total                                                                                                  | <u>1,175,000</u> | <u>1,175,000</u> | <u>1,175,399</u> | <u>399</u>                    |
| <b>EXPENDITURES:</b>                                                                                   |                  |                  |                  |                               |
| <b>Debt Service:</b>                                                                                   |                  |                  |                  |                               |
| Principal Retirement                                                                                   | 580,000          | 580,000          | 580,000          | -                             |
| Interest and Fiscal Charges                                                                            | 594,893          | 597,893          | 596,904          | 989                           |
| Total                                                                                                  | <u>1,174,893</u> | <u>1,177,893</u> | <u>1,176,904</u> | <u>989</u>                    |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES BEFORE OTHER<br/>FINANCING SOURCES (USES)</b> | <u>107</u>       | <u>(2,893)</u>   | <u>(1,505)</u>   | <u>1,388</u>                  |
| <b>OTHER FINANCING SOURCES:</b>                                                                        |                  |                  |                  |                               |
| Issuance of refunding bonds                                                                            | -                | -                | 5,572,000        | 5,572,000                     |
| Payment to refunded bonds escrow agent                                                                 | -                | -                | (5,572,000)      | (5,572,000)                   |
| Transfer (contribution) from other funds                                                               | -                | -                | -                | -                             |
| Total                                                                                                  | <u>-</u>         | <u>-</u>         | <u>-</u>         | <u>-</u>                      |
| <b>NET CHANGE IN FUND BALANCE</b>                                                                      | <u>107</u>       | <u>(2,893)</u>   | <u>(1,505)</u>   | <u>1,388</u>                  |
| <b>FUND BALANCE, BEGINNING OF YEAR</b>                                                                 | <u>9,678</u>     | <u>9,678</u>     | <u>9,678</u>     | <u>-</u>                      |
| <b>FUND BALANCE, END OF YEAR</b>                                                                       | <u>\$ 9,785</u>  | <u>\$ 6,785</u>  | <u>\$ 8,173</u>  | <u>\$ 1,388</u>               |

The Notes to the Financial Statements are an integral part of this statement.

**SYRACUSE CITY**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2012**

|                                                    | Business-type Activities - Enterprise Funds |                     |
|----------------------------------------------------|---------------------------------------------|---------------------|
|                                                    | Culinary<br>Water<br>Fund                   | Sewer<br>Fund       |
| <b>ASSETS</b>                                      |                                             |                     |
| <b>CURRENT ASSETS:</b>                             |                                             |                     |
| Cash and investments                               | \$ 2,237,627                                | \$ 858,232          |
| Accounts receivable (net)                          | 164,855                                     | 99,201              |
| <b>Total Current Assets</b>                        | <b>2,402,482</b>                            | <b>957,433</b>      |
| <b>NONCURRENT ASSETS:</b>                          |                                             |                     |
| Restricted Cash                                    | 214,732                                     | -                   |
| Capital Assets:                                    |                                             |                     |
| Water Stock                                        | 476,250                                     | -                   |
| Land                                               | 20,308                                      | -                   |
| Land improvements                                  | -                                           | -                   |
| Buildings                                          | 56,700                                      | -                   |
| Furnishings, fixtures, and equipment               | 556,158                                     | 298,098             |
| Work in Process                                    | 209,917                                     | -                   |
| Delivery/Collection system                         | 16,063,644                                  | 9,133,322           |
| Less Accumulated depreciation                      | (4,806,191)                                 | (2,447,109)         |
| <b>Total capital assets</b>                        | <b>12,576,786</b>                           | <b>6,984,311</b>    |
| <b>Total Noncurrent Assets</b>                     | <b>12,791,518</b>                           | <b>6,984,311</b>    |
| <b>TOTAL ASSETS</b>                                | <b>\$ 15,194,000</b>                        | <b>\$ 7,941,744</b> |
| <b>LIABILITIES</b>                                 |                                             |                     |
| <b>CURRENT LIABILITIES:</b>                        |                                             |                     |
| Accounts payable                                   | \$ 131,635                                  | \$ 71,418           |
| Accrued liabilities                                | 11,297                                      | 149                 |
| Customer deposits                                  | 75,856                                      | -                   |
| Due to other funds                                 | -                                           | -                   |
| Bonds payable - current portion                    | 113,000                                     | -                   |
| <b>Total Current Liabilities</b>                   | <b>331,788</b>                              | <b>71,567</b>       |
| <b>NET ASSETS</b>                                  |                                             |                     |
| INVESTED IN CAPITAL ASSETS,<br>NET OF RELATED DEBT | 12,463,786                                  | 6,984,311           |
| RESTRICTED FOR IMPACT FEES                         | 151,738                                     | -                   |
| RESTRICTED FOR DEBT SERVICE                        | 67,523                                      | -                   |
| UNRESTRICTED                                       | 2,179,165                                   | 885,866             |
| <b>TOTAL NET ASSETS</b>                            | <b>\$ 14,862,212</b>                        | <b>\$ 7,870,177</b> |

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Net assets of business-type activities

The Notes to the Financial Statements are an integral part of this statement.

| Business-type Activities - Enterprise Funds |                      |                  |                        | Governmental                |
|---------------------------------------------|----------------------|------------------|------------------------|-----------------------------|
| Garbage Fund                                | Secondary Water Fund | Storm Water Fund | Total Enterprise Funds | Information Technology Fund |
| \$ 281,330                                  | \$ 1,203,958         | \$ 365,519       | \$ 4,946,666           | \$ 27,342                   |
| 125,469                                     | 142,502              | 29,661           | 561,688                | -                           |
| 406,799                                     | 1,346,460            | 395,180          | 5,508,354              | 27,342                      |
| -                                           | 240,015              | 582,697          | 1,037,444              | -                           |
| -                                           | 8,098,145            | -                | 8,574,395              | -                           |
| -                                           | 26,125               | -                | 46,433                 | -                           |
| -                                           | 1,004,658            | -                | 1,004,658              | -                           |
| -                                           | 681,500              | -                | 738,200                | -                           |
| -                                           | 348,132              | -                | 1,202,388              | -                           |
| -                                           | 69,492               | -                | 279,409                | -                           |
| -                                           | 12,563,752           | 10,908,266       | 48,668,984             | -                           |
| -                                           | (4,551,309)          | (5,185,950)      | (16,990,559)           | -                           |
| -                                           | 18,240,495           | 5,722,316        | 43,523,908             | -                           |
| -                                           | 18,480,510           | 6,305,013        | 44,561,352             | -                           |
| \$ 406,799                                  | \$ 19,826,970        | \$ 6,700,193     | \$ 50,069,706          | \$ 27,342                   |
| \$ 89,586                                   | \$ 116,840           | \$ 1,539         | \$ 411,018             | \$ 4,775                    |
| 2,253                                       | 7,730                | 3,966            | 25,395                 | -                           |
| -                                           | -                    | -                | 75,856                 | -                           |
| -                                           | -                    | -                | -                      | -                           |
| -                                           | -                    | -                | 113,000                | -                           |
| 91,839                                      | 124,570              | 5,505            | 625,269                | 4,775                       |
| -                                           | 18,240,495           | 5,722,316        | 43,410,908             | -                           |
| -                                           | 240,015              | 582,697          | 974,450                | -                           |
| -                                           | -                    | -                | 67,523                 | -                           |
| 314,960                                     | 1,221,890            | 389,675          | 4,991,556              | 22,567                      |
| \$ 314,960                                  | \$ 19,702,400        | \$ 6,694,688     | 49,444,437             | \$ 22,567                   |
|                                             |                      |                  | 13,540                 |                             |
|                                             |                      |                  | \$ 49,457,977          |                             |

**SYRACUSE CITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                     | <u>Business-type Activities - Enterprise Funds</u> |                       |
|---------------------------------------------------------------------|----------------------------------------------------|-----------------------|
|                                                                     | <u>Culinary<br/>Water<br/>Fund</u>                 | <u>Sewer<br/>Fund</u> |
| <b>OPERATING REVENUES:</b>                                          |                                                    |                       |
| Monthly service charges                                             | \$ 1,571,484                                       | \$ 977,912            |
| Connection fees                                                     | 36,454                                             | 33,611                |
| Other                                                               | 416                                                | -                     |
| Total                                                               | <u>1,608,354</u>                                   | <u>1,011,523</u>      |
| <b>EXPENSES:</b>                                                    |                                                    |                       |
| Salaries, wages, and benefits                                       | 256,280                                            | 124,773               |
| Contractual services                                                | 398,950                                            | 568,374               |
| Operations                                                          | 531,977                                            | 51,463                |
| Depreciation                                                        | 469,097                                            | 273,568               |
| Total                                                               | <u>1,656,304</u>                                   | <u>1,018,178</u>      |
| <b>OPERATING INCOME (LOSS)</b>                                      | <u>(47,950)</u>                                    | <u>(6,655)</u>        |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                            |                                                    |                       |
| Impact fees                                                         | 108,527                                            | -                     |
| Grant revenue                                                       | 71,833                                             | -                     |
| Gain (loss) on sale of Capital Assets                               | 4,732                                              | -                     |
| Interest revenue                                                    | 15,816                                             | 4,788                 |
| Interest expense                                                    | -                                                  | -                     |
| Total                                                               | <u>200,908</u>                                     | <u>4,788</u>          |
| <b>INCOME (LOSS) BEFORE CAPITAL<br/>CONTRIBUTIONS AND TRANSFERS</b> | <u>152,958</u>                                     | <u>(1,867)</u>        |
| Developers infrastructure contributions                             | 42,420                                             | 39,050                |
| Transfers                                                           | -                                                  | -                     |
| <b>NET CHANGE IN ASSETS</b>                                         | <u>195,378</u>                                     | <u>37,183</u>         |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                                | <u>14,666,834</u>                                  | <u>7,832,994</u>      |
| <b>NET ASSETS, END OF YEAR</b>                                      | <u>\$ 14,862,212</u>                               | <u>\$ 7,870,177</u>   |

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.  
Change in net assets of business-type activities

The Notes to the Financial Statements are an integral part of this statement.

| Business-type Activities - Enterprise Funds |                            |                        |                              | Governmental<br>Activities<br>Information<br>Technology<br>Fund |
|---------------------------------------------|----------------------------|------------------------|------------------------------|-----------------------------------------------------------------|
| Garbage<br>Fund                             | Secondary<br>Water<br>Fund | Storm<br>Water<br>Fund | Total<br>Enterprise<br>Funds |                                                                 |
| \$ 1,213,662                                | \$ 1,325,242               | \$ 288,838             | \$ 5,377,138                 | \$ 178,580                                                      |
| -                                           | 27,939                     | -                      | 98,004                       | -                                                               |
| 11,200                                      | -                          | -                      | 11,616                       | -                                                               |
| <u>1,224,862</u>                            | <u>1,353,181</u>           | <u>288,838</u>         | <u>5,486,758</u>             | <u>178,580</u>                                                  |
| 47,633                                      | 219,118                    | 126,388                | 774,192                      | 121,234                                                         |
| 1,045,894                                   | 281,882                    | -                      | 2,295,100                    | -                                                               |
| 47,312                                      | 383,319                    | 96,124                 | 1,110,195                    | 34,878                                                          |
| -                                           | 413,128                    | 202,431                | 1,358,224                    | -                                                               |
| <u>1,140,839</u>                            | <u>1,297,447</u>           | <u>424,943</u>         | <u>5,537,711</u>             | <u>156,112</u>                                                  |
| <u>84,023</u>                               | <u>55,734</u>              | <u>(136,105)</u>       | <u>(50,953)</u>              | <u>22,468</u>                                                   |
| -                                           | 136,589                    | 145,040                | 390,156                      | -                                                               |
| -                                           | -                          | -                      | 71,833                       | -                                                               |
| -                                           | -                          | -                      | 4,732                        | -                                                               |
| 1,468                                       | 7,993                      | 5,356                  | 35,421                       | 99                                                              |
| -                                           | -                          | -                      | -                            | -                                                               |
| <u>1,468</u>                                | <u>144,582</u>             | <u>150,396</u>         | <u>502,142</u>               | <u>99</u>                                                       |
| 85,491                                      | 200,316                    | 14,291                 | 451,189                      | 22,567                                                          |
| -                                           | 30,863                     | 49,055                 | 161,388                      | -                                                               |
| -                                           | (186,793)                  | -                      | (186,793)                    | -                                                               |
| <u>85,491</u>                               | <u>44,386</u>              | <u>63,346</u>          | <u>425,784</u>               | <u>22,567</u>                                                   |
| 229,469                                     | 19,658,014                 | 6,631,342              |                              | -                                                               |
| <u>\$ 314,960</u>                           | <u>\$ 19,702,400</u>       | <u>\$ 6,694,688</u>    |                              | <u>\$ 22,567</u>                                                |
|                                             |                            |                        | 13,540                       |                                                                 |
|                                             |                            |                        | <u>\$ 439,324</u>            |                                                                 |

**SYRACUSE CITY**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                                                    | <u>Business-type Activities - Enterprise Funds</u> |                          |
|----------------------------------------------------------------------------------------------------|----------------------------------------------------|--------------------------|
|                                                                                                    | <u>Culinary<br/>Water<br/>Fund</u>                 | <u>Sewer<br/>Fund</u>    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                                       |                                                    |                          |
| Cash received from customers                                                                       | \$ 1,594,766                                       | \$ 1,007,987             |
| Cash received from other activities                                                                | 416                                                | -                        |
| Cash payments for payroll and benefits                                                             | (256,280)                                          | (124,773)                |
| Cash payments for goods and services                                                               | (844,485)                                          | (600,411)                |
| Net cash provided by operating activities                                                          | <u>494,417</u>                                     | <u>282,803</u>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                        |                                                    |                          |
| Interest earned (charged) on cash deposits                                                         | <u>15,816</u>                                      | <u>4,788</u>             |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>                                            |                                                    |                          |
| Transfers from (to) other funds                                                                    | -                                                  | -                        |
| Cash lent from (borrowed to) other funds as pooled cash                                            | -                                                  | -                        |
| Net cash provided by (used in) noncapital financing activities                                     | <u>-</u>                                           | <u>-</u>                 |
| <b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES:</b>                                 |                                                    |                          |
| Impact fees                                                                                        | 108,527                                            | -                        |
| Cash received from intergovernmental grant                                                         | 71,833                                             | -                        |
| Cash payments for property and equipment purchases                                                 | (528,920)                                          | (32,000)                 |
| Cash received from the sale of assets                                                              | 4,732                                              | -                        |
| Principal payments on debt                                                                         | (113,000)                                          | -                        |
| Net cash provided by (used in) noncapital financing activities                                     | <u>(456,828)</u>                                   | <u>(32,000)</u>          |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                                        | <b>53,405</b>                                      | <b>255,591</b>           |
| <b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>                                               | <b>2,398,954</b>                                   | <b>602,641</b>           |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>                                                     | <b><u>\$ 2,452,359</u></b>                         | <b><u>\$ 858,232</u></b> |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO<br/>NET CASH PROVIDED BY OPERATING ACTIVITIES:</b> |                                                    |                          |
| Operating income                                                                                   | \$ (47,950)                                        | \$ (6,655)               |
| Adjustments to reconcile operating income to net cash<br>provided by operating activities:         |                                                    |                          |
| Depreciation                                                                                       | 469,097                                            | 273,568                  |
| Change in assets and liabilities:                                                                  |                                                    |                          |
| (Increase) decrease in accounts receivable                                                         | (13,172)                                           | (3,536)                  |
| Increase (decrease) in accounts payable and accrued liabilities                                    | 86,442                                             | 19,426                   |
| Total adjustments                                                                                  | <u>542,367</u>                                     | <u>289,458</u>           |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                                                   | <b><u>\$ 494,417</u></b>                           | <b><u>\$ 282,803</u></b> |
| <b>NON CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>                                           |                                                    |                          |
| Developers infrastructure contributions                                                            | \$ 42,420                                          | \$ 39,050                |

The Notes to the Financial Statements are an integral part of this statement.

| Business-type Activities - Enterprise Funds |                      |                   |                         | Governmental                |
|---------------------------------------------|----------------------|-------------------|-------------------------|-----------------------------|
| Garbage Fund                                | Secondary Water Fund | Storm Drain Fund  | Proprietary Funds Total | Information Technology Fund |
| \$ 1,209,494                                | \$ 1,341,532         | \$ 287,503        | \$ 5,441,282            | \$ -                        |
| 11,200                                      | -                    | -                 | 11,616                  | 178,580                     |
| (47,633)                                    | (219,118)            | (126,388)         | (774,192)               | (121,234)                   |
| <u>(1,131,008)</u>                          | <u>(579,083)</u>     | <u>(98,250)</u>   | <u>(3,253,237)</u>      | <u>(30,103)</u>             |
| <u>42,053</u>                               | <u>543,331</u>       | <u>62,865</u>     | <u>1,425,469</u>        | <u>27,243</u>               |
| 1,468                                       | 7,993                | 5,356             | 35,421                  | 99                          |
| -                                           | (186,793)            | -                 | (186,793)               | -                           |
| -                                           | -                    | -                 | -                       | -                           |
| -                                           | <u>(186,793)</u>     | -                 | <u>(186,793)</u>        | -                           |
| -                                           | 136,589              | 145,040           | 390,156                 | -                           |
| -                                           | -                    | -                 | 71,833                  | -                           |
| -                                           | (114,024)            | -                 | (674,944)               | -                           |
| -                                           | -                    | -                 | 4,732                   | -                           |
| -                                           | -                    | -                 | <u>(113,000)</u>        | -                           |
| -                                           | <u>22,565</u>        | <u>145,040</u>    | <u>(466,263)</u>        | -                           |
| 43,521                                      | 387,096              | 213,261           | 1,274,097               | 27,342                      |
| <u>237,809</u>                              | <u>1,056,877</u>     | <u>734,955</u>    | <u>5,031,236</u>        | -                           |
| <u>\$ 281,330</u>                           | <u>\$ 1,443,973</u>  | <u>\$ 948,216</u> | <u>\$ 5,984,110</u>     | <u>\$ 27,342</u>            |
| \$ 84,023                                   | \$ 55,734            | \$ (136,105)      | \$ (50,953)             | \$ 22,468                   |
| -                                           | 413,128              | 202,431           | 1,358,224               | -                           |
| (4,168)                                     | (11,649)             | (1,335)           | (33,860)                | -                           |
| <u>(37,802)</u>                             | <u>86,118</u>        | <u>(2,126)</u>    | <u>152,058</u>          | <u>4,775</u>                |
| <u>(41,970)</u>                             | <u>487,597</u>       | <u>198,970</u>    | <u>1,476,422</u>        | <u>4,775</u>                |
| <u>\$ 42,053</u>                            | <u>\$ 543,331</u>    | <u>\$ 62,865</u>  | <u>\$ 1,425,469</u>     | <u>\$ 27,243</u>            |
| \$ -                                        | \$ 30,863            | \$ 49,055         | \$ 161,388              | \$ -                        |

# **SYRACUSE CITY CORPORATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Syracuse City (the City) conform in all material respects to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements.

The following is a summary of the City's significant accounting policies.

**A. Reporting Entity**

The City is incorporated under the constitutional provisions of the State of Utah. The City operates under a Council-Mayor form of government. The Mayor and the five council members are elected at large with staggered terms. The Mayor is the administrative authority by statute. However, in Syracuse City, that responsibility has been delegated to the City Administrator. Council has budgetary authority over all city departments and is accountable for all fiscal matters. City sales taxes, property taxes, utility user fees and development impact fees fund the majority of the costs of providing services to citizens including general administrative, judicial services (justice court), planning and zoning, public safety (police and fire), public utilities (culinary water, secondary water, sewer and garbage collection), highways and streets, parks-recreation, and public improvements.

The Basic Financial Statements of the City include the financial statements for all activities of the City based on the criteria set forth in GASB Statement 14. In defining the governmental entity for financial reporting purposes other legally separate entities are considered for inclusion as component units of the City entity. The following are the factors to be considered:

1. financial accountability, meaning the City appoints a majority of an organization's governing body *and* either a) the City can impose its will on the organization, or b) the organization has the potential to provide specific financial benefits to, or impose specific financial burdens on the City.
2. whether a board or agency is fiscally dependent on the City
3. whether the relationship with the organization is such that it would be misleading to exclude it from the City's financial statements.

**Blended Component Units** - Blended component units, although legally separate entities, are in substance part of the government's operations. They are reported as part of the primary government and blended with the appropriate funds. The reporting entity of these financial statements includes the Syracuse City Redevelopment Agency and the Municipal Building Authority of Syracuse.

Syracuse City Redevelopment Agency (RDA) is governed by a six-member board comprised of the City Council and Mayor. Its sole purpose is a financing tool that allows Syracuse City to gather property tax increment dollars from increased property values to pay for improvements in designated redevelopment areas. Activities for the RDA are blended with the City's special revenue funds. Separate financial statements are not issued or required for the Authority. The RDA is considered to be a blended component unit because the City's governing body is also their governing body and they exist exclusively to accomplish specific purposes of the City Council.

Municipal Building Authority of Syracuse (MBA) is governed by a six-member board comprised of the City Council and Mayor. Its sole purpose is a financing tool that allows municipal facilities to be funded without requiring a vote of citizens. The MBA, as a separate entity, borrows monies and constructs municipal facilities which it owns. The City leases the structures from the MBA. These lease payments provide the revenue stream for the MBA to make the debt payments as they come due. The facilities are deeded to the government entity at the time the debt is extinguished. Activities for the MBA are blended with the City's special revenue funds. Separate financial statements are not issued or required for the Authority. The MBA is considered to be a blended component unit

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Reporting Entity (continued)**

because the City's governing body is also their governing body and they exist exclusively to accomplish specific purposes of the City Council.

**Discretely Presented Component Units** - Discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City. No entities have been identified as discretely presented component units.

**B. Government-wide and Fund Financial Statements**

The City's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds.

**Government-wide Financial Statements** - The government-wide statements present information on all activities of the primary government and its component units. Primary government activities are distinguished between *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effects of inter-fund activity have been eliminated from the government-wide statements except for the residual amounts due between governmental and business-type activities and amounts of interfund services provided and used are not eliminated in the process of consolidation.

The *Statement of Net Assets* presents the City's assets and liabilities, with the difference reported as net assets. Net assets are restricted when constraints placed upon them are either externally imposed or are imposed by constitutional provisions or enabling legislation. The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable within a specific function. The City does allocate insurance, legal fees, and other entity-wide expenses to individual funds. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

**Fund Financial Statements** - The financial transactions of the City are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for *governmental* and *proprietary funds*.

GASB 34 introduced the concept of *major funds* to the fund statements. Because governments typically have too many funds to include information on each individual fund with the basic financial statements, criteria has been established to identify those funds that are reported in separate columns (*major funds*) and those that are grouped together (*non-major funds*). Syracuse City has chosen to present each of the funds in separate columns and thus designated all of its funds as "major". The Motor Pool Fund, RDA Fund, Special Improvement District Debt Service Fund, and the Storm Water Fund did not meet the criteria of a "major fund".

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Government-wide and Fund Financial Statements (continued)**

The City reports the following governmental funds:

- **General Fund** – This fund is the principal operating fund of the City. It is used to account for all financial resources not required to be accounted for in another fund.
- **RDA Fund** – This special revenue fund accounts for all activities of the Syracuse City Redevelopment Agency.
- **MBA Fund** – This special revenue fund accounts for all activities of the Municipal Building Authority of Syracuse.
- **Capital Improvements / Capital Projects Fund** – This fund accounts for the monies that are being accumulated to provide additional City facilities as growth creates specific needs.

The City reports the following proprietary funds:

- **Secondary Water Fund** – This fund accounts for the operations of the pressurized irrigation system throughout the City.
- **Culinary Water Fund** – This fund accounts for the operation of the culinary water service of the City.
- **Sewer Fund** – This fund accounts for the maintenance of the city portion of the North Davis Sewer District collection system.
- **Garbage Fund** – The fund accounts for the costs of the system of garbage collection and disposition.
- **Storm Sewer** – This fund accounts for the maintenance and construction of storm sewers throughout the City.
- **Information Technology/Internal Service Fund** – Internal Service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City maintains an information technology fund to allocate such costs to the various departments and funds of the City. This fund is reported on the proprietary fund statements but is combined with governmental activities on the government-wide statements.

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other taxes and fees are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary fund statements are also prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating items, such as interest expense and investment earnings, result from non-exchange transactions or ancillary activities.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Measurement Focus and Basis of Accounting (continued)**

For business-type activities and enterprise funds, the City follows all GASB pronouncements and all Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 unless those standards conflict with a GASB pronouncement.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. The government considers all revenues available if they are collected within 60 days of year end. Expenditures are generally recorded when the related liability is incurred.

**D. Assets, Liabilities, and Fund Balances / Net Assets**

Following are the City's significant policies regarding recognition and reporting of certain assets, liabilities, and equity.

**Cash and Investments** - Cash and cash equivalents consist of demand deposits with a local bank. The City invests any cash that is not anticipated to be required within two weeks in the Public Treasurers Investment Fund (PTIF) administered by the State of Utah Treasurer's Office. Original maturities with PTIF are considered to be less than three months, thus, all deposits and investments are recorded at cost which is also considered to be fair value.

**Accounts Receivable** - Receivables from other governments are reasonably assured; accordingly, no allowance for uncollectible accounts has been established. Accounts Receivable from utility customers is offset by an allowance of estimated uncollectible accounts.

**Taxes Receivable** - Taxes receivable include accrued amounts for sales tax and property tax.

Sales tax collected on retail sales throughout the state, are forwarded to the Utah State Tax Commission. These taxes are processed centrally and distributed according to formula to each unit of government imposing a sales tax at the end of the second month after they have been collected by the retailer.

The property tax year runs from Jan 1<sup>st</sup> – Dec 31<sup>st</sup> of each year. Governing bodies actually establish a lien against properties as of the January 1<sup>st</sup> date even though the taxes are not due until November 30<sup>th</sup>. Each County bills and collects property taxes for all taxing entities within the County. Collections are distributed to the taxing entities monthly, with final settlement due March 31<sup>st</sup> of the subsequent year. The City records a receivable for those items actually collected by the County Treasurer but not yet transferred to the City and also the amount that is identified as a lien against the property to fund the coming year's services. This is shown as \$1,581,974 of the taxes receivable and also a deferred income.

**Prepaid Expenses**- Prepaid expenses consist of certain payments to vendors that reflect costs applicable to future accounting periods and are recorded as prepaid expenses

**Deposits and Inventory** – Inventory in the General Fund consists of postage and other post office supplies which are priced at cost using the first-in/first out method.

**Due to/Due from other funds** - All cash and cash equivalents are accounted for in a pooled cash process. The money from each fund is combined to simplify the banking process. A particular fund may make disbursements of funds that have not physically been received. This technically requires that they draw from other fund's resources within the combined total. When this cash deficit occurs a *due to* account is charged in the funds requiring additional funds and a *due from* account is selected to offset the use of funds.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Liabilities, and Fund Balances / Net Assets (continued)**

**Capital Assets** - The City defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost where historical cost information is not available. Donated capital assets are recorded at estimated fair value on the date of donation.

Capital assets purchased or constructed by governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Water Stock is recorded as a capital asset. It is considered a key element of infrastructure rather than an investment instrument. Infrastructure improvements, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

| <u>Asset Class</u>          | <u>Years</u> |
|-----------------------------|--------------|
| Infrastructure Improvements | 30 - 50      |
| Buildings                   | 30           |
| Equipment                   | 5 - 20       |

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

**Compensated Absences and Post-employment Benefits** - City employees accrue vacation leave up to a maximum of 240 hours according to the following schedule:

| <u>Years of Service</u> | <u>Hours Accrued Per Pay Period</u> |
|-------------------------|-------------------------------------|
| 0 – 4 years             | 3.08 (10 days per year)             |
| 5 – 9 years             | 3.69 (12 days per year)             |
| 10 – 14 years           | 4.61 (15 days per year)             |
| Over 14 years           | 6.15 (20 days per year)             |

Employees are allowed to carry up to 240 hours of unused vacation leave into the next calendar year, and all unused vacation leave is paid to employees upon termination. Employees may also earn compensatory time but only at the discretion of the city administrator. The rate is one and one-half hours for each hour worked, with a maximum accrual of 480 hours for public safety employees and 240 hours for all others.

Vacation and compensatory leave are recorded as expenditures when used in governmental funds and as expenses when earned in proprietary funds and in the government-wide statements. A liability for unused vacation and compensatory leave is recorded in the government-wide Statement of Net Assets.

Permanent full-time employees accrue sick leave at a rate of 3.69 hours for each two-week pay-period while part-time merit employees accrue sick leave at a pro-rated portion. Sick leave may accrue to a maximum of 1,040 hours. Sick leave is recorded as an expenditure/expense when used in all funds, and no liability is recorded for unused sick leave.

Upon retirement, the City will pay the employee for 20% of all unused sick leave hours. The employee who is terminated or resigns shall not be compensated for unused accrued sick leave.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Liabilities, and Fund Balances / Net Assets (continued)**

**Long-term Obligations** - In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond premiums, discounts, and issuance costs are recognized as expenditures in the current period. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The face amount of debt issued is reported as other financing sources.

**Net Assets/Fund Balances** - The difference between assets and liabilities is *net assets* on the government-wide and proprietary fund statements, and *fund balance* on the governmental fund statements.

*Fund Financial Statements*

In February 2009, GASB issued Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions. The statement is effective for years beginning after June 15, 2010. The statement applies only to fund financial statements and not to government-wide statements or proprietary fund statements. Proprietary fund equity is classified the same as in the government-wide statements. The fund balances may be classified as follows:

- a. Non-spendable – Fund balances that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted fund balance – Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, by law through constitutional provisions or enabling legislation, or restrictions set by creditors, grantors, or contributors.
- c. Committed fund balance – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through adoption of a resolution. Only the City Council may modify or rescind the commitment.
- d. Assigned fund balance –Assigned amounts represent intended uses established by policies of the City Council, which includes giving the Treasurer the authority to constrain monies for intended purposes. Normally funds are assigned by the appropriation process of setting the budget. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds.
- e. Unassigned fund balance – Fund balances in the general fund are reported as unassigned when they are neither restricted, committed, nor assigned. They may be used for any governmental purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spend first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Liabilities, and Fund Balances / Net Assets (continued)**

*Government-wide Statements*

The government-wide statements classify net assets in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the governmental fund statements, fund balances are classified as reserved or unreserved. Reserves represent those portions of fund balance that are not appropriable for expenditure or are legally segregated for a specific future use. Unreserved fund balances are available for future appropriation, though some portions may be designated to represent management’s tentative plans for specific future uses.

It is the City’s policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**E. Revenues and Expenditures**

Following are the City’s significant policies related to recognition and reporting of certain revenues and expenditures:

***Revenue Availability*** - Under the modified accrual basis of accounting, revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. Syracuse City considers property tax revenues to be “available” if they are collected by the Treasurer’s Tax Collection Agency Fund before year-end. Sales taxes are considered revenue when they have been collected at the point of sale. Grants are recognized as revenue when all eligibility requirements have been met. All other revenues are considered to be available if they are received within 60 days after year-end.

***Expenditure Recognition*** - In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures, and proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources. When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, the City generally uses restricted resources first, then unrestricted resources.

**F. Budgeting and Budgetary Control**

Annual budgets are prepared and adopted before June 22nd for the calendar year commencing the following July 1st in accordance with the Uniform Fiscal Procedures Act for Utah Cities. Once a budget has been adopted, it remains in effect until it has been formally revised. If any obligations are contracted for in excess of the adopted budget, they are not a valid or enforceable claim against the City. Budgets are adopted on a basis consistent with generally accepted accounting principles.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Liabilities, and Fund Balances / Net Assets (continued)**

**Adopting the Annual Budget** - Each Spring the budget officer submits a tentative operating budget to the City Council for the calendar year commencing the following July 1<sup>st</sup>. The operating budget includes proposed expenditures and the means of financing them. The tentative operating budget is reviewed and tentatively adopted by the City Council they also set a date for a public hearing at which time taxpayers' comments are heard. Copies of the proposed budget are made available for public inspection ten days prior to the budget hearing. After the budget hearing, the tentative budget, with any amendments is legally enacted through passage of a resolution. A copy of the budget is certified by the budget officer and filed with the State Auditor within thirty days of adoption. A copy of the budget is available to the public after adoption.

Control of budgeted expenditures is exercised, under state law, at the department level. Administrative control is maintained through detailed line-item budgets for all departments. All appropriations lapse at the end of the calendar year. Budgets for the General Fund, special revenue, and capital projects funds are legally required and are prepared and adopted on the modified accrual basis of accounting. Budgets for proprietary funds are not legally required.

**Modifying the Adopted Budget** - Transfers of unexpended appropriations from one expenditure account to another in the same department can be made by consent of the department heads. Transfers of unexpended appropriations from one department to another department, as well as budget reductions for any department, may be made with consent of the Council. Expenditure appropriations of the General Fund may be increased by resolution only after a public hearing. Any other fund appropriation may be increased after giving public notice that the City Council will consider such a matter. Notice must be published seven days in advance of the meeting to consider the action. During the year the City modified various budgets using the above procedure.

**Current Year Excess of Expenditures Over Appropriations** - For the year ended June 30, 2012 the Municipal Building Authority Fund had expenditures that exceeded appropriations.

**NOTE 2. DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as time deposits. Investments are stated at cost or amortized cost, which approximates fair value. Each fund's portion of this pool is displayed as "Cash and Cash Equivalents". Deposits are not collateralized nor are they required to be by State statute.

The City follows the requirements of the Utah Money Management Act (the Act) in handling its depository transactions. The Act requires all deposits of City funds to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Utah Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. Utah statutes do not require deposits to be collateralized.

**A. Deposits**

**Custodial credit risk** – Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. Cash on hand at June 30, 2012 was \$1,198. The carrying amount of deposits was \$474,315 and the bank balance was \$448,256. Of the bank balance, \$337,010 was covered by federal depository insurance and \$111,247 was uninsured and uncollateralized.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 2. DEPOSITS AND INVESTMENTS (continued)**

**B. Investments**

The Money Management Act defines the types of securities authorized as appropriate investments for the City and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investors Services or Standard & Poor’s; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes and other evidence of indebtedness of political subdivision of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer’s Investment Fund (PTIF).

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, *Utah Code Annotated, 1953*, as amended. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains and losses – net of administration fees, of the PTIF are allocated based upon the participant’s average daily balance. The fair value of the PTIF Investment pool is approximately equal to the value of the pool shares.

As of June 30, 2012, all of the \$8,794,194 of City investments were deposited with the PTIF. This investment matures in less than a year and is not rated.

*Interest rate risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value by investing mainly in the Utah Public Treasurers Investment Fund and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. Maturities of the City’s investments are noted in the previous table.

*Credit risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s policy for reducing its exposure to credit risk is to comply with the State’s Money Management Act as previously discussed.

*Concentration of credit risk* – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The City’s policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar held in the portfolio. The City’s investment in the Utah Public Treasurer’s Investment Fund has no concentration of credit risk.

*Custodial credit risk (investments)* – For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. The City’s investment in the Utah Public Treasurer’s Investment Fund has no custodial credit risk.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 2. DEPOSITS AND INVESTMENTS (continued)**

Components of cash and investments (including interest earning deposits) at June 30, 2012 are as follows:

|                              |                     |
|------------------------------|---------------------|
| Cash on hand and on deposit: |                     |
| Cash on hand                 | \$ 1,198            |
| Cash on deposit              | 474,315             |
| PTIF investment              | <u>8,794,194</u>    |
| Total cash and investments   | <u>\$ 9,269,707</u> |

Cash and investments are included in the accompanying combined statement of net assets as follows:

|                            |                     |
|----------------------------|---------------------|
| Cash and cash equivalents  | \$ 5,697,508        |
| Restricted cash            | <u>3,572,199</u>    |
| Total cash and investments | <u>\$ 9,269,707</u> |

**NOTE 3. ACCOUNTS RECEIVABLE**

Receivables as of the fiscal year end, including the applicable allowances for uncollectible accounts, are as follows:

|                                    | <u>Governmental<br/>Activities</u> | <u>Business-type<br/>Activities</u> | <u>Total</u>        |
|------------------------------------|------------------------------------|-------------------------------------|---------------------|
| Receivables:                       |                                    |                                     |                     |
| Accounts Receivable                | \$ 93,626                          | \$ -                                | \$ 93,626           |
| Taxes Receivable                   | 2,442,554                          | -                                   | 2,442,554           |
| Utility and Service Charges        | <u>-</u>                           | <u>585,092</u>                      | <u>585,092</u>      |
| Gross Receivables                  | 2,536,180                          | 585,092                             | 3,121,272           |
| Less: Allowance for Uncollectibles | <u>(1,380)</u>                     | <u>(23,404)</u>                     | <u>(24,784)</u>     |
| Net Total Receivables              | <u>\$ 2,534,800</u>                | <u>\$ 561,688</u>                   | <u>\$ 3,096,488</u> |

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**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 4. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2012 was as follows:

|                                              | <u>Beginning<br/>Balance</u> | <u>Increases</u>    | <u>Decreases</u>   | <u>Ending<br/>Balance</u> |
|----------------------------------------------|------------------------------|---------------------|--------------------|---------------------------|
| <b>Governmental activities</b>               |                              |                     |                    |                           |
| Capital assets, not being depreciated        |                              |                     |                    |                           |
| Land                                         | \$ 9,021,159                 | \$ -                | \$ -               | \$ 9,021,159              |
| Construction in Process                      | 32,171                       | 219,966             | (28,655)           | 223,482                   |
| Total capital assets, not being depreciated  | <u>9,053,330</u>             | <u>219,966</u>      | <u>(28,655)</u>    | <u>9,244,641</u>          |
| Capital assets, being depreciated            |                              |                     |                    |                           |
| Land Improvements                            | 3,455,128                    | -                   | -                  | 3,455,128                 |
| Buildings and Improvements                   | 21,230,996                   | 54,204              | -                  | 21,285,200                |
| Equipment                                    | 4,164,523                    | 883,795             | (399,005)          | 4,649,313                 |
| Infrastructure                               | 39,480,331                   | 645,156             | -                  | 40,125,487                |
| Total capital assets, being depreciated      | <u>68,330,978</u>            | <u>1,583,155</u>    | <u>(399,005)</u>   | <u>69,515,128</u>         |
| Accumulated Depreciation for:                |                              |                     |                    |                           |
| Land Improvements                            | (447,132)                    | (115,171)           | -                  | (562,303)                 |
| Buildings and Improvements                   | (2,964,773)                  | (708,754)           | -                  | (3,673,527)               |
| Equipment                                    | (2,777,185)                  | (345,349)           | 378,611            | (2,743,923)               |
| Infrastructure                               | (14,437,844)                 | (1,201,727)         | -                  | (15,639,571)              |
| Total accumulated depreciation               | <u>(20,626,934)</u>          | <u>(2,371,001)</u>  | <u>378,611</u>     | <u>(22,619,324)</u>       |
| Total capital assets, being depreciated, net | <u>47,704,044</u>            | <u>(787,846)</u>    | <u>(20,394)</u>    | <u>46,895,804</u>         |
| Governmental activities capital assets, net  | <u>\$56,757,374</u>          | <u>\$ (567,880)</u> | <u>\$ (49,049)</u> | <u>\$56,140,445</u>       |

Depreciation expense was charged to functions as follows:

**Governmental Activities:**

|                            |                     |
|----------------------------|---------------------|
| General Government         | \$ 296,435          |
| Public Safety              | 473,821             |
| Public Works               | 1,290,129           |
| Parks and Recreation       | <u>310,616</u>      |
| Total Depreciation Expense | <u>\$ 2,371,001</u> |

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 4. CAPITAL ASSETS (continued)**

|                                              | <u>Beginning<br/>Balance</u> | <u>Increases</u>    | <u>Decreases</u> | <u>Ending<br/>Balance</u> |
|----------------------------------------------|------------------------------|---------------------|------------------|---------------------------|
| <b>Business-type activities</b>              |                              |                     |                  |                           |
| Capital assets, not being depreciated        |                              |                     |                  |                           |
| Water Stock                                  | \$ 8,574,395                 | \$ -                | \$ -             | \$ 8,574,395              |
| Land                                         | 46,433                       | -                   | -                | 46,433                    |
| Construction in Process                      | -                            | 279,410             | -                | 279,410                   |
| Total capital assets, not being depreciated  | <u>8,620,828</u>             | <u>279,410</u>      | <u>-</u>         | <u>8,900,238</u>          |
| Capital assets, being depreciated            |                              |                     |                  |                           |
| Land Improvements                            | 1,004,658                    | -                   | -                | 1,004,658                 |
| Buildings                                    | 738,200                      | -                   | -                | 738,200                   |
| Equipment                                    | 1,203,285                    | 44,533              | (45,430)         | 1,202,388                 |
| Infrastructure                               | 48,156,593                   | 512,392             | -                | 48,668,985                |
| Total capital assets, being depreciated      | <u>51,102,736</u>            | <u>556,925</u>      | <u>(45,430)</u>  | <u>51,614,231</u>         |
| Accumulated Depreciation for:                |                              |                     |                  |                           |
| Land Improvements                            | (134,772)                    | (20,093)            | -                | (154,865)                 |
| Buildings                                    | (100,226)                    | (23,850)            | -                | (124,076)                 |
| Equipment                                    | (828,510)                    | (103,376)           | -                | (931,886)                 |
| Infrastructure                               | (14,614,256)                 | (1,210,908)         | 45,430           | (15,779,734)              |
| Total accumulated depreciation               | <u>(15,677,764)</u>          | <u>(1,358,227)</u>  | <u>45,430</u>    | <u>(16,990,561)</u>       |
| Total capital assets, being depreciated, net | <u>35,424,972</u>            | <u>(801,302)</u>    | <u>-</u>         | <u>34,623,670</u>         |
| Business-type activities capital assets, net | <u>\$44,045,800</u>          | <u>\$ (521,892)</u> | <u>\$ -</u>      | <u>\$43,523,908</u>       |

Depreciation expense was charged to functions as follows:

**Business-type Activities:**

|                            |                     |
|----------------------------|---------------------|
| Culinary Water             | \$ 469,097          |
| Sewer                      | 273,568             |
| Secondary Water            | 413,128             |
| Storm Water                | <u>202,431</u>      |
| Total Depreciation Expense | <u>\$ 1,358,224</u> |

**NOTE 5. CUSTOMER DEPOSITS**

Residential utility customers pay a \$75 deposit when they sign up for utilities. This is held by the City until twelve consecutive timely utility payments are made. It is then refunded to the customer. As of June 30, 2012 the customer deposits balance held by the City was \$75,856.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 6. CHANGES TO LEASES AND LONG-TERM LIABILITIES**

Changes in Long-term Liabilities (including compensated absences) for the year ended June 30, 2012 were as follows:

| <b>Governmental Activities:</b>      | <b>Balance July<br/>1, 2011</b> | <b>Additions</b> | <b>Reductions</b>  | <b>Balance<br/>June 30, 2012</b> | <b>Amounts<br/>Due Within<br/>One Year</b> |
|--------------------------------------|---------------------------------|------------------|--------------------|----------------------------------|--------------------------------------------|
| 2005 Park Development Bond           | \$ 1,390,000                    | \$ -             | \$ (130,000)       | \$ 1,260,000                     | \$ 135,000                                 |
| 2006 MBA Facilities Bond             | 8,380,000                       | -                | (350,000)          | 8,030,000                        | 365,000                                    |
| 2008 MBA Fire Station Bond           | 5,521,000                       | -                | (5,521,000)        | -                                | -                                          |
| 2012 MBA Fire Station Bond           | -                               | 5,572,000        | -                  | 5,572,000                        | 305,000                                    |
| Capital Lease - 10 Wheeler           | -                               | 183,000          | (36,643)           | 146,357                          | 35,067                                     |
| Capital Lease - Police Vehicles      | -                               | 394,719          | (102,658)          | 292,061                          | 94,772                                     |
| Capital Lease - Street Lights        | -                               | 620,268          | -                  | 620,268                          | 49,753                                     |
| Compensated Absences                 | 300,539                         | 252,158          | (250,109)          | 302,588                          | 61,762                                     |
| Bond Premiums and Discounts          | 149,270                         | 15,235           | -                  | 164,505                          | -                                          |
| <i>Total Governmental Activities</i> | <u>15,740,809</u>               | <u>7,037,380</u> | <u>(6,390,410)</u> | <u>16,387,779</u>                | <u>1,046,354</u>                           |

| <b>Business-type Activities:</b>      | <b>Balance July<br/>1, 2011</b> | <b>Additions</b> | <b>Reductions</b> | <b>Balance<br/>June 30, 2012</b> | <b>Amounts<br/>Due Within<br/>One Year</b> |
|---------------------------------------|---------------------------------|------------------|-------------------|----------------------------------|--------------------------------------------|
| Water Revenue Note 1992A              | 110,000                         | -                | (55,000)          | 55,000                           | 55,000                                     |
| Water Revenue Note 1992B              | 116,000                         | -                | (58,000)          | 58,000                           | 58,000                                     |
| <i>Total Business-type Activities</i> | <u>226,000</u>                  | <u>-</u>         | <u>(113,000)</u>  | <u>113,000</u>                   | <u>113,000</u>                             |

|                                    |                      |                     |                      |                      |                     |
|------------------------------------|----------------------|---------------------|----------------------|----------------------|---------------------|
| <b>Total Long-term Liabilities</b> | <u>\$ 15,966,809</u> | <u>\$ 7,037,380</u> | <u>\$(6,503,410)</u> | <u>\$ 16,500,779</u> | <u>\$ 1,159,354</u> |
|------------------------------------|----------------------|---------------------|----------------------|----------------------|---------------------|

The compensated absence liability of governmental activities is liquidated in the General Fund, special revenue fund, or internal service fund where the related employing department operates. Additional information related to these long-term liabilities is found in the following tables including debt service requirements to maturity.

**NOTE 7. LEASES**

The City has three outstanding lease purchase agreements. These lease agreements qualify for capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments. All amortization expense for the capital leases has been included in depreciation expense.

The assets acquired through outstanding capital leases are as follows:

|                          | Governmental Activities |                   |                   |
|--------------------------|-------------------------|-------------------|-------------------|
|                          | General Fund            |                   |                   |
|                          | 10 Wheeler              | Police Vehicles   | Street Lights     |
| Vehicles                 | \$ 180,775              | \$ 394,719        |                   |
| Construction in Progress |                         |                   | 167,404           |
| Accumulated Amortization | -                       | (19,736)          | -                 |
| <b>Total</b>             | <u>\$ 180,775</u>       | <u>\$ 374,983</u> | <u>\$ 167,404</u> |

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 7. LEASES (continued)**

**A. 2012 Capital Lease – 10 Wheeler**

On November 1, 2011 the City acquired a 10 Wheeler for their Public Works Department through a capital lease purchase agreement. The lease has an interest rate of 2.82%. Payments are due semi-annually on November 1<sup>st</sup> and May 1<sup>st</sup> of each year until 2016. The payments are made from the General Fund.

| <b>2012 Capital Lease - 10 Wheeler</b> |               |               |                 |                       |
|----------------------------------------|---------------|---------------|-----------------|-----------------------|
| Issue Date                             | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
| 11/1/2011                              | 5/1/2016      | 2.82%         | \$ 183,000      | \$ 146,357            |
| Total Capital Lease - 10 Wheeler       |               |               |                 | \$ 146,357            |

| Year Ended June 30, | Debt Service Requirement to Maturity |          |            |
|---------------------|--------------------------------------|----------|------------|
|                     | Principal                            | Interest | Total      |
| 2013                | \$ 35,067                            | \$ 3,882 | \$ 38,949  |
| 2014                | 36,062                               | 2,887    | 38,949     |
| 2015                | 37,087                               | 1,862    | 38,949     |
| 2016                | 38,141                               | 808      | 38,949     |
| <b>Totals</b>       | \$ 146,357                           | \$ 9,439 | \$ 155,796 |

**B. 2012 Capital Lease – Police Vehicles**

On February 15, 2012 the City acquired ten police vehicles through a capital lease purchase agreement. The lease has an interest rate of 2.70%. Payments are due annually on February 15<sup>th</sup> of each year until 2015. The payments are made from the General Fund.

| <b>2012 Capital Lease - Police Vehicles</b> |               |               |                 |                       |
|---------------------------------------------|---------------|---------------|-----------------|-----------------------|
| Issue Date                                  | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
| 2/15/2012                                   | 2/15/2015     | 2.70%         | \$ 394,719      | \$ 292,061            |
| Total Capital Lease - Police Vehicles       |               |               |                 | \$ 292,061            |

| Year Ended June 30, | Debt Service Requirement to Maturity |           |            |
|---------------------|--------------------------------------|-----------|------------|
|                     | Principal                            | Interest  | Total      |
| 2013                | \$ 94,772                            | \$ 7,886  | \$ 102,658 |
| 2014                | 97,331                               | 5,327     | 102,658    |
| 2015                | 99,958                               | 2,700     | 102,658    |
| <b>Totals</b>       | \$ 292,061                           | \$ 15,913 | \$ 307,974 |

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 7. LEASES (continued)**

**C. 2012 Capital Lease – Street Lights**

On April 13, 2012 the City acquired street lights through a capital lease purchase agreement. The lease has an interest rate of 3.15%. Payments are due semi-annually on October 13<sup>th</sup> and April 13<sup>th</sup> of each year until 2020. The payments are made from the General Fund.

| <b>2012 Capital Lease - Street Lights</b> |               |               |                 |                       |
|-------------------------------------------|---------------|---------------|-----------------|-----------------------|
| Issue Date                                | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
| 4/13/2012                                 | 4/13/2020     | 3.15%         | \$ 620,268      | \$ 620,268            |
| Total Capital Lease - Street Lights       |               |               |                 | \$ 620,268            |

| Year Ended<br>June 30, | Debt Service Requirement to Maturity |                  |                   |
|------------------------|--------------------------------------|------------------|-------------------|
|                        | Principal                            | Interest         | Total             |
| 2013                   | \$ 49,753                            | \$ 19,150        | \$ 68,903         |
| 2014                   | 64,379                               | 17,468           | 81,847            |
| 2015                   | 69,530                               | 15,400           | 84,930            |
| 2016                   | 74,996                               | 13,167           | 88,163            |
| 2017                   | 80,795                               | 10,759           | 91,554            |
| 2018                   | 86,946                               | 8,166            | 95,112            |
| 2019                   | 93,472                               | 5,377            | 98,849            |
| 2020                   | 100,397                              | 2,378            | 102,775           |
| <b>Totals</b>          | <b>\$ 620,268</b>                    | <b>\$ 91,865</b> | <b>\$ 712,133</b> |

**NOTE 8. LONG-TERM LIABILITIES**

**A. Park Development Sales Tax Revenue Bonds, Series 2005**

On April 5, 2005, the City issued \$2,100,000 in Park Development Sales Tax Revenue Bonds for the purpose of financing the acquisition of water shares; the construction of a water reservoir; improvements to the secondary water system; park improvements and other City-owned capital improvements. Park Development Bonds payable at June 30, 2012 consists of the following:

| <b>2005 Park Development Sales Tax Revenue Bonds Payable</b> |               |               |                 |                       |
|--------------------------------------------------------------|---------------|---------------|-----------------|-----------------------|
| Issue Date                                                   | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
| 4/28/2005                                                    | 1/1/2020      | 3.0 - 4.3%    | \$ 2,100,000    | \$ 1,260,000          |
| Total Park Development Sales Tax Bonds                       |               |               |                 | \$ 1,260,000          |

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 8. LONG-TERM LIABILITIES (continued)**

**A. Park Development Sales Tax Revenue Bonds, Series 2005 (continued)**

| Year Ended<br>June 30, | Debt Service Requirement to Maturity |                   |                     |
|------------------------|--------------------------------------|-------------------|---------------------|
|                        | Principal                            | Interest          | Total               |
| 2013                   | \$ 135,000                           | \$ 51,983         | \$ 186,983          |
| 2014                   | 140,000                              | 46,853            | 186,853             |
| 2015                   | 150,000                              | 41,253            | 191,253             |
| 2016                   | 155,000                              | 35,103            | 190,103             |
| 2017                   | 160,000                              | 28,748            | 188,748             |
| 2018-2020              | 520,000                              | 45,025            | 565,025             |
| <b>Totals</b>          | <b>\$ 1,260,000</b>                  | <b>\$ 248,965</b> | <b>\$ 1,508,965</b> |

**B. Municipal Building Authority Lease Revenue Bonds, Series 2006**

On December 20, 2006, the MBA issued \$9,350,000 in Lease Revenue Bonds for the purpose of financing the construction of a new city hall, a public works addition, and the remodel of public safety structures. MBA Lease Revenue Bonds payable at June 30, 2012 consists of the following:

| 2006 Municipal Building Authority Lease Revenue Bonds Payable |               |               |                 |                       |
|---------------------------------------------------------------|---------------|---------------|-----------------|-----------------------|
| Issue Date                                                    | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
| 4/28/2005                                                     | 4/1/2028      | 4.0 - 5.0%    | \$ 9,350,000    | \$ 8,030,000          |
| Total Lease Revenue Bonds Payable                             |               |               |                 | <u>\$ 8,030,000</u>   |

| Year Ended<br>June 30, | Debt Service Requirement to Maturity |                     |                      |
|------------------------|--------------------------------------|---------------------|----------------------|
|                        | Principal                            | Interest            | Total                |
| 2013                   | \$ 365,000                           | \$ 344,866          | \$ 709,866           |
| 2014                   | 375,000                              | 330,266             | 705,266              |
| 2015                   | 390,000                              | 315,266             | 705,266              |
| 2016                   | 415,000                              | 295,766             | 710,766              |
| 2017                   | 435,000                              | 275,016             | 710,016              |
| 2018-2022              | 2,415,000                            | 1,113,023           | 3,528,023            |
| 2023-2027              | 2,965,000                            | 562,275             | 3,527,275            |
| 2028                   | 670,000                              | 30,150              | 700,150              |
| <b>Totals</b>          | <b>\$ 8,030,000</b>                  | <b>\$ 3,266,628</b> | <b>\$ 11,296,628</b> |

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 8. LONG-TERM LIABILITIES (continued)**

**C. Municipal Building Authority Lease Revenue Bonds, Series 2008**

On March 18, 2008, the MBA issued \$5,954,000 in Lease Revenue Bonds for the purpose of financing the construction of a new city fire station.

In 2012 the City defeased the 2008 Lease Revenue bonds through the issuance of the 2012 Lease Revenue Bonds. The aggregate difference in debt service between the refunding and refunded debt is \$235,558. The economic gain on the refunding is \$202,287.

**2008 Municipal Building Authority Lease Revenue Bonds Payable**

| Issue Date                        | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
|-----------------------------------|---------------|---------------|-----------------|-----------------------|
| 3/18/2008                         | 3/15/2028     | 4.13%         | \$ 5,954,000    | \$ -                  |
| Total Lease Revenue Bonds Payable |               |               |                 | <u>\$ -</u>           |

**D. Municipal Building Authority Lease Revenue Bonds, Series 2012**

On March 29, 2012, the MBA refinanced their 2008 Lease Revenue Bonds and issued the 2012 Lease Revenue Bonds. The original purpose of the 2008 bonds was to construct a fire station. The refinance provided a net savings to the City of \$235,558 in debt obligations. The MBA Lease Revenue Bonds, Series 2012 are as follows:

**2012 Municipal Building Authority Lease Revenue Bonds Payable**

| Issue Date                        | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
|-----------------------------------|---------------|---------------|-----------------|-----------------------|
| 3/29/2012                         | 4/1/2028      | 3.05%         | \$ 5,572,000    | \$ 5,572,000          |
| Total Lease Revenue Bonds Payable |               |               |                 | <u>\$ 5,572,000</u>   |

| Year Ended<br>June 30, | Debt Service Requirement to Maturity |                     |                     |
|------------------------|--------------------------------------|---------------------|---------------------|
|                        | Principal                            | Interest            | Total               |
| 2013                   | \$ 305,000                           | \$ 139,169          | \$ 444,169          |
| 2014                   | 308,000                              | 136,113             | 444,113             |
| 2015                   | 310,000                              | 133,495             | 443,495             |
| 2016                   | 313,000                              | 130,302             | 443,302             |
| 2017                   | 317,000                              | 126,076             | 443,076             |
| 2018-2022              | 1,677,000                            | 541,804             | 2,218,804           |
| 2023-2027              | 1,916,000                            | 302,488             | 2,218,488           |
| 2028                   | 426,000                              | 17,891              | 443,891             |
| <b>Totals</b>          | <u>\$ 5,572,000</u>                  | <u>\$ 1,527,338</u> | <u>\$ 7,099,338</u> |

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 8. LONG-TERM LIABILITIES (continued)**

**E. Water Revenue Notes, Series 1992**

During January 1992, the City issued \$2,200,000 in Water Revenue Notes with the State of Utah. These are zero interest notes available to local units of government for the purpose of water conservation through improved delivery systems. The City used the proceeds from these notes to construct a storage reservoir and upgrade the main transmission lines throughout the City. Water Revenue Notes Payable at June 30, 2012 consists of the following:

| 1992 Water Revenue Notes Payable  |               |               |                 |                       |
|-----------------------------------|---------------|---------------|-----------------|-----------------------|
| Issue Date                        | Maturity Date | Interest Rate | Original Amount | Balance June 30, 2012 |
| 4/28/1992                         | 1/1/2013      | no rate       | \$ 1,100,000    | \$ 55,000             |
| 4/28/1992                         | 1/1/2013      | no rate       | 1,100,000       | 58,000                |
| Total Water Revenue Bonds Payable |               |               |                 | \$ 113,000            |

| Debt Service Requirement to Maturity |          |              |          |            |          |
|--------------------------------------|----------|--------------|----------|------------|----------|
| Series 1992A                         |          | Series 1992B |          | Total      |          |
| Principal                            | Interest | Principal    | Interest | Principal  | Interest |
| \$ 55,000                            | -        | \$ 58,000    | -        | \$ 113,000 | -        |
| \$ 55,000                            | \$ -     | \$ 58,000    | \$ -     | \$ 113,000 | \$ -     |

**NOTE 9. INTERFUND TRANSFERS**

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in another fund. This year's transfers were as follows:

The General Fund transferred \$200,000 to the Capital Improvement Fund to assist in the funding of capital projects during the year.

The Secondary Water Fund transferred \$186,793 to the General Fund for payments for the Park Development Sales Tax Bond.

**NOTE 10. THEATER DEVELOPMENT AGREEMENT**

Under Utah law, a city has the authority to participate with a developer to the extent of the future benefit from sales and property tax generated by a proposed development. The Syracuse City Council entered into an agreement with HBN Real Estate LLC in fiscal year 2009. The City agreed to participate in their development of a theater complex. The financial commitment of the city is not to exceed \$750,000. As of June 30, 2012 the participation of the City has been \$712,001. Participation from the City has been in the form of both not charging impact fees and also paying for specific improvements that are the developer's responsibility. These costs have been incurred in various impact fee funds. These impact fee funds must be made whole by the general fund over the next several (maximum 20) years.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 11. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Since 1985 the City has purchased commercial insurance through the Utah Local Governments Insurance Trust to mitigate the costs of these risks. The City's responsibility extends only to the payment of premiums and deductibles of \$1,000 on general liability claims. There have been no significant reductions in insurance coverage. This year's premium of \$73,250 is part of the non-departmental costs. Settlement amounts have not exceeded insurance coverage for the current year or the prior three years.

**NOTE 12. RETIREMENT PLANS**

**A. Pension Plans**

Syracuse City contributes to the Local Government Contributory System, Local Government Noncontributory Retirement System, Public Safety and Firefighters System (Tier 2), the Firefighters Retirement System, and the Public Safety Noncontributory Retirement System collectively, the Systems), all of which are cost-sharing multiple-employer defined benefit pension plans. The Systems are administered by Utah Retirement Systems (URS) under the direction of the URS Board, which consists of the State Treasurer and six members appointed by the governor. URS is established under and governed by Title 49 of *Utah Code Annotated, 1953*, as amended (UCA). URS publishes an annual financial report that includes financial statements and required supplementary information for all retirement systems and deferred compensation plans administered by it. Copies of the report may be obtained by writing to Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102; by calling 1-800-365-8772.

Retirement benefits, as specified by UCA Title 49, cover substantially all employees of the State, public education, and other political subdivisions of the State. Only the State Legislature can modify benefits. The Systems provide pension, death, and disability benefits for employees who meet all eligibility requirements. Employees are eligible for retirement benefits upon attainment of the age specified for their employment classification or a combination of age plus years of service. A brief summary of eligibility, benefits, and contribution rates of the Systems is provided in the table below.

Expenditures or expenses for retirement costs are recorded in the City's funds as contributions are made to the Systems. Contributions made each year were equal to the contributions required by the City's contract with URS. Therefore, the City has no liability for pension obligations.

**B. Deferred Compensation Plans**

The City participates in a 401(k) Plan and a 457 Plan (collectively, the Plans), both of which are defined contribution plans administered by URS. The Plans are in addition to the retirement benefits outlined above. Voluntary contributions may be made to the Plans subject to URS and Internal Revenue Service limitations. The City has for many years contributed a matching amount up to 4 percent of eligible employees' salaries to the 401(k) Plan, and employees may contribute to both Plans up to maximum percentages allowed by IRS regulations.

Account balances of the Plans are fully vested to the participants at the time of deposit. All assets and income of the Plans are held by URS for the exclusive benefit of the participants or their beneficiaries. Syracuse City contributes to employees' 401(k) Plans. These contributions are not matching contributions, but were for employees of the City that had met the criteria to exempt out of the URS defined benefit retirement plans or are already receiving a defined benefit retirement through URS and received contributions to their 401(k) Plans in lieu of contributions to a URS defined benefit retirement plan.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 12. RETIREMENT PLANS (continued)**

|                                           | <b>Local<br/>Government<br/>Contributory<br/>System (Tier 2)</b>         | <b>Local<br/>Government<br/>Noncontributory<br/>System</b>                                   | <b>Public Safety &amp;<br/>Firefighters<br/>System (Tier 2)</b>          | <b>Firefighters<br/>System</b>                                                                                      | <b>Public Safety<br/>Noncontributory<br/>System</b>                                                                 |
|-------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| Highest Average Salary                    | Highest 5 Years                                                          | Highest 3 Years                                                                              | Highest 5 Years                                                          | Highest 3 Years                                                                                                     | Highest 3 Years                                                                                                     |
| Years of Service and Age of Eligibility   | 35 years any age<br>20 years age 60<br>10 years age 62<br>4 years age 65 | 30 years any age<br>25 years any age<br>20 years age 60<br>10 years age 62<br>4 years age 65 | 25 years any age<br>20 years age 60<br>10 years age 62<br>4 years age 65 | 20 years any age<br>10 years age 60<br>4 years age 65                                                               | 20 years any age<br>10 years age 60<br>4 years age 65                                                               |
| Benefit Percent per Year of Service       | 1.50% per year                                                           | 2.00% per year                                                                               | 1.50% per year                                                           | 2.50% per year up to 20 years<br>2.00% per year over 20 years<br>Benefit cannot exceed 70% of final average salary. | 2.50% per year up to 20 years<br>2.00% per year over 20 years<br>Benefit cannot exceed 70% of final average salary. |
| Annual Cost of Living Adjustment          | up to 2.50%                                                              | up to 4.00%                                                                                  | up to 2.50%                                                              | up to 2.50%                                                                                                         | up to 2.50%                                                                                                         |
| 2012 Rates as Percent of Covered Payroll: |                                                                          |                                                                                              |                                                                          |                                                                                                                     |                                                                                                                     |
| Employer                                  | 10.33%                                                                   | 13.77%                                                                                       | N/A                                                                      | 0.50%                                                                                                               | 27.07%                                                                                                              |
| Member                                    | N/A                                                                      | N/A                                                                                          | N/A                                                                      | 15.05%                                                                                                              | N/A                                                                                                                 |
| Employer (Firefighter)                    | N/A                                                                      | N/A                                                                                          | 10.64%                                                                   | N/A                                                                                                                 | N/A                                                                                                                 |
| Employer (Public Safety)                  | N/A                                                                      | N/A                                                                                          | 16.27%                                                                   | N/A                                                                                                                 | N/A                                                                                                                 |

**Actual City Contributions Made, by year (ended 6/30):**

|      |         |           |         |          |           |
|------|---------|-----------|---------|----------|-----------|
| 2012 | \$9,491 | \$242,691 | \$3,371 | \$72,378 | \$227,705 |
| 2011 | \$0     | \$239,080 | \$0     | \$85,764 | \$213,023 |
| 2010 | \$0     | \$223,689 | \$0     | \$69,411 | \$188,848 |

**Total City Contributions by Year:**

|                         |                  |
|-------------------------|------------------|
| 2012                    | \$555,636        |
| 2012 Employer Paid 401K | 39,152           |
|                         | <u>\$594,788</u> |
| 2011                    | \$537,867        |
| 2011 Employer Paid 401K | 21,141           |
|                         | <u>\$559,008</u> |
| 2010                    | \$481,948        |
| 2010 Employer Paid 401K | 24,004           |
|                         | <u>\$505,952</u> |

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 13. CONTINGENCIES**

The City has received several federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, the City believes such disallowances, if any, will be immaterial.

**NOTE 14. SYRACUSE CITY REDEVELOPMENT AGENCY (RDA)**

The Syracuse City Redevelopment Agency was established in 1992 to target specific areas of the City that were planned for improvements. The Agency funds identified improvements to the project area properties. These improvements are authorized to be funded using the concept of property tax increment. This funding is provided by taking the property tax dollars that are paid on any increased value of the properties and improvements from the time the project was identified as those properties are developed until the defined amount has been recovered. These improvements act as a publicly funded stimulation to the project area intended to encourage private development of those areas.

The Agency has established two project areas, 1700 South established in 1993 and 750 West established in 2004. This is the fifth year for each of the projects to receive tax increment payments from the property tax system. Infrastructure improvements have been made to the 1700 South project and road improvements are in place on the 750 West project.

These Redevelopment Projects collected \$445,397 in tax increment monies in the fiscal year ended June 30, 2012. The collections were used to repay the developer for improvements on the 1700 South project and cover the costs incurred for administration of the Redevelopment Agency.

**NOTE 15. MUNICIPAL BUILDING AUTHORITY OF SYRACUSE (MBA)**

The Municipal Building Authority of Syracuse was established in August 2006 to allow the City to streamline the funding and construction of city facilities. The MBA borrows funding, constructs facilities, and leases them to the City. The lease payments made by the City provide the revenue for the MBA to make the debt payments. Eventually the debt is paid off and the properties are then deeded to the City.

The initial lease agreement between the City and the MBA is for the new City Hall, an addition to the City Shops, and remodeled/enlarged public safety facilities from the existing City Hall and Public Safety buildings. Bonds were issued in December 2006 and construction has been completed on all structures.

A supplemental lease agreement was entered into between the City and the MBA in 2007. This adds a new fire station to the group of buildings constructed on behalf of the City by the MBA. Bonds for the financing of this facility were issued in March 2008 by the MBA and all construction has been completed.

**NOTE 16. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

State code requires the General fund to maintain its actual expenditures below an approved budget in each department and special revenue funds, capital project funds, and debt service funds to maintain expenditures within appropriations by the fund in total. For the year ended June 30, 2012, the City did not incur any expenditures in excess of their respective appropriations.

**SYRACUSE CITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 17. SUBSEQUENT EVENTS**

Subsequent to year end the City approved and created an Economic Development Area (EDA). This will be a third taxing area that will go under the RDA. A contract was created with Ningret, LLC to develop an industrial park in this area. The roadways, utilities, and buildings in this area will be developed. Ninigret will receive a maximum of \$5,135,053 for reimbursement of expenses related to developing the industrial park through property tax increment monies over the course of 15 years. An additional incentive of up to \$3,289,891 will be allocated to potential tenants of the industrial site to help attract high quality users and could also be used to help pay for up front moving costs for the tenants to relocate to Syracuse City. The project area plan also includes reimbursement to Syracuse City and Weber Basin Water for upgrading waterline infrastructure that will support the new industrial park. Syracuse City and Weber Basin Water will receive a reimbursement of expenses of up to \$455,000 and \$173,000 respectively through tax increment monies over the next 5 years.

# **SYRACUSE CITY CORPORATION**

## **SUPPLEMENTAL INFORMATION**

**SYRACUSE CITY**  
**CAPITAL IMPROVEMENTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                                                        | Budgeted Amounts  |                   | Actual            | Variance With<br>Final Budget |
|--------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------------------|
|                                                                                                        | Original          | Final             |                   |                               |
| <b>REVENUES:</b>                                                                                       |                   |                   |                   |                               |
| Franchise tax                                                                                          | \$ 1,210,000      | \$ 1,210,000      | \$ 1,267,451      | \$ 57,451                     |
| Cell tower lease                                                                                       | 62,500            | 65,000            | 65,747            | 747                           |
| Interest                                                                                               | 2,000             | 2,000             | -                 | (2,000)                       |
| Grants                                                                                                 | 47,850            | 67,850            | 77,431            | 9,581                         |
| Miscellaneous                                                                                          | -                 | -                 | 2,111             | 2,111                         |
| Total                                                                                                  | <u>1,322,350</u>  | <u>1,344,850</u>  | <u>1,412,740</u>  | <u>67,890</u>                 |
| <b>EXPENDITURES:</b>                                                                                   |                   |                   |                   |                               |
| Capital Projects                                                                                       | 297,850           | 729,350           | 726,492           | 2,858                         |
| Debt Service                                                                                           | 115,000           | 115,000           | 102,658           | 12,342                        |
| MBA Lease payments                                                                                     | 1,174,500         | 1,174,500         | 1,174,904         | (404)                         |
| Total                                                                                                  | <u>1,587,350</u>  | <u>2,018,850</u>  | <u>2,004,054</u>  | <u>14,796</u>                 |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENDITURES BEFORE OTHER<br/>FINANCING SOURCES (USES)</b> | <u>(265,000)</u>  | <u>(674,000)</u>  | <u>(591,314)</u>  | <u>82,686</u>                 |
| <b>OTHER FINANCING SOURCES (USES):</b>                                                                 |                   |                   |                   |                               |
| Issuance of debt                                                                                       | -                 | 395,000           | 394,719           | (281)                         |
| Transfers from (to) other funds                                                                        | 200,000           | 200,000           | 200,000           | -                             |
| Total                                                                                                  | <u>200,000</u>    | <u>595,000</u>    | <u>594,719</u>    | <u>(281)</u>                  |
| <b>NET CHANGE IN FUND BALANCE</b>                                                                      | <u>(65,000)</u>   | <u>(79,000)</u>   | <u>3,405</u>      | <u>82,405</u>                 |
| <b>FUND BALANCE, BEGINNING OF YEAR</b>                                                                 | <u>189,983</u>    | <u>189,983</u>    | <u>189,983</u>    | <u>-</u>                      |
| <b>FUND BALANCE, END OF YEAR</b>                                                                       | <u>\$ 124,983</u> | <u>\$ 110,983</u> | <u>\$ 193,388</u> | <u>\$ 82,405</u>              |

**SYRACUSE CITY**  
**CULINARY WATER UTILITY FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                      | Budgeted Amounts     |                      | Actual               | Variance With<br>Final Budget |
|----------------------------------------------------------------------|----------------------|----------------------|----------------------|-------------------------------|
|                                                                      | Original             | Final                |                      |                               |
| <b>OPERATING REVENUE:</b>                                            |                      |                      |                      |                               |
| Water sales                                                          | \$ 1,490,000         | \$ 1,515,000         | \$ 1,571,484         | \$ 56,484                     |
| Connection fees                                                      | 30,000               | 30,000               | 36,454               | 6,454                         |
| Other                                                                | 200                  | 200                  | 416                  | 216                           |
| Total                                                                | <u>1,520,200</u>     | <u>1,545,200</u>     | <u>1,608,354</u>     | <u>63,154</u>                 |
| <b>OPERATING EXPENDITURES:</b>                                       |                      |                      |                      |                               |
| <b>Public works:</b>                                                 |                      |                      |                      |                               |
| Salaries, wages, and benefits                                        | 235,682              | 253,682              | 256,280              | (2,598)                       |
| Contractual services                                                 | 400,000              | 400,000              | 398,950              | 1,050                         |
| Operations                                                           | 546,553              | 545,553              | 531,977              | 13,576                        |
| Depreciation                                                         | 450,000              | 467,000              | 469,097              | (2,097)                       |
| Total                                                                | <u>1,632,235</u>     | <u>1,666,235</u>     | <u>1,656,304</u>     | <u>9,931</u>                  |
| <b>OPERATING INCOME (LOSS)</b>                                       | <u>(112,035)</u>     | <u>(121,035)</u>     | <u>(47,950)</u>      | <u>73,085</u>                 |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                             |                      |                      |                      |                               |
| Culinary water impact fees                                           | 100,000              | 100,000              | 108,527              | 8,527                         |
| Grant revenue                                                        | -                    | -                    | 71,833               | 71,833                        |
| Sale of capital assets                                               | -                    | 4,700                | 4,732                | 32                            |
| Interest revenue                                                     | 8,500                | 13,500               | 15,816               | 2,316                         |
| Total                                                                | <u>108,500</u>       | <u>118,200</u>       | <u>200,908</u>       | <u>82,708</u>                 |
| <b>INCOME (LOSS) BEFORE CAPITAL<br/>CONTRIBUTIONS AND TRANSFERS:</b> | <u>(3,535)</u>       | <u>(2,835)</u>       | <u>152,958</u>       | <u>155,793</u>                |
| <b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>                          |                      |                      |                      |                               |
| Developers infrastructure contributions                              | -                    | -                    | 42,420               | 42,420                        |
| <b>NET CHANGE IN ASSETS</b>                                          | <u>(3,535)</u>       | <u>(2,835)</u>       | <u>195,378</u>       | <u>198,213</u>                |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                                 | <u>14,666,834</u>    | <u>14,666,834</u>    | <u>14,666,834</u>    | <u>-</u>                      |
| <b>NET ASSETS, END OF YEAR</b>                                       | <u>\$ 14,663,299</u> | <u>\$ 14,663,999</u> | <u>\$ 14,862,212</u> | <u>\$ 198,213</u>             |

**SYRACUSE CITY**  
**SEWER UTILITY FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                  | Budgeted Amounts    |                     | Actual              | Variance With<br>Final Budget |
|------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
|                                                                  | Original            | Final               |                     |                               |
| <b>OPERATING REVENUE:</b>                                        |                     |                     |                     |                               |
| Sewer service charges                                            | \$ 960,000          | \$ 973,000          | \$ 977,912          | \$ 4,912                      |
| Connection fees                                                  | 30,000              | 25,000              | 33,611              | 8,611                         |
| Total                                                            | <u>990,000</u>      | <u>998,000</u>      | <u>1,011,523</u>    | <u>13,523</u>                 |
| <b>OPERATING EXPENDITURES:</b>                                   |                     |                     |                     |                               |
| <b>Public Works:</b>                                             |                     |                     |                     |                               |
| Salaries, wages, and benefits                                    | 120,092             | 120,092             | 124,773             | (4,681)                       |
| Contracted services                                              | 560,000             | 560,000             | 568,374             | (8,374)                       |
| Operating expenses                                               | 67,432              | 67,432              | 51,463              | 15,969                        |
| Depreciation                                                     | 250,000             | 274,000             | 273,568             | 432                           |
| Total                                                            | <u>997,524</u>      | <u>1,021,524</u>    | <u>1,018,178</u>    | <u>3,346</u>                  |
| <b>OPERATING INCOME (LOSS)</b>                                   | <u>(7,524)</u>      | <u>(23,524)</u>     | <u>(6,655)</u>      | <u>16,869</u>                 |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                         |                     |                     |                     |                               |
| Interest                                                         | 1,500               | 3,800               | 4,788               | 988                           |
| Total                                                            | <u>1,500</u>        | <u>3,800</u>        | <u>4,788</u>        | <u>988</u>                    |
| <b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:</b> | <u>(6,024)</u>      | <u>(19,724)</u>     | <u>(1,867)</u>      | <u>17,857</u>                 |
| <b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>                      |                     |                     |                     |                               |
| Developers infrastructure contributions                          | -                   | -                   | 39,050              | 39,050                        |
| <b>NET CHANGE IN ASSETS</b>                                      | <u>(6,024)</u>      | <u>(19,724)</u>     | <u>37,183</u>       | <u>56,907</u>                 |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                             | <u>7,832,994</u>    | <u>7,832,994</u>    | <u>7,832,994</u>    | <u>-</u>                      |
| <b>NET ASSETS, END OF YEAR</b>                                   | <u>\$ 7,826,970</u> | <u>\$ 7,813,270</u> | <u>\$ 7,870,177</u> | <u>\$ 56,907</u>              |

**SYRACUSE CITY**  
**GARBAGE UTILITY FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                  | Budgeted Amounts  |                   | Actual            | Variance With<br>Final Budget |
|------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------------------|
|                                                                  | Original          | Final             |                   |                               |
| <b>OPERATING REVENUE:</b>                                        |                   |                   |                   |                               |
| Garbage collection fees                                          | \$ 1,150,000      | \$ 1,150,000      | \$ 1,114,929      | \$ (35,071)                   |
| Green waste collection fees                                      | 62,400            | 97,000            | 98,733            | 1,733                         |
| Other                                                            | 7,000             | 7,000             | 11,200            | 4,200                         |
| Total                                                            | <u>1,219,400</u>  | <u>1,254,000</u>  | <u>1,224,862</u>  | <u>(29,138)</u>               |
| <b>OPERATING EXPENDITURES:</b>                                   |                   |                   |                   |                               |
| <b>Public Works:</b>                                             |                   |                   |                   |                               |
| Salaries, wages, and benefits                                    | 44,772            | 44,772            | 47,633            | (2,861)                       |
| Contractual services                                             | 1,090,600         | 1,084,000         | 1,045,894         | 38,106                        |
| Operating expenses                                               | 85,028            | 126,228           | 47,312            | 78,916                        |
| Depreciation                                                     | -                 | -                 | -                 | -                             |
| Total                                                            | <u>1,220,400</u>  | <u>1,255,000</u>  | <u>1,140,839</u>  | <u>114,161</u>                |
| <b>OPERATING INCOME (LOSS)</b>                                   | <u>(1,000)</u>    | <u>(1,000)</u>    | <u>84,023</u>     | <u>85,023</u>                 |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                         |                   |                   |                   |                               |
| Interest                                                         | 1,000             | 1,000             | 1,468             | 468                           |
| Total                                                            | <u>1,000</u>      | <u>1,000</u>      | <u>1,468</u>      | <u>468</u>                    |
| <b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:</b> | <u>-</u>          | <u>-</u>          | <u>85,491</u>     | <u>85,491</u>                 |
| <b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>                      |                   |                   |                   |                               |
| Transfer to/from other funds                                     | -                 | -                 | -                 | -                             |
| <b>NET CHANGE IN ASSETS</b>                                      | <u>-</u>          | <u>-</u>          | <u>85,491</u>     | <u>85,491</u>                 |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                             | <u>229,469</u>    | <u>229,469</u>    | <u>229,469</u>    | <u>-</u>                      |
| <b>NET ASSETS, END OF YEAR</b>                                   | <u>\$ 229,469</u> | <u>\$ 229,469</u> | <u>\$ 314,960</u> | <u>\$ 85,491</u>              |

**SYRACUSE CITY**  
**SECONDARY WATER UTILITY FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                  | Budgeted Amounts     |                      | Actual               | Variance With<br>Final Budget |
|------------------------------------------------------------------|----------------------|----------------------|----------------------|-------------------------------|
|                                                                  | Original             | Final                |                      |                               |
| <b>OPERATING REVENUE:</b>                                        |                      |                      |                      |                               |
| Water Sales                                                      | \$ 1,308,000         | \$ 1,322,000         | \$ 1,325,242         | \$ 3,242                      |
| Connection fees                                                  | 25,000               | 20,000               | 27,939               | 7,939                         |
| Total                                                            | <u>1,333,000</u>     | <u>1,342,000</u>     | <u>1,353,181</u>     | <u>11,181</u>                 |
| <b>OPERATING EXPENDITURES:</b>                                   |                      |                      |                      |                               |
| <b>Public Works:</b>                                             |                      |                      |                      |                               |
| Salaries, wages, and benefits                                    | 223,188              | 241,188              | 219,118              | 22,070                        |
| Water and pumping                                                | 280,000              | 280,000              | 281,882              | (1,882)                       |
| Operating expenses                                               | 445,198              | 427,198              | 383,319              | 43,879                        |
| Depreciation                                                     | 380,000              | 415,000              | 413,128              | 1,872                         |
| Total                                                            | <u>1,328,386</u>     | <u>1,363,386</u>     | <u>1,297,447</u>     | <u>65,939</u>                 |
| <b>OPERATING INCOME (LOSS)</b>                                   | <u>4,614</u>         | <u>(21,386)</u>      | <u>55,734</u>        | <u>77,120</u>                 |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                         |                      |                      |                      |                               |
| Impact fees                                                      | 80,000               | 80,000               | 136,589              | 56,589                        |
| Interest revenue                                                 | 3,200                | 5,200                | 7,993                | 2,793                         |
| Total                                                            | <u>83,200</u>        | <u>85,200</u>        | <u>144,582</u>       | <u>59,382</u>                 |
| <b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:</b> | <u>87,814</u>        | <u>63,814</u>        | <u>200,316</u>       | <u>136,502</u>                |
| <b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>                      |                      |                      |                      |                               |
| Developers infrastructure contributions                          | -                    | -                    | 30,863               | 30,863                        |
| Transfer to/from other funds                                     | (186,793)            | (186,793)            | (186,793)            | -                             |
| <b>NET CHANGE IN ASSETS</b>                                      | <u>(98,979)</u>      | <u>(122,979)</u>     | <u>44,386</u>        | <u>167,365</u>                |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                             | <u>19,658,014</u>    | <u>19,658,014</u>    | <u>19,658,014</u>    | <u>-</u>                      |
| <b>NET ASSETS, END OF YEAR</b>                                   | <u>\$ 19,559,035</u> | <u>\$ 19,535,035</u> | <u>\$ 19,702,400</u> | <u>\$ 167,365</u>             |

**SYRACUSE CITY**  
**STORM WATER UTILITY FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                      | Budgeted Amounts    |                     | Actual              | Variance With<br>Final Budget |
|----------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
|                                                                      | Original            | Final               |                     |                               |
| <b>OPERATING REVENUES:</b>                                           |                     |                     |                     |                               |
| Storm water user fees                                                | \$ 285,000          | \$ 288,000          | \$ 288,838          | \$ 838                        |
| Total                                                                | <u>285,000</u>      | <u>288,000</u>      | <u>288,838</u>      | <u>838</u>                    |
| <b>OPERATING EXPENDITURES:</b>                                       |                     |                     |                     |                               |
| Payroll & benefits                                                   | 114,697             | 125,000             | 126,388             | (1,388)                       |
| Operating costs                                                      | 118,635             | 113,635             | 96,124              | 17,511                        |
| Depreciation                                                         | 200,000             | 203,000             | 202,431             | 569                           |
| Total                                                                | <u>433,332</u>      | <u>441,635</u>      | <u>424,943</u>      | <u>16,692</u>                 |
| <b>OPERATING INCOME (LOSS)</b>                                       | <u>(148,332)</u>    | <u>(153,635)</u>    | <u>(136,105)</u>    | <u>17,530</u>                 |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                             |                     |                     |                     |                               |
| Storm water impact fees                                              | 100,000             | 100,000             | 145,040             | 45,040                        |
| Interest                                                             | 3,000               | 3,500               | 5,356               | 1,856                         |
| Total                                                                | <u>103,000</u>      | <u>103,500</u>      | <u>150,396</u>      | <u>46,896</u>                 |
| <b>INCOME (LOSS) BEFORE CAPITAL<br/>CONTRIBUTIONS AND TRANSFERS:</b> | <u>(45,332)</u>     | <u>(50,135)</u>     | <u>14,291</u>       | <u>64,426</u>                 |
| <b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>                          |                     |                     |                     |                               |
| Developers infrastructure contributions                              | -                   | -                   | 49,055              | 49,055                        |
| <b>NET CHANGES IN ASSETS</b>                                         | <u>(45,332)</u>     | <u>(50,135)</u>     | <u>63,346</u>       | <u>113,481</u>                |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                                 | <u>6,631,342</u>    | <u>6,631,342</u>    | <u>6,631,342</u>    | <u>-</u>                      |
| <b>NET ASSETS, END OF YEAR</b>                                       | <u>\$ 6,586,010</u> | <u>\$ 6,581,207</u> | <u>\$ 6,694,688</u> | <u>\$ 113,481</u>             |

**SYRACUSE CITY**  
**INFORMATION TECHNOLOGY FUND - INTERNAL SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

|                                                                      | Budgeted Amounts |                  | Actual           | Variance With<br>Final Budget |
|----------------------------------------------------------------------|------------------|------------------|------------------|-------------------------------|
|                                                                      | Original         | Final            |                  |                               |
| <b>OPERATING REVENUE:</b>                                            |                  |                  |                  |                               |
| Department charges                                                   | \$ 178,580       | \$ 178,580       | \$ 178,580       | \$ -                          |
| Total                                                                | <u>178,580</u>   | <u>178,580</u>   | <u>178,580</u>   | <u>-</u>                      |
| <b>OPERATING EXPENDITURES:</b>                                       |                  |                  |                  |                               |
| General government:                                                  |                  |                  |                  |                               |
| Salaries, wages, and benefits                                        | 120,499          | 120,499          | 121,234          | (735)                         |
| Operating costs                                                      | 15,985           | 35,985           | 34,878           | 1,107                         |
| Depreciation                                                         | -                | -                | -                | -                             |
| Total                                                                | <u>136,484</u>   | <u>156,484</u>   | <u>156,112</u>   | <u>372</u>                    |
| <b>OPERATING INCOME (LOSS)</b>                                       | <u>42,096</u>    | <u>22,096</u>    | <u>22,468</u>    | <u>372</u>                    |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                             |                  |                  |                  |                               |
| Interest income                                                      | -                | -                | 99               | 99                            |
| Total                                                                | <u>-</u>         | <u>-</u>         | <u>99</u>        | <u>99</u>                     |
| <b>INCOME (LOSS) BEFORE CAPITAL<br/>CONTRIBUTIONS AND TRANSFERS:</b> | <u>42,096</u>    | <u>22,096</u>    | <u>22,567</u>    | <u>471</u>                    |
| <b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>                          |                  |                  |                  |                               |
| Transfers in                                                         | -                | -                | -                | -                             |
| Transfers out                                                        | -                | -                | -                | -                             |
| <b>NET CHANGE IN ASSETS</b>                                          | <u>42,096</u>    | <u>22,096</u>    | <u>22,567</u>    | <u>471</u>                    |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                                 | <u>-</u>         | <u>-</u>         | <u>-</u>         | <u>-</u>                      |
| <b>NET ASSETS, END OF YEAR</b>                                       | <u>\$ 42,096</u> | <u>\$ 22,096</u> | <u>\$ 22,567</u> | <u>\$ 471</u>                 |

## STATISTICAL SECTION

This part of Syracuse City Corporation’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

| <b>Contents</b>                                                                                                                                                                                                                                                 | <b>Page</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <b>FINANCIAL TRENDS</b><br><i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>                                                                           | 84          |
| <b>REVENUE CAPACITY</b><br><i>These schedules contain information to help the reader assess the City’s most significant local revenue sources, the sales tax and property tax.</i>                                                                              | 95          |
| <b>DEBT CAPACITY</b><br><i>These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.</i>                                  | 101         |
| <b>DEMOGRAPHICS AND ECONOMIC INFORMATION</b><br><i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.</i>                                         | 104         |
| <b>OPERATING INFORMATION</b><br><i>These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the government provides and the activities it performs.</i> | 106         |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**SYRACUSE CITY**  
**GOVERNMENT-WIDE REVENUES**  
**Last Nine Fiscal Years**

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| <b>Fiscal Year</b> | <b>Charges for Services</b> | <b>Operating Grants and Contributions</b> | <b>Capital Grants and Contributions</b> | <b>Taxes</b> | <b>Unrestricted Investment Earnings</b> | <b>Miscellaneous</b> | <b>Total</b>  |
|--------------------|-----------------------------|-------------------------------------------|-----------------------------------------|--------------|-----------------------------------------|----------------------|---------------|
| 2011-12            | \$ 8,782,781                | \$ 890,117                                | \$ 732,621                              | \$ 6,349,093 | \$ 68,227                               | \$ 238,929           | \$ 17,061,768 |
| 2010-11            | 8,410,723                   | -                                         | 5,493,654                               | 5,959,508    | 32,237                                  | 600,118              | 20,496,240    |
| 2009-10            | 7,668,076                   | 115,149                                   | 5,107,748                               | 5,667,730    | 31,268                                  | 1,025,895            | 19,615,866    |
| 2008-09            | 7,485,359                   | 255,432                                   | -                                       | 5,597,745    | 198,054                                 | 707,227              | 14,243,817    |
| 2007-08            | 6,986,464                   | -                                         | 144,000                                 | 5,340,527    | 582,373                                 | 840,803              | 13,894,167    |
| 2006-07            | 5,920,326                   | 865,103                                   | 386,843                                 | 4,132,221    | 679,690                                 | 2,935,145            | 14,919,328    |
| 2005-06            | 5,441,945                   | 814,478                                   | 1,503,364                               | 3,503,382    | 427,447                                 | 4,559,759            | 16,250,375    |
| 2004-05            | 4,823,724                   | 673,663                                   | 51,196                                  | 2,749,144    | 178,844                                 | 2,948,371            | 11,424,942    |
| 2003-04            | 4,255,492                   | 585,427                                   | -                                       | 2,247,177    | 103,713                                 | 2,894,597            | 10,086,406    |

Note:

Financial reports were only available for the last nine fiscal years.

**SYRACUSE CITY CORPORATION**  
**GOVERNMENT-WIDE EXPENSES BY FUNCTION**  
**Last Nine Fiscal Years**

| <b>Fiscal Year</b> | <b>General Government</b> | <b>Public Safety</b> | <b>Public Works <sup>1</sup></b> | <b>Parks and Recreation</b> | <b>Interest and Fiscal Charges</b> | <b>Culinary Water Utility <sup>2</sup></b> | <b>Sewer Utility <sup>2</sup></b> | <b>Garbage Utility <sup>2</sup></b> | <b>Secondary Water Utility</b> | <b>Storm Water Utility <sup>1</sup></b> | <b>Total</b>  |
|--------------------|---------------------------|----------------------|----------------------------------|-----------------------------|------------------------------------|--------------------------------------------|-----------------------------------|-------------------------------------|--------------------------------|-----------------------------------------|---------------|
| 2011-12            | \$ 2,378,027              | \$ 3,923,458         | \$ 1,907,183                     | \$ 1,241,485                | \$ 687,182                         | \$ 1,656,304                               | \$ 1,018,178                      | \$ 1,140,839                        | \$ 1,297,447                   | \$ 424,943                              | \$ 15,675,046 |
| 2010-11            | 2,093,864                 | 3,843,940            | 2,114,678                        | 1,298,632                   | 684,474                            | 1,509,611                                  | 1,012,749                         | 1,148,287                           | 1,158,364                      | 426,122                                 | 15,290,721    |
| 2009-10            | 1,663,029                 | 3,723,979            | 2,121,006                        | 1,083,622                   | 696,289                            | 1,296,665                                  | 992,129                           | 1,072,037                           | 1,084,825                      | 536,507                                 | 14,270,088    |
| 2008-09            | 2,106,972                 | 3,944,700            | 3,809,582                        | 1,159,929                   | 783,675                            | 1,315,738                                  | 899,303                           | 1,071,645                           | 1,139,891                      | -                                       | 16,231,435    |
| 2007-08            | 1,685,040                 | 3,463,722            | 3,898,914                        | 1,004,514                   | 248,078                            | 3,331,631                                  | -                                 | -                                   | 1,109,224                      | -                                       | 14,741,123    |
| 2006-07            | 1,741,641                 | 2,677,933            | 1,994,719                        | 1,091,158                   | 198,925                            | 3,043,470                                  | -                                 | -                                   | 846,015                        | -                                       | 11,593,861    |
| 2005-06            | 942,801                   | 2,749,374            | 1,517,152                        | 796,333                     | 142,648                            | 2,986,192                                  | -                                 | -                                   | 1,129,502                      | -                                       | 10,264,002    |
| 2004-05            | 951,595                   | 2,277,896            | 1,325,077                        | 559,582                     | 93,907                             | 2,483,785                                  | -                                 | -                                   | 824,374                        | -                                       | 8,516,216     |
| 2003-04            | 999,187                   | 1,650,640            | 1,631,681                        | 485,077                     | 116,070                            | 2,275,780                                  | -                                 | -                                   | 759,798                        | -                                       | 7,918,233     |

Note:

Financial reports were only available for the last nine fiscal years

<sup>1</sup> Prior to FY 2010, the Storm Water Utility Fund was combined with Public Works

<sup>2</sup> Prior to FY 2009, the Sewer Utility Fund and Garbage Utility Fund were combined with the Culinary Water Utility Fund

**SYRACUSE CITY CORPORATION**  
**GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES**  
**Last Nine Fiscal Years**

| <b>FISCAL YEAR</b> | <b>TAXES</b> | <b>LICENSES AND PERMITS</b> | <b>IMPACT FEES</b> | <b>INTERGOV-ERNMENTAL</b> | <b>MANAGEMENT AND ADMIN FEES <sup>1,2</sup></b> | <b>CHARGES FOR SERVICES</b> | <b>FINES AND FORFEITURES</b> | <b>INTEREST AND MISC</b> | <b>TOTAL</b> |
|--------------------|--------------|-----------------------------|--------------------|---------------------------|-------------------------------------------------|-----------------------------|------------------------------|--------------------------|--------------|
| 2011-12            | \$ 4,636,245 | \$ 350,229                  | \$ 337,850         | \$ 1,009,609              | \$ 613,025                                      | \$ 1,082,134                | \$ 342,441                   | \$ 97,415                | \$ 8,468,948 |
| 2010-11            | 4,333,403    | 245,223                     | 226,713            | 845,653                   | 642,000                                         | 996,036                     | 331,246                      | 92,583                   | 7,712,857    |
| 2009-10            | 4,199,180    | 321,654                     | 482,160            | 821,797                   | \$ -                                            | 907,170                     | 295,248                      | 67,410                   | 7,094,619    |
| 2008-09            | 4,253,282    | 357,501                     | 388,245            | 888,120                   | \$ -                                            | 675,457                     | 261,720                      | 138,000                  | 6,962,325    |
| 2007-08            | 4,097,863    | 344,859                     | 589,458            | 1,090,769                 | -                                               | 602,888                     | 218,843                      | 183,278                  | 7,127,958    |
| 2006-07            | 3,132,601    | 819,988                     | 1,547,289          | 1,231,946                 | -                                               | 579,603                     | 208,880                      | 267,987                  | 7,788,294    |
| 2005-06            | 2,562,266    | 913,927                     | 2,348,471          | 1,640,792                 | -                                               | 582,145                     | 197,755                      | 267,468                  | 8,512,824    |
| 2004-05            | 2,002,561    | 749,411                     | 1,348,894          | 724,859                   | -                                               | 559,906                     | 179,377                      | 73,556                   | 5,638,564    |
| 2003-04            | 1,790,455    | 709,376                     | 1,481,496          | 609,626                   | -                                               | 480,870                     | 183,592                      | 71,221                   | 5,326,636    |

Note:

General government is limited to the City's general fund.

Financial reports were only available for the last nine fiscal years.

<sup>1</sup> Beginning in FY 2011, administrative fees charged to utilities funds were shown as a revenue instead of an offset to expenditures in the general fund

<sup>2</sup> Beginning in FY 2011, a management fee was charged to the redevelopment fund. This is included in management and admin fees above

**SYRACUSE CITY CORPORATION**  
**GENERAL GOVERNMENTAL EXPENDITURES (Budget Basis) AND OTHER USES BY FUNCTION**  
**Last Nine Fiscal Years**

| <b>Fiscal Year</b> | <b>General Government</b> | <b>Public Safety</b> | <b>Public Works</b> | <b>Parks and Recreation</b> | <b>Capital Outlay <sup>2</sup></b> | <b>Debt Service</b> | <b>Other Financing Uses <sup>1</sup></b> | <b>Total</b> |
|--------------------|---------------------------|----------------------|---------------------|-----------------------------|------------------------------------|---------------------|------------------------------------------|--------------|
| 2011-12            | \$ 2,012,733 <sup>3</sup> | \$ 3,462,242         | \$ 1,121,517        | \$ 956,884                  |                                    | \$ 192,781          | \$ 200,000                               | \$ 7,946,157 |
| 2010-11            | 1,689,503                 | 3,369,555            | 1,282,843           | 1,025,804                   | -                                  | 192,669             | 14,567                                   | 7,574,941    |
| 2009-10            | 1,174,765                 | 3,221,583            | 1,136,292           | 955,982                     | -                                  | 192,980             | 124,000                                  | 6,805,602    |
| 2008-09            | 1,576,733                 | 3,303,895            | 1,311,144           | 923,204                     | 1,088,081                          | 396,163             | 114,500                                  | 8,713,720    |
| 2007-08            | 1,522,231                 | 3,186,613            | 2,172,362           | 916,204                     | 825,112                            | 362,768             | 603,377                                  | 9,588,667    |
| 2006-07            | 1,587,366                 | 2,567,880            | 689,921             | 838,031                     | 1,919,101                          | 366,068             | 107,465                                  | 8,075,832    |
| 2005-06            | 849,138                   | 2,051,473            | 882,886             | 583,255                     | 3,504,683                          | 464,571             | 272,608                                  | 8,608,614    |
| 2004-05            | 893,866                   | 1,665,896            | 887,202             | 559,085                     | 3,066,146                          | -                   | 49,034                                   | 7,121,229    |
| 2003-04            | 953,575                   | 1,418,379            | 805,440             | 448,822                     | 722,082                            | -                   | -                                        | 4,348,298    |

Notes:

General government is limited to the City's general fund.

Financial reports were only available for the last nine fiscal years.

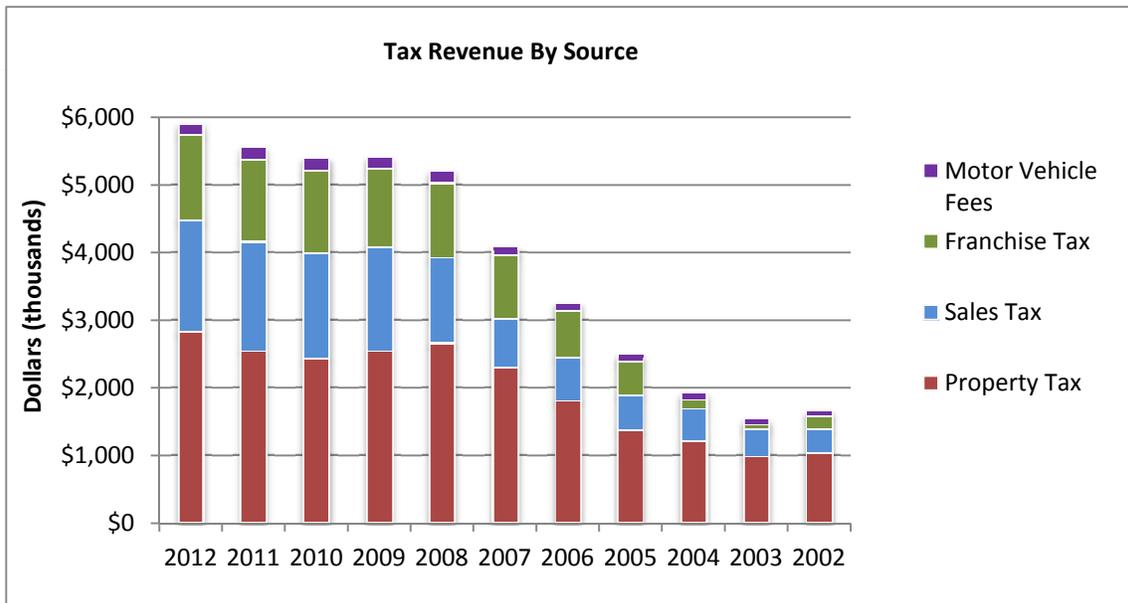
<sup>1</sup> Other financing uses includes transfers to other funds.

<sup>2</sup> Beginning in FY 2010, capital outlay expenditures are included under the function for which they were acquired.

<sup>3</sup> Beginning in FY 2011, administrative fees charged to utilities funds were shown as a revenue instead of an offset to expenditures in the general fund.

**SYRACUSE CITY CORPORATION**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**Last Ten Fiscal Years**  
(Amounts Expressed in Thousands)

| <b>Fiscal Year</b> | <b>Sales Tax</b> | <b>Property Tax</b> | <b>Franchise Tax</b> | <b>Motor Vehicle Fees</b> | <b>Total</b> |
|--------------------|------------------|---------------------|----------------------|---------------------------|--------------|
| 2012               | \$ 2,820         | \$ 1,650            | \$ 1,267             | \$ 166                    | \$ 5,903     |
| 2011               | 2,551            | 1,606               | 1,229                | 177                       | 5,563        |
| 2010               | 2,429            | 1,569               | 1,209                | 202                       | 5,409        |
| 2009               | 2,543            | 1,535               | 1,165                | 175                       | 5,418        |
| 2008               | 2,655            | 1,265               | 1,107                | 178                       | 5,205        |
| 2007               | 2,299            | 719                 | 956                  | 114                       | 4,088        |
| 2006               | 1,805            | 635                 | 695                  | 122                       | 3,257        |
| 2005               | 1,366            | 525                 | 490                  | 111                       | 2,492        |
| 2004               | 1,208            | 480                 | 142                  | 102                       | 1,932        |
| 2003               | 980              | 403                 | 71                   | 89                        | 1,543        |
| 2002               | 1,034            | 347                 | 200                  | 78                        | 1,659        |



**SYRACUSE CITY CORPORATION**  
**NET ASSETS BY COMPONENT**  
**Last Nine Fiscal Years**  
**(Amounts Expressed in Thousands)**

|                                                  | Fiscal Year      |                  |                  |                  |                  |                  |                  |                  |                  |
|--------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                                  | 2012             | 2011             | 2010             | 2009             | 2008             | 2007             | 2006             | 2005             | 2004             |
| <b>Governmental activities</b>                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Invested in capital assets, net of related debt  | \$ 40,565        | \$ 41,578        | \$ 39,654        | \$ 42,374        | \$ 38,986        | \$ 27,251        | \$ 30,562        | \$ 23,606        | \$ 20,879        |
| Restricted                                       | 1,771            | 811              | 727              | 867              | 6,675            | 9,615            | 2,374            | 5,324            | 4,518            |
| Unrestricted                                     | 1,812            | 811              | 314              | 726              | 672              | 514              | 2,260            | 447              | (43)             |
| <b>Total governmental activities net assets</b>  | <b>\$ 44,148</b> | <b>\$ 43,200</b> | <b>\$ 40,695</b> | <b>\$ 43,967</b> | <b>\$ 46,333</b> | <b>\$ 37,380</b> | <b>\$ 35,196</b> | <b>\$ 29,377</b> | <b>\$ 25,354</b> |
| <b>Business-type activities</b>                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Invested in capital assets, net of related debt  | \$ 43,411        | \$ 43,820        | \$ 41,712        | \$ 35,180        | \$ 34,458        | \$ 27,598        | \$ 25,486        | \$ 22,679        | \$ 18,812        |
| Restricted                                       | 1,042            | 970              | 714              | 136              | 900              | 1,464            | 1,346            | 2,508            | 2,068            |
| Unrestricted                                     | 5,005            | 4,229            | 3,892            | 2,385            | 1,964            | 2,797            | 1,949            | 177              | 372              |
| <b>Total business-type activities net assets</b> | <b>\$ 49,458</b> | <b>\$ 49,019</b> | <b>\$ 46,318</b> | <b>\$ 37,701</b> | <b>\$ 37,322</b> | <b>\$ 31,859</b> | <b>\$ 28,781</b> | <b>\$ 25,364</b> | <b>\$ 21,252</b> |
| <b>Primary government</b>                        |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Invested in capital assets, net of related debt  | \$ 83,976        | \$ 85,398        | \$ 81,366        | \$ 77,554        | \$ 73,444        | \$ 54,849        | \$ 56,048        | \$ 46,285        | \$ 39,691        |
| Restricted                                       | 2,813            | 1,781            | 1,441            | 1,003            | 7,575            | 11,079           | 3,720            | 7,832            | 6,586            |
| Unrestricted                                     | 6,817            | 5,040            | 4,206            | 3,111            | 2,636            | 3,311            | 4,209            | 624              | 329              |
| <b>Total primary government net assets</b>       | <b>\$ 93,606</b> | <b>\$ 92,219</b> | <b>\$ 87,013</b> | <b>\$ 81,668</b> | <b>\$ 83,655</b> | <b>\$ 69,239</b> | <b>\$ 63,977</b> | <b>\$ 54,741</b> | <b>\$ 46,606</b> |

Note:

Financial reports were only available for the last nine fiscal years.

**SYRACUSE CITY CORPORATION**  
**CHANGES IN NET ASSETS**  
**Last Nine Fiscal Years**  
(Amounts Expressed in Thousands)

|                                                 | Fiscal Year      |                  |                  |                  |                  |                  |                  |                 |                 |
|-------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|-----------------|
|                                                 | 2012             | 2011             | 2010             | 2009             | 2008             | 2007             | 2006             | 2005            | 2004            |
| <b>Expenses</b>                                 |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| Governmental activities:                        |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| General government                              | \$ 2,378         | \$ 2,094         | \$ 1,663         | \$ 2,107         | \$ 1,685         | \$ 1,741         | \$ 943           | \$ 952          | \$ 999          |
| Public safety                                   | 3,924            | 3,844            | 3,724            | 3,945            | 3,464            | 2,678            | 2,749            | 2,278           | 1,651           |
| Public works <sup>1</sup>                       | 1,907            | 2,115            | 2,121            | 3,809            | 3,899            | 1,995            | 1,517            | 1,325           | 1,632           |
| Parks and recreation                            | 1,241            | 1,299            | 1,084            | 1,160            | 1,004            | 1,091            | 796              | 559             | 485             |
| Interest and fiscal charges                     | 687              | 684              | 696              | 784              | 248              | 199              | 143              | 94              | 116             |
| Total governmental activities expenses          | <u>10,137</u>    | <u>10,036</u>    | <u>9,288</u>     | <u>11,805</u>    | <u>10,300</u>    | <u>7,704</u>     | <u>6,148</u>     | <u>5,208</u>    | <u>4,883</u>    |
| Business-type activities:                       |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| Culinary water utility                          | 1,656            | 1,510            | 1,297            | 1,316            | 3,332            | 3,044            | 2,986            | 2,484           | 2,276           |
| Sewer utility                                   | 1,018            | 1,013            | 992              | 899              | -                | -                | -                | -               | -               |
| Garbage utility                                 | 1,141            | 1,148            | 1,072            | 1,071            | -                | -                | -                | -               | -               |
| Secondary water utility                         | 1,298            | 1,158            | 1,085            | 1,140            | 1,109            | 846              | 1,130            | 824             | 759             |
| Storm water utility                             | 425              | 426              | 536              | -                | -                | -                | -                | -               | -               |
| Total business-type activities expenses         | <u>5,538</u>     | <u>5,255</u>     | <u>4,982</u>     | <u>4,426</u>     | <u>4,441</u>     | <u>3,890</u>     | <u>4,116</u>     | <u>3,308</u>    | <u>3,035</u>    |
| Total primary government expenses               | <u>\$ 15,675</u> | <u>\$ 15,291</u> | <u>\$ 14,270</u> | <u>\$ 16,231</u> | <u>\$ 14,741</u> | <u>\$ 11,594</u> | <u>\$ 10,264</u> | <u>\$ 8,516</u> | <u>\$ 7,918</u> |
| <b>Program Revenues</b>                         |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| Governmental activities:                        |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| Charges for services:                           |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| General government                              | \$ 1,540         | \$ 1,397         | \$ 809           | \$ 808           | \$ 730           | \$ 1,291         | \$ 466           | \$ 440          | \$ 430          |
| Public safety                                   | 476              | 433              | 205              | 296              | 275              | 127              | 139              | 159             | 154             |
| Public works                                    | 245              | 804              | 924              | 1,500            | 1,446            | 41               | 960              | 805             | 738             |
| Parks and recreation                            | 645              | 476              | 436              | 288              | 415              | 149              | 129              | 89              | 77              |
| Operating grants and contributions              | 890              | -                | 115              | 91               | -                | 865              | 814              | 674             | 585             |
| Capital grants and contributions                | 499              | 2,946            | 2,771            | -                | 44               | 387              | 1,323            | 51              | -               |
| Total governmental activities program revenues  | <u>4,295</u>     | <u>6,056</u>     | <u>5,260</u>     | <u>2,983</u>     | <u>2,910</u>     | <u>2,860</u>     | <u>3,831</u>     | <u>2,218</u>    | <u>1,984</u>    |
| Business-type activities:                       |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| Charges for services: <sup>2</sup>              |                  |                  |                  |                  |                  |                  |                  |                 |                 |
| Culinary water utility                          | 1,717            | 1,528            | 1,549            | 1,343            | 3,030            | 3,315            | 2,993            | 2,750           | 2,339           |
| Sewer utility                                   | 1,011            | 986              | 989              | 845              | -                | -                | -                | -               | -               |
| Garbage utility                                 | 1,225            | 1,170            | 1,137            | 1,113            | -                | -                | -                | -               | -               |
| Secondary water utility                         | 1,490            | 1,331            | 1,335            | 1,292            | 1,090            | 997              | 755              | 580             | 518             |
| Storm water utility <sup>1</sup>                | 434              | 286              | 284              | -                | -                | -                | -                | -               | -               |
| Capital grants and contributions                | 233              | 2,547            | 2,337            | 165              | 100              | -                | 180              | -               | -               |
| Total business-type activities program revenues | <u>6,110</u>     | <u>7,848</u>     | <u>7,631</u>     | <u>4,758</u>     | <u>4,220</u>     | <u>4,312</u>     | <u>3,928</u>     | <u>3,330</u>    | <u>2,857</u>    |
| Total primary government program revenues       | <u>\$ 10,405</u> | <u>\$ 13,904</u> | <u>\$ 12,891</u> | <u>\$ 7,741</u>  | <u>\$ 7,130</u>  | <u>\$ 7,172</u>  | <u>\$ 7,759</u>  | <u>\$ 5,548</u> | <u>\$ 4,841</u> |

**SYRACUSE CITY CORPORATION**  
**CHANGES IN NET ASSETS**  
**Last Nine Fiscal Years**  
(Amounts Expressed in Thousands)

|                                                           | Fiscal Year       |                   |                   |                   |                   |                   |                   |                   |                   |
|-----------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                                           | 2012              | 2011              | 2010              | 2009              | 2008              | 2007              | 2006              | 2005              | 2004              |
| Net (expense)/revenue:                                    |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Governmental activities                                   | \$ (5,842)        | \$ (3,980)        | \$ (4,028)        | \$ (8,822)        | \$ (7,390)        | \$ (4,844)        | \$ (2,317)        | \$ (2,990)        | \$ (2,899)        |
| Business-type activities                                  | 572               | 2,593             | 2,649             | 332               | (221)             | 422               | (188)             | 22                | (178)             |
| Total primary government net expense                      | <u>\$ (5,270)</u> | <u>\$ (1,387)</u> | <u>\$ (1,379)</u> | <u>\$ (8,490)</u> | <u>\$ (7,611)</u> | <u>\$ (4,422)</u> | <u>\$ (2,505)</u> | <u>\$ (2,968)</u> | <u>\$ (3,077)</u> |
| <b>General Revenues and Other Changes in Net Assets</b>   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Governmental activities:                                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Taxes                                                     |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Property taxes                                            | \$ 2,262          | \$ 2,180          | \$ 2,030          | \$ 1,890          | \$ 1,579          | \$ 877            | \$ 757            | \$ 636            | \$ 582            |
| Sales taxes                                               | 2,820             | 2,551             | 2,429             | 2,543             | 2,655             | 2,299             | 1,805             | 1,366             | 1,208             |
| Franchise taxes                                           | 1,267             | 1,229             | 1,209             | 1,165             | 1,107             | 956               | 941               | 746               | 457               |
| Impact fees <sup>3</sup>                                  | -                 | 227               | 482               | 232               | 262               | 1,877             | 3,112             | 1,677             | 1,801             |
| Unrestricted investment earnings                          | 33                | 11                | 10                | 143               | 440               | 484               | 299               | 117               | 68                |
| Other revenues (uses) not restricted to specific program: | 220               | 100               | 42                | 147               | 8,957             | 342               | 1,307             | 2,470             | 1,572             |
| Transfers                                                 | 187               | 186               | 190               | 336               | 1,343             | 193               | -                 | -                 | -                 |
| Total governmental activities                             | <u>6,789</u>      | <u>6,484</u>      | <u>6,392</u>      | <u>6,456</u>      | <u>16,343</u>     | <u>7,028</u>      | <u>8,221</u>      | <u>7,012</u>      | <u>5,688</u>      |
| Business-type activities:                                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Impact fees <sup>3</sup>                                  | -                 | 253               | 502               | 328               | 479               | 993               | 1,000             | 962               | 897               |
| Unrestricted investment earnings                          | 35                | 21                | 21                | 55                | 142               | 196               | 128               | 62                | 36                |
| Other revenues (uses) not restricted to specific program: | 19                | 21                | -                 | -                 | 6,406             | 1,660             | 2,535             | 3,066             | 1,274             |
| Transfers                                                 | (187)             | (186)             | (190)             | (336)             | (1,343)           | (193)             | -                 | -                 | -                 |
| Total business-type activities                            | <u>(133)</u>      | <u>109</u>        | <u>333</u>        | <u>47</u>         | <u>5,684</u>      | <u>2,656</u>      | <u>3,663</u>      | <u>4,090</u>      | <u>2,207</u>      |
| Total primary government                                  | <u>\$ 6,656</u>   | <u>\$ 6,593</u>   | <u>\$ 6,725</u>   | <u>\$ 6,503</u>   | <u>\$ 22,027</u>  | <u>\$ 9,684</u>   | <u>\$ 11,884</u>  | <u>\$ 11,102</u>  | <u>\$ 7,895</u>   |
| <b>Change in Net Assets</b>                               |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Governmental activities                                   | \$ 948            | \$ 2,504          | \$ 2,364          | \$ (2,366)        | \$ 8,953          | \$ 2,184          | \$ 5,904          | \$ 4,022          | \$ 2,789          |
| Business-type activities                                  | 439               | 2,702             | 2,982             | 379               | 5,463             | 3,078             | 3,475             | 4,112             | 2,029             |
| Total primary government                                  | <u>\$ 1,387</u>   | <u>\$ 5,206</u>   | <u>\$ 5,346</u>   | <u>\$ (1,987)</u> | <u>\$ 14,416</u>  | <u>\$ 5,262</u>   | <u>\$ 9,379</u>   | <u>\$ 8,134</u>   | <u>\$ 4,818</u>   |

Note:

Financial reports were only available for the last nine fiscal years.

<sup>1</sup> Prior to FY 2010, the Storm Water Utility Fund was combined with Government Activities - Public Works.

<sup>2</sup> Prior to FY 2009, the Sewer Utility Fund and Garbage Utility Fund were combined with the Culinary Water Utility Fund.

<sup>3</sup> Beginning in FY2012, impact fee revenues were included in the program revenues above by department where charged.

**SYRACUSE CITY CORPORATION**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Nine Fiscal Years**  
**(Amounts Expressed in Thousands)**

|                                  | Fiscal Year     |                 |                 |                  |                  |                  |                  |                 |                 |
|----------------------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|-----------------|-----------------|
|                                  | 2012            | 2011            | 2010            | 2009             | 2008             | 2007             | 2006             | 2005            | 2004            |
| <b>Revenues</b>                  |                 |                 |                 |                  |                  |                  |                  |                 |                 |
| Taxes                            | \$ 6,349        | \$ 5,983        | \$ 5,693        | \$ 5,622         | \$ 5,340         | \$ 4,132         | \$ 3,258         | \$ 2,493        | \$ 1,932        |
| Licenses and permits             | 350             | 245             | 322             | 358              | 345              | 820              | 914              | 749             | 709             |
| Impact fees                      | 338             | 227             | 482             | 620              | 852              | 1,877            | 3,111            | 1,677           | 1,801           |
| Intergovernmental                | 1,087           | 846             | 937             | 979              | 1,135            | 1,232            | 2,140            | 730             | 610             |
| Administrative Fees <sup>1</sup> | 506             | 579             | -               | -                | -                | -                | -                | -               | -               |
| Charges for services             | 1,082           | 996             | 907             | 954              | 603              | 580              | 582              | 560             | 481             |
| Fines and forfeitures            | 343             | 331             | 295             | 262              | 219              | 209              | 198              | 179             | 184             |
| Investment earnings              | 33              | 12              | 8               | 143              | 440              | 484              | 299              | 117             | 67              |
| Management Fee <sup>2</sup>      | 107             | 63              | -               | -                | -                | -                | -                | -               | -               |
| Miscellaneous                    | 136             | 162             | 227             | 192              | 137              | 115              | 146              | 94              | 188             |
| Total revenues                   | <u>10,331</u>   | <u>9,444</u>    | <u>8,871</u>    | <u>9,130</u>     | <u>9,071</u>     | <u>9,449</u>     | <u>10,648</u>    | <u>6,599</u>    | <u>5,972</u>    |
| <b>Expenditures</b>              |                 |                 |                 |                  |                  |                  |                  |                 |                 |
| General government <sup>2</sup>  | 2,199           | 1,836           | 1,183           | 1,582            | 1,529            | 1,588            | 852              | 899             | 955             |
| Public safety                    | 3,449           | 3,370           | 3,222           | 3,304            | 3,187            | 2,568            | 2,051            | 1,666           | 1,419           |
| Public works                     | 533             | 1,283           | 1,253           | 1,615            | 2,257            | 804              | 883              | 710             | 627             |
| Parks and recreation             | 932             | 1,026           | 956             | 924              | 916              | 1,054            | 583              | 457             | 448             |
| Capital outlay                   | 1,352           | 124             | 405             | 6,521            | 9,043            | 6,886            | 7,810            | 3,359           | 739             |
| Other                            | -               | -               | -               | -                | 39               | 43               | 67               | -               | -               |
| Debt service:                    |                 |                 |                 |                  |                  |                  |                  |                 |                 |
| Principal retirement             | 813             | 681             | 778             | 700              | 774              | 364              | 440              | 321             | 311             |
| Interest and fiscal charges      | 660             | 684             | 706             | 777              | 114              | 124              | 143              | 77              | 93              |
| Total expenditures               | <u>\$ 9,938</u> | <u>\$ 9,004</u> | <u>\$ 8,503</u> | <u>\$ 15,423</u> | <u>\$ 17,859</u> | <u>\$ 13,431</u> | <u>\$ 12,829</u> | <u>\$ 7,489</u> | <u>\$ 4,592</u> |

**SYRACUSE CITY CORPORATION**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Eight Fiscal Years**  
**(Amounts Expressed in Thousands)**

Page 2 of 2

|                                                            | Fiscal Year     |               |               |                   |                   |                 |                   |                 |                 |
|------------------------------------------------------------|-----------------|---------------|---------------|-------------------|-------------------|-----------------|-------------------|-----------------|-----------------|
|                                                            | 2012            | 2011          | 2010          | 2009              | 2008              | 2007            | 2006              | 2005            | 2004            |
| Excess of revenues over<br>(under) expenditures            | \$ 393          | \$ 440        | \$ 368        | \$ (6,293)        | \$ (8,788)        | \$ (3,982)      | \$ (2,181)        | \$ (890)        | \$ 1,380        |
| <b>Other financing sources<br/>(uses)</b>                  |                 |               |               |                   |                   |                 |                   |                 |                 |
| Proceeds from borrowings                                   | 6,770           | -             | -             | -                 | 5,924             | 9,576           | 1,000             | 2,100           | -               |
| Payment to ref. bonds escrow agt                           | (5,572)         | -             | -             | -                 | -                 | -               | -                 | -               | -               |
| Sale of Capital Assets                                     | 156             | -             | -             | -                 | -                 | -               | -                 | -               | -               |
| Transfers in                                               | 187             | 201           | 414           | 1,258             | 1,117             | 258             | 362               | 49              | -               |
| Transfers out                                              | -               | (322)         | (340)         | (1,062)           | (959)             | (65)            | (206)             | (49)            | -               |
| Total other financing<br>sources (uses)                    | 1,541           | (121)         | 74            | 196               | 6,082             | 9,769           | 1,156             | 2,100           | -               |
| Net change in fund balances                                | <u>\$ 1,934</u> | <u>\$ 319</u> | <u>\$ 442</u> | <u>\$ (6,097)</u> | <u>\$ (2,706)</u> | <u>\$ 5,787</u> | <u>\$ (1,025)</u> | <u>\$ 1,210</u> | <u>\$ 1,380</u> |
| Debt service as a percentage of<br>noncapital expenditures | 17.2%           | 15.4%         | 18.3%         | 16.6%             | 10.1%             | 7.5%            | 11.6%             | 9.6%            | 10.5%           |

Note:

Financial reports were only available for the last nine fiscal years.

<sup>1</sup> Beginning in FY 2011, administrative fees charged to utilities funds were shown as a revenue instead of an offset to expenses in the general fund.

<sup>2</sup> Beginning in FY 2011, a management fee was charged to the redevelopment fund. The expenditure is included in general government.

**SYRACUSE CITY CORPORATION**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Nine Fiscal Years**  
**(Amounts Expressed in Thousands)**

|                           | Fiscal Year     |                 |             |             |             |             |             |             |             |
|---------------------------|-----------------|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                           | 2012            | 2011            | 2010        | 2009        | 2008        | 2007        | 2006        | 2005        | 2004        |
| <b>General fund:</b>      |                 |                 |             |             |             |             |             |             |             |
| Nonspendable              | \$ 644          | \$ 17           | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Restricted                | 1,080           | 383             | -           | -           | -           | -           | -           | -           | -           |
| Committed                 | 93              | 71              | -           | -           | -           | -           | -           | -           | -           |
| Unassigned                | 1,324           | 1,000           | -           | -           | -           | -           | -           | -           | -           |
| <b>Total general fund</b> | <u>\$ 3,141</u> | <u>\$ 1,471</u> | <u>\$ -</u> |

|                                           |               |               |             |             |             |             |             |             |             |
|-------------------------------------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>All other governmental funds:</b>      |               |               |             |             |             |             |             |             |             |
| Restricted                                | \$ 691        | \$ 428        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Committed                                 | 8             | 10            | -           | -           | -           | -           | -           | -           | -           |
| Assigned                                  | 193           | 190           | -           | -           | -           | -           | -           | -           | -           |
| <b>Total all other governmental funds</b> | <u>\$ 892</u> | <u>\$ 628</u> | <u>\$ -</u> |

|                           | Fiscal Year |             |                 |               |                 |                 |                 |                 |                 |
|---------------------------|-------------|-------------|-----------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                           | 2012        | 2011        | 2010            | 2009          | 2008            | 2007            | 2006            | 2005            | 2004            |
| <b>General fund:</b>      |             |             |                 |               |                 |                 |                 |                 |                 |
| Reserved                  | \$ -        | \$ -        | \$ 474          | \$ 259        | \$ 1,046        | \$ 2,740        | \$ 2,308        | \$ 2,819        | \$ 2,606        |
| Designated, unreserved    | -           | -           | 48              | 24            | -               | -               | -               | -               | -               |
| Unreserved                | -           | -           | 625             | 285           | 430             | 797             | 1,323           | 594             | 189             |
| <b>Total general fund</b> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,147</u> | <u>\$ 568</u> | <u>\$ 1,476</u> | <u>\$ 3,537</u> | <u>\$ 3,631</u> | <u>\$ 3,413</u> | <u>\$ 2,795</u> |

|                                           |             |             |               |                 |                 |                 |                 |                 |                 |
|-------------------------------------------|-------------|-------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>All other governmental funds:</b>      |             |             |               |                 |                 |                 |                 |                 |                 |
| Reserved                                  | \$ -        | \$ -        | \$ 254        | \$ 608          | \$ 5,629        | \$ 6,874        | \$ 66           | \$ 1,114        | \$ 1,025        |
| Designated, unreserved reported in:       | -           | -           | -             | -               | -               | -               | -               | -               | -               |
| Special revenue funds                     | -           | -           | -             | -               | -               | -               | -               | -               | -               |
| Unreserved, reported in:                  | -           | -           | -             | -               | -               | -               | -               | -               | -               |
| Special revenue funds                     | -           | -           | (15)          | 206             | -               | -               | -               | 1               | -               |
| Debt service funds                        | -           | -           | -             | -               | -               | -               | -               | 51              | -               |
| Capital projects funds                    | -           | -           | 394           | 494             | 868             | 268             | 1,196           | 1,338           | 887             |
| <b>Total all other governmental funds</b> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 633</u> | <u>\$ 1,308</u> | <u>\$ 6,497</u> | <u>\$ 7,142</u> | <u>\$ 1,262</u> | <u>\$ 2,504</u> | <u>\$ 1,912</u> |

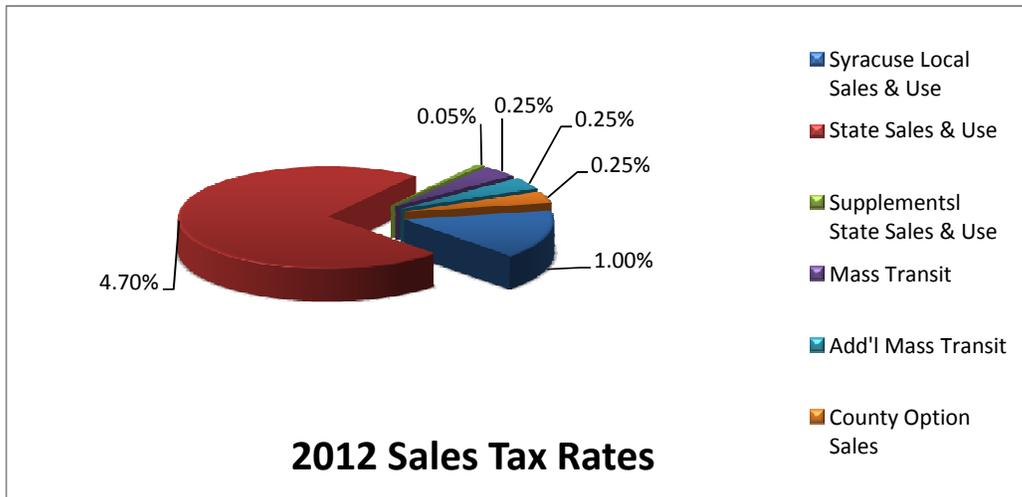
**Note:**

Financial reports were only available for the last nine fiscal years.

Beginning in FY 2011, the fund balance categories were reclassified as a result of implementing GASB Statement 54. Fund balance has not been restated for prior years.

**SYRACUSE CITY CORPORATION**  
**SALES TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last Ten Fiscal Years**

| Fiscal Year | Syracuse City Local Sales & Use | State Sales & Use | Supplemental State Sales & Use | Mass Transit | Additional Mass Transit | County Option Sales | Total for Syracuse Residents |
|-------------|---------------------------------|-------------------|--------------------------------|--------------|-------------------------|---------------------|------------------------------|
| 2012        | 1.00%                           | 4.70%             | 0.05%                          | 0.25%        | 0.25%                   | 0.25%               | 6.50%                        |
| 2011        | 1.00%                           | 4.70%             | 0.05%                          | 0.25%        | 0.25%                   | 0.25%               | 6.50%                        |
| 2010        | 1.00%                           | 4.70%             | 0.05%                          | 0.25%        | 0.25%                   | 0.25%               | 6.50%                        |
| 2009        | 1.00%                           | 4.70%             | 0.05%                          | 0.25%        | 0.25%                   | 0.25%               | 6.50%                        |
| 2008        | 1.00%                           | 4.65%             | 0.05%                          | 0.25%        | 0.25%                   | 0.25%               | 6.45%                        |
| 2007        | 1.00%                           | 4.75%             | -                              | 0.25%        | 0.25%                   | 0.25%               | 6.50%                        |
| 2006        | 1.00%                           | 4.75%             | -                              | 0.50%        | -                       | 0.25%               | 6.50%                        |
| 2005        | 1.00%                           | 4.75%             | -                              | 0.50%        | -                       | 0.25%               | 6.50%                        |
| 2004        | 1.00%                           | 4.75%             | -                              | 0.50%        | -                       | 0.25%               | 6.50%                        |
| 2003        | 1.00%                           | 4.75%             | -                              | 0.50%        | -                       | 0.25%               | 6.50%                        |



Note:

Rates are given as of the second quarter of each year.

Source:

Utah State Tax Commission - Sales Tax Division

**SYRACUSE CITY CORPORATION**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**Last Ten Fiscal Years**  
**(Amounts Expressed in Thousands)**

| Fiscal Year | Real Property |            | Personal Property |           | Centrally Assessed Property | Total Taxable Assessed Value | Total Direct City Tax Rate | Estimated Actual Market Value | Assessed Value as a Percentage of Actual Value |
|-------------|---------------|------------|-------------------|-----------|-----------------------------|------------------------------|----------------------------|-------------------------------|------------------------------------------------|
|             | Real Estate   | Building   | Mobile Homes      | Other     |                             |                              |                            |                               |                                                |
| 2012        | \$ 317,384    | \$ 608,728 | \$ -              | \$ 24,689 | \$ 14,840                   | \$ 965,641                   | 1.821                      | \$ 1,809,649                  | 53.36%                                         |
| 2011        | 336,032       | 681,079    | -                 | 19,412    | 15,426                      | 1,051,949                    | 1.631                      | 1,771,644                     | 59.38%                                         |
| 2010        | 339,540       | 637,430    | -                 | 21,423    | 20,827                      | 1,019,220                    | 1.613                      | 1,719,161                     | 59.29%                                         |
| 2009        | 425,187       | 597,489    | 18                | 21,169    | 19,464                      | 1,063,327                    | 1.500                      | n/a                           | n/a                                            |
| 2008        | 243,935       | 581,033    | 13                | 14,650    | 17,586                      | 857,217                      | 1.500                      | n/a                           | n/a                                            |
| 2007        | 195,090       | 474,826    | 12                | 12,574    | 16,385                      | 698,887                      | 1.043                      | n/a                           | n/a                                            |
| 2006        | 154,208       | 396,532    | 2                 | 12,246    | 12,301                      | 575,289                      | 1.043                      | n/a                           | n/a                                            |
| 2005        | 135,244       | 346,820    | 2                 | 11,406    | 10,151                      | 503,623                      | 1.043                      | n/a                           | n/a                                            |
| 2004        | 127,846       | 297,069    | 2                 | 10,999    | 9,979                       | 445,895                      | 1.047                      | n/a                           | n/a                                            |
| 2003        | 117,484       | 256,690    | 5                 | 11,679    | 9,570                       | 395,428                      | 1.023                      | n/a                           | n/a                                            |

Notes:

Taxable property value is based on the calendar year ending six months before the fiscal year ends.

Estimated actual market value is not available for the prior seven years.

Total property value is excluding fee-in-lieu.

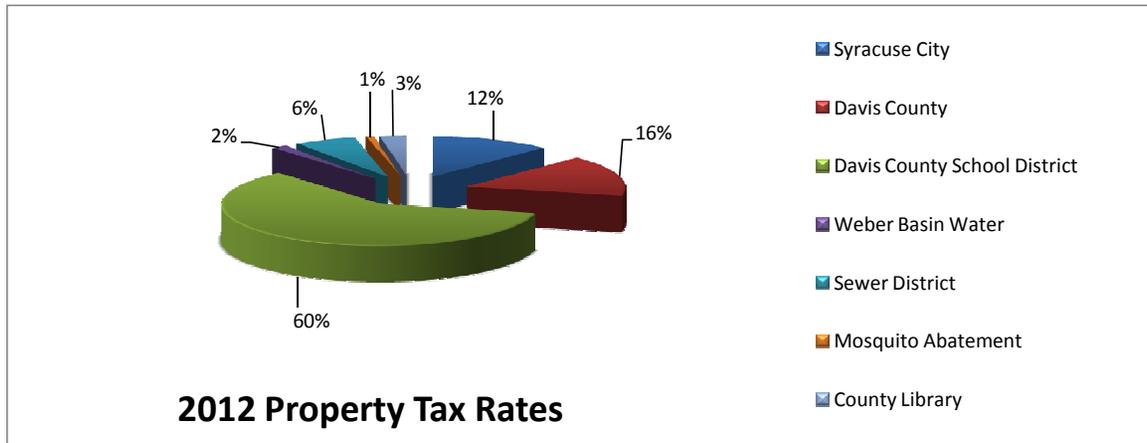
Sources:

Utah State Tax Commission - Property Tax Division website

Davis County

**SYRACUSE CITY CORPORATION**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**Last Nine Fiscal Years**  
**(Per \$1,000 Assessed Valuation)**

| Fiscal Year | Syracuse City | Davis County | Davis County School District | Weber Basin Water Conservancy District | North Davis County Sewer District | Davis County Mosquito Abatement District | County Library | Total Levy for Syracuse Residents |
|-------------|---------------|--------------|------------------------------|----------------------------------------|-----------------------------------|------------------------------------------|----------------|-----------------------------------|
| 2012        | 1.821         | 2.383        | 8.861                        | 0.217                                  | 0.928                             | 0.104                                    | 0.392          | 14.706                            |
| 2011        | 1.631         | 2.213        | 7.860                        | 0.207                                  | 0.864                             | 0.097                                    | 0.363          | 13.235                            |
| 2010        | 1.613         | 2.108        | 7.118                        | 0.188                                  | 0.763                             | 0.093                                    | 0.348          | 12.231                            |
| 2009        | 1.500         | 1.997        | 6.764                        | 0.181                                  | 0.763                             | 0.088                                    | 0.332          | 11.625                            |
| 2008        | 1.500         | 2.189        | 7.176                        | 0.200                                  | 0.763                             | 0.099                                    | 0.375          | 12.302                            |
| 2007        | 1.043         | 1.739        | 7.305                        | 0.178                                  | 0.763                             | 0.086                                    | 0.403          | 11.517                            |
| 2006        | 1.043         | 1.921        | 7.684                        | 0.193                                  | 0.763                             | 0.091                                    | 0.426          | 12.121                            |
| 2005        | 1.043         | 1.948        | 7.821                        | 0.198                                  | 0.763                             | 0.093                                    | 0.432          | 12.298                            |
| 2004        | 1.047         | 1.954        | 7.731                        | 0.196                                  | 0.763                             | 0.094                                    | 0.434          | 12.219                            |



**Notes:**

Overlapping rates are those of local and county governments that apply to property owners within Syracuse City. Not all overlapping rates apply to all Syracuse City property owners (e.g., the rates for special districts apply only to the property owners whose property is located within the geographic boundaries of the special district).

Tax rates were only available for the last nine fiscal years.

**Source:**

Utah State Tax Commission - Property Tax Division web site

**SYRACUSE CITY CORPORATION**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**Current Year and Three Years Ago**  
(Amounts Expressed in Thousands)

| Taxpayer                                    | Type of Business       | 2012                   |      |                                            | 2009                   |      |                                            |
|---------------------------------------------|------------------------|------------------------|------|--------------------------------------------|------------------------|------|--------------------------------------------|
|                                             |                        | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Wal-Mart                                    | Retail                 | \$ 20,141              | 1    | 2.09%                                      | \$ 15,339              | 1    | 1.44%                                      |
| Antelope LC                                 | Medical                | 8,653                  | 2    | 0.90%                                      | 6,799                  | 3    | 0.64%                                      |
| Pacificorp                                  | Utility                | 8,220                  | 3    | 0.85%                                      | 13,734                 | 2    | 1.29%                                      |
| RC Willey                                   | Retail                 | 6,209                  | 4    | 0.64%                                      | 2,701                  | 10   | 0.25%                                      |
| Boyer Syracuse Associates                   | Retail properties      | 5,912                  | 5    | 0.61%                                      | 6,769                  | 4    | 0.64%                                      |
| Gailey Tree LLC                             | Business properties    | 4,948                  | 6    | 0.51%                                      |                        |      |                                            |
| Shadowpoint LLC                             | Retail properties      | 4,720                  | 7    | 0.49%                                      | 4,714                  | 6    | 0.44%                                      |
| Syracuse Stadium Cinemas LLC                | Business properties    | 3,765                  | 8    | 0.39%                                      |                        |      |                                            |
| Questar Gas                                 | Utility                | 3,684                  | 9    | 0.38%                                      | 3,301                  | 8    | 0.31%                                      |
| Benchmark Real Estate Company               | Residential properties | 3,642                  | 10   | 0.38%                                      | 3,873                  | 7    | 0.36%                                      |
| Total taxable value of 10 largest taxpayers |                        | 69,894                 |      | 7.24%                                      | 57,230                 |      | 5.38%                                      |
| Total taxable value of other taxpayers      |                        | 895,747                |      | 92.76%                                     | 1,006,097              |      | 94.62%                                     |
| Total taxable value of all taxpayers        |                        | \$ 965,641             |      | 100.00%                                    | \$ 1,063,327           |      | 100.00%                                    |

Note:

Information from nine years ago was unavailable so the 2009 tax year was used.

Source:

Davis County Clerk/Auditor's office

**SYRACUSE CITY CORPORATION**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Tax Years**

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| <b>Tax Year</b> | <b>Total Tax Levy</b> | <b>Current Tax Collections</b> | <b>Percent of Levy Collected</b> | <b>Collection of Previous years Taxes</b> | <b>Total Tax Collections</b> | <b>Percent of Total Tax Collected to Total Levy</b> |
|-----------------|-----------------------|--------------------------------|----------------------------------|-------------------------------------------|------------------------------|-----------------------------------------------------|
| 2012            | \$ 1,758,432          | \$ 1,607,933                   | 91.44%                           | \$ 42,352                                 | \$ 1,650,285                 | 93.85%                                              |
| 2011            | 1,715,729             | 1,577,797                      | 91.96%                           | 27,934                                    | 1,605,731                    | 93.59%                                              |
| 2010            | 1,644,002             | 1,515,516                      | 92.18%                           | 53,035                                    | 1,568,551                    | 95.41%                                              |
| 2009            | 1,594,991             | 1,501,503                      | 94.14%                           | 33,483                                    | 1,534,986                    | 96.24%                                              |
| 2008            | 1,285,826             | 1,235,036                      | 96.05%                           | 29,718                                    | 1,264,754                    | 98.36%                                              |
| 2007            | 728,939               | 708,662                        | 97.22%                           | 10,566                                    | 719,228                      | 98.67%                                              |
| 2006            | 600,026               | 571,439                        | 95.24%                           | 19,536                                    | 590,975                      | 98.49%                                              |
| 2005            | 525,279               | 503,363                        | 95.83%                           | 22,087                                    | 525,450                      | 100.03%                                             |
| 2004            | 466,852               | 441,469                        | 94.56%                           | 38,512                                    | 479,981                      | 102.81%                                             |
| 2003            | 404,523               | 378,242                        | 93.50%                           | 24,843                                    | 403,085                      | 99.64%                                              |

Source:

Davis County Treasurer's office

**SYRACUSE CITY CORPORATION**  
**PROPERTY VALUE AND NEW CONSTRUCTION**  
**Last Ten Fiscal Years**  
(Dollar Values Expressed in Thousands)

| Year | Real Property Taxable Value <sup>1</sup> |             |           |            | Residential Construction <sup>2</sup> |           | Commercial Construction <sup>2</sup> |        | Other Construction <sup>2</sup> |          |
|------|------------------------------------------|-------------|-----------|------------|---------------------------------------|-----------|--------------------------------------|--------|---------------------------------|----------|
|      | Commercial                               | Residential | Other     | Total      | Units                                 | Value     | Units                                | Value  | Units                           | Value    |
| 2012 | \$ 781,365                               | \$ 102,217  | \$ 42,529 | \$ 926,112 | 83                                    | \$ 18,195 | 9                                    | \$ 313 | 207                             | \$ 1,509 |
| 2011 | 115,544                                  | 851,112     | 50,455    | 1,017,111  | 69                                    | 15,260    | 12                                   | 958    | 240                             | 1,882    |
| 2010 | 93,539                                   | 828,723     | 54,708    | 976,970    | 96                                    | 20,963    | 33                                   | 4,171  | 283                             | 2,394    |
| 2009 | 78,859                                   | 863,778     | 80,039    | 1,022,676  | 69                                    | 16,864    | 26                                   | 62,129 | 285                             | 2,479    |
| 2008 | 62,037                                   | 700,164     | 62,768    | 824,969    | 255                                   | 57,161    | 37                                   | 16,496 | 262                             | 2,297    |
| 2007 | 38,629                                   | 621,074     | 10,214    | 669,917    | 471                                   | 100,152   | 18                                   | 19,383 | 221                             | 2,305    |
| 2006 | 38,576                                   | 506,167     | 5,998     | 550,741    | 492                                   | 90,495    | 7                                    | 9,615  | 220                             | 1,664    |
| 2005 | 1,748                                    | 475,575     | 4,741     | 482,064    | 484                                   | 82,544    | 6                                    | 156    | 216                             | 2,260    |
| 2004 | 31,261                                   | 389,017     | 4,637     | 424,915    | 626                                   | 76,151    | 6                                    | 5,048  | 194                             | 1,732    |
| 2003 | 27,664                                   | 301,938     | 44,572    | 374,174    | 519                                   | 56,804    | 9                                    | 434    | 155                             | 1,440    |

Note:

Taxable property value, construction units and construction values are based on the calendar year ending six months before the fiscal year ends.

Sources:

<sup>1</sup> Utah State Tax Commission - Property Tax Division

<sup>2</sup> Syracuse City Community & Economic Development department

**SYRACUSE CITY CORPORATION**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**Last Nine Fiscal Years**

| Fiscal Year | Governmental Activities |                   |                         |                          |                       |                          |               | Business-Type Activities |                     | Total Primary Government | Percentage of Personal Income | Per Capita |
|-------------|-------------------------|-------------------|-------------------------|--------------------------|-----------------------|--------------------------|---------------|--------------------------|---------------------|--------------------------|-------------------------------|------------|
|             | Capital Lease           | MBA Revenue Bonds | Sales Tax Revenue Bonds | Special Assessment Bonds | Excise Tax Road Bonds | Capital Improvement Loan | Property Note | Capital Lease            | Water Revenue Notes |                          |                               |            |
| 2012        | \$ 1,058,686            | \$ 13,602,000     | \$ 1,260,000            | \$ -                     | \$ -                  | \$ -                     | \$ -          | \$ -                     | \$ 113,000          | 16,033,686               | 2.75%                         | 647.67     |
| 2011        | -                       | 13,901,000        | 1,390,000               | -                        | -                     | -                        | -             | -                        | 226,000             | 15,517,000               | 2.87%                         | 637.75     |
| 2010        | -                       | 14,457,000        | 1,515,000               | -                        | -                     | -                        | -             | -                        | 339,000             | 16,311,000               | 5.90%                         | 723.61     |
| 2009        | -                       | 14,999,000        | 1,640,000               | 111,000                  | -                     | -                        | -             | -                        | 452,000             | 17,202,000               | 6.14%                         | 780.14     |
| 2008        | -                       | 15,304,000        | 1,760,000               | 216,000                  | 170,000               | -                        | -             | -                        | 565,000             | 18,015,000               | 6.78%                         | 854.97     |
| 2007        | -                       | 9,350,000         | 1,875,000               | 315,000                  | 330,000               | 1,000,000                | -             | -                        | 678,000             | 13,548,000               | 5.55%                         | 694.98     |
| 2006        | -                       | -                 | 1,990,000               | 409,000                  | 485,000               | 1,000,000                | -             | 138,148                  | 791,000             | 4,813,148                | 2.17%                         | 269.72     |
| 2005        | -                       | -                 | 2,100,000               | 497,000                  | 635,000               | -                        | 92,000        | 270,727                  | 904,000             | 4,498,727                | 2.21%                         | 275.83     |
| 2004        | -                       | -                 | -                       | 581,000                  | 780,000               | -                        | 184,000       | 397,963                  | 1,017,000           | 2,959,963                | 1.54%                         | 206.47     |

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements  
See the Schedule of Demographic and Economic Statistics for personal income and population data.  
Financial reports were only available for the last nine fiscal years.

**SYRACUSE CITY CORPORATION**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**As of June 30, 2012**

| <u>Governmental Unit</u>                                       | <u>General Bonded<br/>Debt Outstanding</u> | <u>Est. Percentage<br/>Applicable to<br/>Syracuse City</u> | <u>Estimated Share of<br/>Overlapping Debt</u> |
|----------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------|------------------------------------------------|
| North Davis County Sewer District <sup>1</sup>                 | \$ 42,991,000                              | 13.73%                                                     | \$ 5,903,112                                   |
| State of Utah <sup>2</sup>                                     | 3,487,680,000                              | 0.50%                                                      | 17,434,633                                     |
| Weber Basin Water Conservancy District <sup>1</sup>            | 25,333,791                                 | 2.33%                                                      | 589,985                                        |
| Davis County <sup>2</sup>                                      | 19,805,000                                 | 6.16%                                                      | 1,219,622                                      |
| Davis County School District <sup>2</sup>                      | 448,625,000                                | 6.16%                                                      | <u>27,627,001</u>                              |
| Overlapping debt                                               |                                            |                                                            | \$ 52,774,353                                  |
| Syracuse City bonded debt                                      |                                            | 100.00%                                                    | <u>-</u>                                       |
| Total direct and overlapping general<br>bonded obligation debt |                                            |                                                            | <u><u>\$ 52,774,353</u></u>                    |

Note:

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by taking Syracuse City's taxable property value and dividing by the governmental unit's taxable property value.

Sources:

<sup>1</sup> Individual governmental units

<sup>2</sup> Davis County CAFR 2011

**SYRACUSE CITY CORPORATION**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**  
(Amounts Expressed in Thousands)

|                                                                         | Fiscal Year      |                  |                  |                  |                  |                   |                  |                  |                  |                  |
|-------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|
|                                                                         | 2012             | 2011             | 2010             | 2009             | 2008             | 2007              | 2006             | 2005             | 2004             | 2003             |
| Debt Limit                                                              | \$ 38,626        | \$ 42,078        | \$ 40,769        | \$ 42,533        | \$ 34,289        | \$ 27,955         | \$ 23,012        | \$ 20,145        | \$ 17,836        | \$ 15,817        |
| Total net debt applicable to limit                                      | -                | -                | -                | -                | -                | -                 | -                | -                | -                | -                |
| Legal debt margin                                                       | <u>\$ 38,626</u> | <u>\$ 42,078</u> | <u>\$ 40,769</u> | <u>\$ 42,533</u> | <u>\$ 34,289</u> | <u>\$ 27,955</u>  | <u>\$ 23,012</u> | <u>\$ 20,145</u> | <u>\$ 17,836</u> | <u>\$ 15,817</u> |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 0%               | 0%               | 0%               | 0%               | 0%               | 0%                | 0%               | 0%               | 0%               | 0%               |
| Total assessed value                                                    |                  |                  |                  |                  |                  | <u>\$ 965,641</u> |                  |                  |                  |                  |
| Debt limit (4% of total assessed value)                                 |                  |                  |                  |                  |                  | \$ 38,626         |                  |                  |                  |                  |
| Debt applicable to limit:                                               |                  |                  |                  |                  |                  |                   |                  |                  |                  |                  |
| Total bonded debt                                                       |                  |                  |                  |                  | \$ 14,862        |                   |                  |                  |                  |                  |
| Less:                                                                   |                  |                  |                  |                  |                  |                   |                  |                  |                  |                  |
| Special assessment bonds                                                |                  |                  |                  |                  | -                |                   |                  |                  |                  |                  |
| Revenue bonds                                                           |                  |                  |                  |                  | (14,862)         |                   |                  |                  |                  |                  |
| Amounts available for repayment of<br>general obligation bonds          |                  |                  |                  |                  | -                |                   |                  |                  |                  |                  |
| Other deductions allowed by law                                         |                  |                  |                  |                  | -                |                   |                  |                  |                  |                  |
| Total net debt applicable to limit                                      |                  |                  |                  |                  | <u>-</u>         |                   |                  |                  |                  |                  |
| Legal debt margin                                                       |                  |                  |                  |                  |                  | <u>\$ 38,626</u>  |                  |                  |                  |                  |

**SYRACUSE CITY CORPORATION**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Fiscal Years**

| <b>Year</b> | <b>Population <sup>1</sup></b> | <b>Personal<br/>Income <sup>1</sup></b> | <b>Per Capita<br/>Personal<br/>Income</b> | <b>Unemployment<br/>Rate <sup>2</sup></b> | <b>Total<br/>Public School<br/>Enrollment <sup>3</sup></b> |
|-------------|--------------------------------|-----------------------------------------|-------------------------------------------|-------------------------------------------|------------------------------------------------------------|
| 2011        | 24,756                         | \$ 583,449,408                          | 23,568                                    | 5.6%                                      | 67,736                                                     |
| 2010        | 24,331                         | 539,960,800                             | 22,192                                    | 6.2%                                      | 66,071                                                     |
| 2009        | 22,541                         | 276,303,598                             | 12,258                                    | 5.9%                                      | 65,452                                                     |
| 2008        | 22,050                         | 279,942,855                             | 12,696                                    | 3.3%                                      | 65,014                                                     |
| 2007        | 21,071                         | 265,852,664                             | 12,617                                    | 2.6%                                      | 64,553                                                     |
| 2006        | 19,494                         | 243,901,527                             | 12,512                                    | 2.9%                                      | 62,832                                                     |
| 2005        | 17,845                         | 221,728,661                             | 12,425                                    | 4.0%                                      | 62,349                                                     |
| 2004        | 16,310                         | 203,607,585                             | 12,484                                    | 4.7%                                      | 60,614                                                     |
| 2003        | 14,336                         | 191,901,589                             | 13,386                                    | 5.1%                                      | 60,025                                                     |
| 2002        | 12,615                         | 187,587,086                             | 14,870                                    | 5.0%                                      | 58,900                                                     |

Notes:

Figures for 2010 are from the 2010 US Census.

Population figures, other than 2010, are estimates as of July 1 based on the US Census' population estimates

Personal income figures, other than 2010, are estimates based on annual growth rates for the State of Utah.

Unemployment figures are rates for Davis County. Information on a city level is not available.

Sources:

<sup>1</sup> U S Census Bureau

<sup>2</sup> State Department of Workforce Services website - <https://jobs.utah.gov>

<sup>3</sup> State of Utah - State Office of Education web sites

**SYRACUSE CITY CORPORATION**  
**PRINCIPAL EMPLOYERS**  
**Prior Year and Ten Years Ago**

| Employer                      | Type of Business                | Fiscal Year     |      |                 |      |
|-------------------------------|---------------------------------|-----------------|------|-----------------|------|
|                               |                                 | 2011            |      | 2002            |      |
|                               |                                 | Employees       | Rank | Employees       | Rank |
| Hill Air Force Base           | United States Air Force / Logis | 10,000 - 14,999 | 1    | 20,000 - 25,000 | 1    |
| Davis County School District  | Public Education                | 7,000 - 9,999   | 2    | 5,000 - 7,000   | 2    |
| Lagoon, Inc                   | Amusement Park                  | 1,000 - 1,999   | 3    | 700 - 1,000     | 4    |
| Lifetime Products             | Manufacturing / Retail          | 1,000 - 1,999   | 3    | 1,000 - 2,000   | 3    |
| Davis County                  | County Government               | 1,000 - 1,999   | 3    | 700 - 1,000     | 4    |
| Smith's Marketplace Dist.     | Retail                          | 1,000 - 1,999   | 3    | 700 - 1,000     | 4    |
| Wal-Mart                      | Retail                          | 1,000 - 1,999   | 3    | 250 - 499       | 14   |
| ATK Space Systems             | Manufacturing                   | 500 - 999       | 4    | 250 - 499       | 14   |
| Davis Hospital                | Medical                         | 500 - 999       | 4    | 500 - 700       | 8    |
| Lakeview Hospital             | Medical                         | 500 - 999       | 4    |                 |      |
| Lofthouse Bakery              | Manufacturing                   | 500 - 999       | 4    |                 |      |
| Utility Trailer Manufacturing | Manufacturing                   | 500 - 999       | 4    | 700 - 1,000     | 4    |

**Notes:**

The Utah Department of Workforce Services provides employment information on a county basis.  
Syracuse City is the fifth largest city in Davis County.

**Source:**

Department of Workforce Services website - <http://jobs.utah.gov>  
Davis County Comprehensive Annual Financial Report 2011

**SYRACUSE CITY CORPORATION**  
**FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**Last 3 Fiscal Years**

| <b>Function</b>      | <b>Full-time<br/>Employees<br/>as of June 30</b> |             |             |
|----------------------|--------------------------------------------------|-------------|-------------|
|                      | <b>2012</b>                                      | <b>2011</b> | <b>2010</b> |
| General government   | 17                                               | 17          | 17          |
| Public safety        |                                                  |             |             |
| Firefighters         | 11                                               | 11          | 11          |
| Police               |                                                  |             |             |
| Officers             | 19                                               | 19          | 18          |
| Civilians            | 2                                                | 2           | 2           |
| Public works         | 14                                               | 13          | 12          |
| Parks and recreation | 6                                                | 7           | 8           |
| <b>Total</b>         | <b>69</b>                                        | <b>69</b>   | <b>68</b>   |

Note:

Syracuse City began presenting these statistics in 2010. Comparative data prior to that time is not available.

Sources:

Payroll departmental data

**SYRACUSE CITY CORPORATION**  
**OPERATING INDICATORS BY FUNCTION**  
**Last 3 Fiscal Years**

| <b>Function</b>                        | <b>Fiscal Year</b> |             |             |
|----------------------------------------|--------------------|-------------|-------------|
|                                        | <b>2012</b>        | <b>2011</b> | <b>2010</b> |
| <b>Police</b>                          |                    |             |             |
| Total incidents                        | 7,821              | 7,698       | 6,641       |
| Citations written                      | 1,871              | 2,614       | 2,105       |
| Total violations included on citations | 2,781              | 3,335       | 2,756       |
| Theft incidents                        | 621                | 465         | 364         |
| Assault incidents                      | 418                | 351         | 215         |
| <b>Fire</b>                            |                    |             |             |
| Number of calls dispatched             | 817                | 850         | 764         |
| <b>Streets</b>                         |                    |             |             |
| Street sweeping:                       |                    |             |             |
| Miles                                  | 705                | 627         | 1,919       |
| Hours                                  | 213                | 211         | 509         |
| <b>Water</b>                           |                    |             |             |
| Service connections                    | 6,683              | 6,608       | 6,534       |
| Average daily consumption (gallons)    | 1,603,580          | 1,634,638   | 1,402,504   |
| <b>Recreation</b>                      |                    |             |             |
| Community center memberships           | 1,328              | 1,261       | 852         |
| Sports programs participants           | 4,218              | 4,134       | 3,998       |

**Note:**

Syracuse City began presenting these statistics in 2010. Comparative data prior to that time is not available.

**Sources:**

Various City departmental data

**SYRACUSE CITY CORPORATION**  
**CAPITAL STATISTICS BY FUNCTION**  
**Last 3 Fiscal Years**

| Function                     | Fiscal Year |      |      |
|------------------------------|-------------|------|------|
|                              | 2012        | 2011 | 2010 |
| Police                       |             |      |      |
| Stations                     | 1           | 1    | 1    |
| Patrol units                 | 10          | 10   | 10   |
| Fire                         |             |      |      |
| Stations                     | 1           | 1    | 1    |
| Streets                      |             |      |      |
| Streets (miles) <sup>1</sup> | 94          | 97   | 97   |
| Streetlights <sup>2</sup>    | 720         | 395  | 341  |
| Parks and recreation         |             |      |      |
| Community centers            | 1           | 1    | 1    |
| Parks                        | 12          | 12   | 12   |
| Park acreage                 | 107         | 107  | 107  |
| Trails (acreage)             | 29          | 29   | 29   |
| Covered picnic areas         | 10          | 10   | 10   |
| Baseball/Softball diamonds   | 4           | 4    | 4    |
| Soccer fields                | 3           | 3    | 2    |
| Tennis courts                | 2           | 2    | 2    |
| Gymnasiums                   | 2           | 2    | 1    |

Notes:

<sup>1</sup> A complete road survey and analysis was performed in 2012 and it was determined that actual street miles were 94 instead of the 97 miles represented in prior years.

<sup>2</sup> Syracuse City purchased all of the street lights owned by Rocky Mountain Power in May 2012.

Syracuse City began presenting these statistics in 2010. Comparative data prior to that time is not available.

Sources:

Various City departmental data

**INDEPENDENT AUDITOR'S REPORTS ON  
COMPLIANCE AND INTERNAL CONTROL**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council  
Syracuse City

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Syracuse City as of and for the year ended June 30, 2012, which collectively comprise Syracuse City's basic financial statements and have issued our report thereon dated October 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

Management of Syracuse City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Syracuse City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Syracuse City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Syracuse City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Syracuse City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

October 30, 2012

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This report is intended solely for the information and use of management and the Mayor, City Council, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

*Wood Richards & Associates, PC*

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Ogden, UT

October 30, 2012

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE**  
**IN ACCORDANCE WITH THE STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE**

The Honorable Mayor and City Council  
Syracuse City, Utah

We have audited Syracuse City's compliance with general and major state program compliance requirements described in *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2012. The general compliance requirements applicable to the City are identified as follows:

|                                 |                                              |
|---------------------------------|----------------------------------------------|
| Public Debt                     | Liquor Law Enforcement                       |
| Cash Management                 | Purchasing Requirements                      |
| B & C Road Funds                | Budgetary Compliance                         |
| Other General Issues            | Truth in Taxation & Property Tax Limitations |
| Uniform Building Code Standards | Impact Fees                                  |
| URS Compliance                  | Asset Forfeiture                             |
| Fund Balance                    | Justice Court                                |

The City received the following major assistance programs from the State of Utah:

C Road Funds (Department of Transportation)  
Liquor Law Enforcement (State Tax Commission)

Compliance with the requirements referred to above is the responsibility of the City's management. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above could have a material effect on the major assistance programs or general compliance requirements identified above. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, Syracuse City, Utah, complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended June 30, 2012.

This report is intended solely for the information and use of management of the City, the City Council, the Mayor, and the Office of the Utah State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, the report is a matter of public record and its distribution is not limited.

*Wood Richards & Associates, PC*

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October 30, 2012



# COUNCIL AGENDA

November 13, 2012

Agenda Item #c                      Discuss employee insurance opt-out incentive program.  
(10 min.)

***Factual Summation***

- Please see the attached documentation from Finance Director Steve Marshall.



**Mayor**  
Jamie Nagle

**City Council**  
Brian Duncan  
Craig Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

## MEMORANDUM

**To:** Mayor and City Council  
**From:** Finance Director, Stephen Marshall  
**Date:** November 13, 2012  
**Subject:** Discussion regarding potential employee opt-out incentive program

### Summary

The mayor has asked me to perform some research on the potential to offer employees a cash stipend in lieu of the employees enrolling in benefits provided by the city. This request has been made to determine if there would be any cost savings to the City in creating an employee insurance opt-out program.

### Background

Syracuse City offers all of its full-time employee's insurance benefits including medical, dental, and vision. The lion's share of the cost is related to the medical benefit packages we offer to employees. For simplicity, my analysis will only focus on medical benefits but keep in mind if the City decides to implement an opt-out program it could apply to all insurance benefits.

Historically, medical benefits packages offered by municipalities have seen substantial increases from year to year due to the rising cost of health care. Many municipalities have seen increases upward s of 10%, 15% or even 20% in one year. Syracuse was fortunate to only see an increase of 5.4% for the current fiscal year.

I have attached our benefit package information for the different types of plans and coverage. As an example, if an employee chooses the select care plus package for a family, the City pays \$1,270.96 per month to cover that employee. This equates to \$15,251.52 per year for that employee.

If Syracuse City were to offer an incentive for an employee to opt-out of medical insurance under the family coverage, the City would end up saving money. As an example, if the Mayor and City Council decided to offer an incentive of \$300.00 per month or \$3,600 per year to opt out, then the City would save \$970.96 per month or \$11,651.52 per year on medical coverage per employee.

On the opposite side of the spectrum, if a different employee opted out of the Select Med Plus – single package, then the savings to the City would be \$206.08 (\$506.08 – \$300.00) per month or \$2,472.96 per year.

### **Benchmark**

During the timeframe we benchmarked merit increases with other cities, we also inquired of those same cities if they provided an incentive for employees to opt-out of insurance coverage. We were able to benchmark the following cities:

**Ogden City** - \$125 per pay check or approximately \$3,250 per year.

**Salt Lake City** – 1/2 the insurance cost that would have been incurred.

**Highland City** – 1/2 the insurance cost that would have been incurred.

**North Logan City** - 1/3 the insurance cost that would have been incurred.

**Parowan City** - 1/2 the insurance cost that would have been incurred.

Based on the above data, it appears the general idea would be to offer an incentive of up to 1/2 the cost of the insurance for the employee to opt-out.

The Mayor and Council would have to decide whether to offer an incentive based on a specific dollar amount, a percentage, or a proportion share of the cost of the benefits.

I would recommend that the City provide a flat amount of \$300 per month per employee. This amount would be on the lower end of the benchmark and would help the City save the most money. This would help offset any increased costs that would be incurred by offering an incentive plan (see next section below).

## Barriers & Potential Issues

There are some issues that the City Council would have to address and resolve before an incentive plan could be put into practice. They include:

- Contract revisions and assumed costs
- City liability under the new affordable care act
- What do we do with current full-time employees not enrolled?
- When would a plan like this be best to implement?

### Contract revisions and assumed costs

I have added to your packet a page from our current contract with Select Health. In our current contract, we have agreed to not incentivize employees to opt-out of the insurance. In order for the City to offer an incentive plan we will have to modify our contract with Select Health. The best time to do this would be during budget season and our contract renewal.

I have spoken with GBS, our benefits advisor, and they have indicated that by removing this sentence from our contract, Select Health could increase its premiums as much as 1% to 2%.

### City liability under the new affordable care act

With the new affordable care act coming online, it will mandate that all full-time employees (defined by the affordable care act as working 30 hours or more per week) have access to affordable health insurance. If employees do not have access to health insurance they can go out to a Federal Exchange and purchase the insurance individually.

If employers fail to offer health benefits to employees or the employer offers unaffordable or inadequate insurance, then the employee could go to the Federal Exchange and the employer would be fined \$2,000-\$3,000 per employee.

I have had differing opinions on an incentive opt-out program. I have been told by GBS that we can offer an incentive program to employees as long as we verify that the employee is covered on a different insurance plan. I have also heard that as long as the insurance was offered to the employee, then regardless of what the employee decides the City has done its due diligence and would not be assessed a fine. This is one area we will get more clarification as the new affordable care act is rolled out.

What do we do with current full-time employees not enrolled?

Currently we have 5 full-time employees who have elected to opt-out of insurance because they are covered on a spouse or parent's insurance plan and do not want the double coverage. How should the City handle these individuals going forward? The opt-out program would be an annual election for all City employees at the beginning of every fiscal year.

When would a plan like this be best to implement?

I believe that the best time to roll out a new incentive opt-out plan would be during budget season and during open enrollment for health insurance coverage. This would allow the City to renegotiate its contract with Select Health, get a better determination on the affordable care act, and allow employees to make this decision during open enrollment period.

### **Recommendation**

I believe an opt-out incentive program would be a good idea for the City to implement. It would give an incentive to employees to opt-out of insurance and it would also help the City save money on insurance premiums. I recommend that we offer \$300.00 per month to employees as an incentive. I also recommend that if the City Council moves forward with the program that it should start next year during open enrollment season.



Select Care Plus and Select Med Plus are proposed as the sole health care plan for this group's eligible employees residing or working within plan service areas.

This proposal is made on the basis of information provided to SelectHealth and is subject to the above criteria as well as properly completed group and membership applications. Applications are to be submitted to and approved by SelectHealth's Underwriting Department before the proposed Effective Date. Otherwise, SelectHealth may choose to delay the effective date.

This proposal assumes benefits are paid according to the Group Health Insurance contract and standard operating procedures of SelectHealth. No deviations or exceptions are expected. Any exception must be approved prior to the group's effective date.

**MINIMUM PARTICIPATION AND CONTRIBUTION REQUIREMENTS**

Failure to comply with any of the following requirements may result in declination, corrective underwriting actions, or termination of group coverage according to the terms outlined in the master group contract.

- Employer contributions must be at least 90% of the employee cost or 50% across all tiers.
- 75% of eligible employees must participate in an employer sponsored health plan.
- Employer may not incentivize employees to not elect coverage.

**UNDERWRITING ASSUMPTION REQUIREMENTS**

- Eligible Employees: 62
- If enrollment differs by more than 15% during the contract year, SelectHealth reserves the right to reevaluate rates and plan designs.
- Confirmation and notification of renewal plan and rates must be received by SelectHealth by the 1st of the month prior to renewal. If confirmation is not received by the 1st of the prior month, SelectHealth will automatically assume Option #1 was selected.

**EMPLOYEE ELIGIBILITY REQUIREMENT**

- Eligible employees include permanent full-time personnel hourly and salaried working 32 hours or more per week who reside within the plan's service areas. Retirees are excluded.
- Newly hired eligible employees who enroll within 31 days of employment will be covered on the 1st of the next calendar month following date of eligible employment.
- Coverage will terminate at the end of the calendar month in which subscriber and/or dependents lose eligibility.
- Covered dependents will not be removed from the subscriber's policy for any reason other than reaching age 26, or upon the request of the subscriber. Coverage will be terminated at the end of the month in which the dependent child turns 26.

**EXPECTED EMPLOYER MINIMUM MONTHLY CONTRIBUTION**

|           |     |
|-----------|-----|
| Employee  | 90% |
| Two-Party | 85% |
| Family    | 80% |

**Benefits Package  
FY 2012 - 2013**

**Medical Insurance**

**Select Care Plus**

|                                     | <u>Single</u> | <u>Double</u> | <u>Family</u> |
|-------------------------------------|---------------|---------------|---------------|
| Total Monthly Premium               | \$ 557.60     | \$ 1,159.70   | \$ 1,505.70   |
| Percentage City Pays                | 95.54%        | 86.64%        | 84.41%        |
| City Pays                           | \$ 532.73     | \$ 1,004.76   | \$ 1,270.96   |
| Employee Pays (Bi-weekly Deduction) | \$ 12.43      | \$ 77.47      | \$ 117.37     |

**Select Med Plus**

|                                     | <u>Single</u> | <u>Double</u> | <u>Family</u> |
|-------------------------------------|---------------|---------------|---------------|
| Total Monthly Premium               | \$ 529.70     | \$ 1,101.70   | \$ 1,430.50   |
| Percentage City Pays                | 95.54%        | 86.64%        | 84.41%        |
| City Pays                           | \$ 506.08     | \$ 954.51     | \$ 1,207.49   |
| Employee Pays (Bi-weekly Deduction) | \$ 11.81      | \$ 73.59      | \$ 111.51     |

**Dental Insurance**

|                                     | <u>Single</u> | <u>Double</u> | <u>Family</u> |
|-------------------------------------|---------------|---------------|---------------|
| Total Monthly Premium               | \$ 24.37      | \$ 55.56      | \$ 88.95      |
| Percentage City Pays                | 74.43%        | 76.87%        | 78.42%        |
| City Pays                           | \$ 18.14      | \$ 42.71      | \$ 69.75      |
| Employee Pays (Bi-weekly Deduction) | \$ 3.12       | \$ 6.43       | \$ 9.60       |

**Vision Insurance**

**Standard Plan 10-20-120**

|                                     | <u>Single</u> | <u>Double</u> | <u>Family</u> |
|-------------------------------------|---------------|---------------|---------------|
| Total Monthly Premium               | \$ 1.78       | \$ 3.47       | \$ 5.87       |
| City Pays                           | \$ 1.22       | \$ 1.21       | \$ 1.21       |
| Employee Pays (Bi-weekly Deduction) | \$ 0.28       | \$ 1.13       | \$ 2.33       |

**Standard Plan 10-35-70**

|                                     | <u>Single</u> | <u>Double</u> | <u>Family</u> |
|-------------------------------------|---------------|---------------|---------------|
| Total Monthly Premium               | \$ 1.22       | \$ 2.37       | \$ 4.03       |
| City Pays                           | \$ 1.22       | \$ 1.21       | \$ 1.21       |
| Employee Pays (Bi-weekly Deduction) | \$ -          | \$ 0.58       | \$ 1.41       |



# COUNCIL AGENDA

November 13, 2012

Agenda Item #d

Discuss hiring process for Syracuse City Police Chief.  
(15 min.)

***Factual Summation***

- This item was added to the agenda at the request of Councilmembers Duncan and Lisonbee.



# COUNCIL AGENDA

November 13, 2012

Agenda Item #e                      Discuss City Cemetery burial fees. (10 min.)

***Factual Summation***

- This item was added to the agenda at the request of Councilmembers Johnson and Shingleton.
- Questions regarding this item may also be directed at staff.



# COUNCIL AGENDA

November 13, 2012

Agenda Item #f                      U.S. Cold Storage Joint Development Agreement. (10 min.)

***Factual Summation***

- Please see the attached documentation from City Attorney Will Carlson. Any questions regarding this item may be directed at him.



**Mayor**  
Jamie Nagle

**City Council**  
Brian Duncan  
Craig Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

## MEMORANDUM

**To:** Mayor and City Council  
**From:** City Attorney, William J. Carlson  
**Date:** November 8, 2012  
**Subject:** USCS Development Agreement

---

On August 21, 2012 the RDA for Syracuse approved the Economic Development Project Area Plan for the SR-193 area. That plan included over 3.2 million dollars dedicated to tenant outreach.

United States Cold Storage (USCS) has purchased approximately half of the project area identified in the plan. Attached is the development agreement which has been negotiated between city staff and USCS. Substantively, it is an agreement to reimburse USCS approximately 24% of the property taxes it pays over the course of ten years, up to a maximum of \$1.2 million dollars. If 24% of the property taxes does not reach \$1.2 million within ten years, USCS will receive less. If 24% reaches \$1.2 million in less than ten years, the agreement will terminate sooner.

Although the USCS development will consist of half the project area property, this agreement uses less than 38% of the funds available for tenant outreach. Additionally, this agreement includes a penalty for USCS if its trucks use 700 South.

#####

AGREEMENT FOR THE DEVELOPMENT  
OF THE SYRACUSE U.S. COLD STORAGE SITE

This Agreement for the Development of the Syracuse U.S. Cold Storage Site (this “Agreement”) is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2012 (the “Effective Date”), by and between UNITED STATES COLD STORAGE, INC., a New Jersey corporation (the “Site Owner”) and the REDEVELOPMENT AGENCY OF SYRACUSE CITY, a body corporate and politic of the State of Utah (the “Agency”). The Developer and the Agency are sometimes referred to individually in this Agreement as a “Party” and together as the “Parties.”

RECITALS

A. In furtherance of the objectives of the Community Development and Renewal Agencies Act, Utah Code Ann. 17C-3-101, et. seq. (the “Act”), the Agency has undertaken the creation of an economic development area for the development of a certain geographic area known as the “Syracuse SR-193 Economic Development Project Area” (the “Project Area”), located in Syracuse City, Utah (the “City”); and

B. The Agency has approved and the City Council of the City has adopted an economic development plan which is attached hereto as Exhibit A (the “Economic Development Plan”) providing for the development of real property located in the Project Area and the future use of such land; and

C. The Syracuse SR-193 EDA Taxing Entity Committee (the “Taxing Committee”), formed in accordance with the Act, has approved the Economic Development Plan; and

D. The Site Owner desires to construct within the Project Area a public refrigerated warehouse which will include office space, industrial refrigeration equipment, dock equipment, racking, forklifts, and other typical warehouse equipment (the real and personal property comprising such warehouse are collectively referred to in this Agreement as the “Facility”); and

E. The Agency believes that the construction of the Facility is in the vital and best interests of the Agency, and in the best interests of the health, safety, and welfare of City residents, and in accord with the public purposes and provisions of the applicable laws of the State of Utah (the “State”) and requirements under which the Project Area and its development is undertaken and is being assisted by the Agency; and

F. On the basis of the foregoing and the undertakings of the Site Owner pursuant to this Agreement, and to enable the Agency to achieve the objectives of the Economic Development Plan, the Agency is willing, in the manner set forth herein, to assist the Site Owner in the development of the Facility for the purpose of accomplishing provisions of the Economic Development Plan, and the provisions of this Agreement.

NOW THEREFORE, in consideration of the covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## ARTICLE I

### PROPERTY ACQUISITIONS

Section 1.1 Acquisition of the Facility Property. Prior to the execution of this Agreement, the Site Owner acquired fee simple title in and to certain real property more particularly described in Exhibit B attached hereto and depicted on Exhibit C attached hereto (the “Facility Real Property”), and Site Owner has, to the extent necessary for the development and operation of the Facility, (i) right, title and interest in and to adjacent streets, alleys, easements and other rights-of-way appurtenant to the Facility (the “Facility Rights-of-Way”); and (ii) rights and interests appurtenant to the Facility Property, including, without limitation, easements for utilities over, across, under and upon other properties located near or adjacent to the Facility (collectively, the “Other Facility Site Rights”; and collectively with the Facility Real Property and the Facility Rights-of-Way, the “Subject Property”).

## ARTICLE II

### SITE OWNER’S OBLIGATIONS

Section 2.1 The Site Owner hereby agrees to the following:

(a) Development of Facility. The Site Owner shall construct and maintain the Facility for a minimum useful life of thirty [30] years on the Facility Real Property. Such construction shall be performed in accordance with all approvals, conditions, and terms required by law and outlined by the City building department through the issuance of the building permit and in accordance with the applicable zoning, subdivision, development, growth management, transportation, environmental, open space, and other land use requirements, ordinances, and regulations in existence and effective on the date of final approval of this Agreement (collectively, the “Construction Standards”).

(b) Truck Access to Facility. Throughout the construction and use of the Facility, the Site Owner, its subcontractors and tenants, shall refrain from accessing the Facility from 700 South using vehicles having greater than a single axle transmission. The Site Owner shall ensure that all construction contracts, subcontracts and tenant agreements contain a similar provision imposing on such individuals the same requirement, and Agency shall post and maintain “No Trucks” signs on 700 South. In the event of an alleged use of 700 South by the Site Owner, or any of its employees, agents, or contractors is found to be in violation of this subsection, the Site Owner shall pay the Agency a fee in the amount of one hundred dollars (\$100.00) per occurrence. When assessing a fee, and for each occurrence, the Agency shall provide the Site Owner with a description of the date, approximate time, license plate, and description of the truck on 700 South. The Agency shall provide such description to Site Owner within thirty (30) days of the occurrence. Upon receipt of such information, the Site Owner shall either pay the fee(s) to Agency or challenge the fee(s) within thirty (30) days. Site Owner may

challenge the fee(s) by (i) notifying the Agency within thirty (30) days of its intent to challenge the fee(s), and (ii) providing the Agency with clear evidence that any alleged violation was committed by a party other than the Site Owner, or any of its employees, agents, or contractors.

(c) Development Infrastructure/On-site Improvements. To the extent legally required and to the extent not required to be performed by other parties under separate agreements with the City, the Site Owner shall construct and develop on-site improvements including, but not limited to, storm water detention facilities, drainage facilities, sidewalks, curb and gutter, roads both ingress and egress as required to access the Facility, landscaping, trails, water systems, sanitary sewer, street lighting, fencing and/or walls, flood control and other improvements required by the City as part of the Site Plan approval process. All legally required on-site improvements shall be completed prior to the date the City issues an occupancy permit (the “Operational Date”).

(d) Payment of Fees. Except to the extent payable by third parties under separate agreements with the City, the Site Owner shall pay when due all building permit fees, site plan review fees and other fees legally required by the City and state as well as all other governmental agencies and subdivisions as part of the Site Plan approval process. In the event the fees are due but not paid prior to settlement of the Property Tax Rebate (as defined herein), the Agency shall be able to deduct the payment of said fees from the Property Tax Rebate.

(e) Payment of Ad Valorem Taxes and Supplemental Payments. The Site Owner shall pay all real and personal property taxes (the “Ad Valorem Taxes”) for the Facility and the Facility Real Property based on the taxable value of the Facility and the Facility Real Property (the “Assessed Taxable Value”). Subject to the Site Owner’s right to protest or appeal as provided below, for each tax increment year, all Ad Valorem Taxes and assessments levied or imposed on the Facility Property, any of the improvements, and any personal property on site shall be paid annually by the Site Owner on or before the applicable due date. The Site Owner shall have the right to protest or appeal the amount of Assessed Taxable Value and taxes levied against the Facility and the Facility Real Property by the County Assessor, State Tax Commission or any lawful entity authorized by law to determine the Ad Valorem Taxes against the Facility and the Facility Real Property, the improvements and personal property on the Facility Real Property, or any portion thereof in the same manner as any other taxpayer as provided by law. Site Owner acknowledges that any challenge to the Ad Valorem Taxes that affects funding amounts received by the Agency will similarly affect the Property Tax Rebate.

### ARTICLE III

#### AGENCY AND DEVELOPER OBLIGATIONS AND UNDERTAKINGS

##### Section 3.1 Agency Participation.

The Agency has created the Project Area for improvements related to the Facility and surrounding area. Subject to the conditions, terms and limitations set forth in this Agreement, including those set forth in Article II, the Agency agrees to rebate to the Site Owner thirty percent (30%) of the Ad Valorem Taxes which are received by the Agency, which is eighty percent (80%) of the Ad Valorem Taxes (the “Agency Share of Taxes”), pursuant to the Economic Development Plan (the “Property Tax Rebate”) as follows:

(i) The Site Owner shall receive the Property Tax Rebate moneys beginning with Ad Valorem Taxes due for calendar year 2014, in a total amount which shall be thirty (30%) percent of the Agency Share of Taxes due for the ten years beginning in 2014 (the “Tax Rebate Period”) in connection with the Facility and the Facility Real Property. For avoidance of doubt, taxes are “due for” a year if taxes accrue during that year, regardless of when taxes are paid.

In no case shall the total Property Tax Rebate exceed One Million Two Hundred Thousand dollars (\$1,200,000.00), nor shall it extend beyond Ad Valorem Taxes due for calendar year 2023. The anticipated Property Tax Rebate schedule, attached hereto as Exhibit D, outlines the anticipated Property Tax Rebate. Exhibit D is provided exclusively for illustrative purposes and does not represent a binding obligation on the part of the Agency if the assumed facts do not exist.

(ii) The Agency acknowledges that the base taxable value of the Facility and the Facility Real Property are zero.

(iii) The Property Tax Rebate moneys received by the Site Owner shall be the property of the Site Owner and shall not be subject to any restrictions or requirements on the use thereof.

Section 3.2 Public Financing. The Agency, as an inducement to the Site Owner to acquire and construct the Facility in accordance with this Agreement, shall provide the Property Tax Rebate as described above. The Agency has determined that without public participation, land acquisition and infrastructure costs create a significant barrier to attracting private capital and investment.

Section 3.3 Private Financing: The total costs related to the Facility are estimated at \_\_\_\_\_ dollars (\$\_\_\_\_\_).

Section 3.4 Issuance of Permits/Approval of Site Plan. The Agency will reasonably cooperate with the Site Owner, as requested in obtaining necessary approval of the Site Plan, zoning approval, and the issuance of building permits, and other planning requirements necessary for the Site Owner to construct the improvements outlined in this Agreement. The conceptual and final plan and drawings for the Facility and Facility Real Property shall be subject to the ordinary municipal review process required of all similar development projects by the City.

Section 3.5 Sole Source of Agency's Funding. The Site Owner understands and agrees that the only source of monies available to the Agency to pay its obligations hereunder are tax increment monies actually received by the Agency from the Facility and Facility Real Property based upon the value of the improvements to be constructed by the Site Owner. Only the Agency Share of Taxes will be available to the Agency to meet said obligations.

Section 3.6 Payment of Ad Valorem Taxes and Property Tax Rebate. The Site Owner shall pay all Ad Valorem Taxes to the Davis County Treasurer by March of each year. Pursuant to the Economic Development Plan approved by the Taxing Entity Committee and in fulfillment of the County Treasurer's duties under Utah Code §59-2-1365, by March 31 of every year until 2024 the Davis County Treasurer will transfer eighty percent (80%) of each payment of Ad Valorem Taxes made by the Site Owner to the Agency. The Agency shall pay thirty percent of such funds received (the "Tax Rebate Installment") to the Site Owner by April 30 of every year until 2024. In the event that the County's tax calendar is changed during the Tax Rebate Period, the deadlines in this Section 3.6 shall be correspondingly adjusted.

## ARTICLE IV

### CONSTRUCTION REQUIREMENTS

Section 4.1 Issuance of Permits. The Site Owner shall have the sole responsibility of obtaining all necessary permits and approvals to construct the improvements and shall make application for such permits and approvals directly to the City, Agency and other appropriate agencies and departments.

Section 4.2 Times for Construction. The Site Owner acknowledges and agrees that unless and until the Facility is constructed and becomes part of Davis County's assessment tax roll, the available tax increment necessary to pay the Agency obligations will not materialize, and the Agency would be unable to receive and pay its obligations for that portion of the Tax Rebate Period for which the Facility is not on the tax rolls.

Section 4.3 Access to Site. The completion of the Project and the work of the Site Owner shall be subject to inspection by the City in the ordinary course of the City's development process.

## ARTICLE V

### REMEDIES

Section 5.1 General Remedies; Agency and Site Owner. Subject to the other provisions of this Article V, in the event of any default or breach of this Agreement or any of its terms, covenants or conditions by any Party hereto, such Party shall, upon written notice from the other Party, proceed immediately to cure or remedy such default or breach, and in any event, do so within thirty (30) calendar days after receipt of such notice, or, if such default or failure is of a type that cannot reasonably be cured within such thirty (30) day period, within sixty (60) days provided that such cure is commenced within a thirty (30) day period and diligently pursue to completion, unless a longer period of time is agreed to by the Parties pursuant to Section 5.2. In case such action is not taken, or diligently pursued, or the default or breach shall not be cured or remedied within the time periods provided above, the aggrieved Party may institute such proceedings as may be necessary or desirable, at its option, to cure or remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the Party in default which is not cured within the time limits contained in this Agreement, the non-defaulting Party may, at its option, take such action as allowed by law, in equity and/or provided for in this Agreement. Any delay by a Party in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article shall not operate as a waiver of such rights.

Section 5.2 Extensions by Agency. The Agency may in writing extend the time for the Site Owner's performance of any term, covenant or condition of this Agreement or permit the curing of any default upon such terms and conditions as may be mutually agreeable to the parties provided, however, that any such extension or permissive curing of any particular default shall not operate to release any of the Site Owner's obligations nor

constitute a waiver of the Agency's rights with respect to any other term, covenant or condition of this Agreement or any other default in, or breach of, this Agreement.

Section 5.3 Remedies Cumulative/Non-Waiver. The rights and remedies of the Parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other Party. No waiver made by any Party with respect to the performance, or manner or time thereof, or any obligation of the other Party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the Party making the waiver with respect to the particular obligation of the other Party or condition to its own obligation beyond those expressly waived and to the extent thereof, or a waiver in any respect in regard to any other rights of the Party making the waiver or any other obligations of the other Party.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

Section 6.1 Government Records Access and Management Act. This Agreement and all documents referenced in this Agreement or made a part of hereof, including without limitation, all documents, evaluations or assessments provided by the Site Owner and/or relied upon by the Agency in entering into or performing this Agreement, shall be subject to the provisions of the Utah Government Records Access and Management Act ("GRAMA").

Section 6.2 Party Representatives.

(a) The Agency hereby appoints the RDA Chair as the Agency representative to assist in the administrative management of this Agreement and to coordinate performance of obligations by the Site Owner and the Agency under this Agreement.

(b) The Site Owner hereby appoints its Chief Financial Officer to act as its representative in connection with its performance of this Agreement unless and until another representative is designated by written notice to the Agency. Said designated representative shall have the responsibility of working with the Agency to coordinate the performance of the Site Owner and obligations under this Agreement.

Section 6.3 Standard of Performance/Professionalism. The Site Owner agrees that it will not accept any fee or financial remuneration from any person or entity other than the Agency, which is receiving the Agency Share of Taxes from the members of the Taxing Committee, for its performance under this Agreement.

Section 6.4 Governmental Immunity. The Site Owner acknowledges that the Agency is a body Corporate and politic of the State of Utah, subject to the Utah Governmental Immunity Act, Utah Code Ann. Sections 63-30d-101, et. seq. (the “Act”). The Site Owner further acknowledges and agrees that nothing contained in this Agreement shall be construed in any way, to modify (whether to increase or decrease), the limits of liability set forth in that Act or the basis for liability as established in the Act.

Section 6.5 Intentionally omitted.

Section 6.6 No Agency. No agent, employee or servant of the Site Owner or the Agency is or shall be deemed to be an employee, agent or servant of the other Party. None of the benefits provided by any Party or by the Site Owner to its employees, including but not limited to worker’s compensation insurance, health insurance and unemployment insurance, are available to the employees, agents, contractors or servants of the other Party or the Site Owner. The Parties shall each be solely and entirely responsible for their respective acts and for the acts of their respective agents, employees, contractors and servants throughout the term of this Agreement. The Parties shall each make all commercially reasonable efforts to inform all persons and entities with whom they are involved in connection with this Agreement to be aware that the Site Owner is an independent contractor.

Section 6.7 Ethical Standards. The Site Owner represents that it has not: (a) provided an illegal gift or payoff to any officer or employee of the City or the Agency, or former officer or employee of the City or the Agency, or to any relative or business entity of a officer or employee of the City or the Agency, or relative or business entity of a former officer or employee of the City or the Agency; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies or private enterprises regularly engaged in the business of representing companies in incentive negotiations; (c) breached any of the ethical standards set forth in Utah Municipal Officers’ and Employees’ Ethics Act, [Section 10-3-1301 et seq.]; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any officer or employee of the City or the Agency or former officer or employee of the City or the Agency to breach any of the ethical standards set forth in State statute or the City ordinances.

Section 6.8 No Officer or Employee Interest. It is understood and agreed that no officer or employee of the Agency has or shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds resulting from the performance of this Agreement. No officer, manager, employee or member of the Site Owner or any member of any of such persons’ families shall serve on any City board or committee or hold any such position which either by rule, practice, or action nominates, recommends, or supervises the Site Owner’s operations, or authorizes funding or payments to the Site Owner.

Section 6.9 Public Funds and Public Monies.

(a) For purposes hereof, “Public Funds” and “Public Monies” mean monies, funds, and accounts, regardless of the source from which they are derived, that are owned, held, or administered by the state or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any county, city, school district, political subdivision, or other public body. The terms also include monies, funds or accounts that have been transferred by any of the aforementioned public entities to a private contract provider for public programs or services.

(b) The parties hereto agree that the Property Tax Rebate received by Site Owner is not, and shall not be deemed to be, “Public Funds” or “Public Monies,” and that this Agreement does not contemplate any “Public Funds” or “Public Monies” being held by the Site Owner.

Section 6.10 Compliance with Laws. Each Party agrees to comply with all federal, state and local laws, rules and regulations in the performance of its duties and obligations under this Agreement. Any violation by any Party of applicable law shall constitute an event of default under this Agreement. The Site Owner is solely responsible, at its expense and cost, to acquire, maintain and renew during the term of this Agreement, all necessary permits and licenses required for its lawful performance of its duties and obligations under this Agreement. For purposes of this Agreement, the term “applicable law” or any similar term shall not include an ordinance, resolution, regulation, rule or procedure adopted or enacted by the Agency after the satisfaction of the conditions set forth in Article III, above, which would prevent the Agency’s performance of its obligations under this Agreement.

Section 6.11 Non-Discrimination. The Site Owner, and all persons acting on its behalf, agree that they shall comply with all federal, state and City laws, rules and regulations governing discrimination and they shall not discriminate in the engagement or employment of any professional person or any other person qualified to perform the services required under this Agreement.

Section 6.12 Labor Regulations and Requirements. The Site Owner agrees to comply with all applicable provisions of Title 34 of the Utah Code, and with all applicable federal, state and local labor laws.

Section 6.13 Assignment. The Site Owner shall not assign or transfer its duties of performance nor its rights to compensation under this Agreement, without the prior written approval of the Agency, which shall not be unreasonably withheld, conditioned or delayed. In addition, if the assignment or transfer of the rights under this Agreement is to a person or entity which acquires title to the Facility Real Property substantially all of the assets of the Site Owner, the burden of proof shall be on the Agency to establish that its disapproval is reasonable. If the Agency withholds such approval, it shall specify in reasonable written detail the basis for the disapproval. The Agency reserves the right to assert any claim or defense it may have against the Site Owner **and** against any assignee or successor-in-interest of the Site Owner. Notwithstanding the foregoing, (i) an assignment to the surviving entity in any merger, consolidation or reorganization in which the Site



Section 6.16 Entire Agreement. The Agency and the Site Owner acknowledge and agree that this Agreement, and each of the other agreements referred to in this Agreement, constitutes the entire integrated understanding between the Agency and the Site Owner, and that there are no other terms, conditions, representations or understanding, whether written or oral, concerning the rights and obligations of the Parties to this Agreement, except as set forth in this Agreement. This Agreement may not be enlarged, modified or altered, except in writing, signed by the parties.

Section 6.17 Governing Law. It is understood and agreed by the Parties hereto that this Agreement shall be governed by the laws of the State of Utah and the Ordinances of the City, both as to interpretation and performance. All actions, including but not limited to court proceedings, administrative proceedings, arbitration and mediation proceedings, shall be commenced, maintained, adjudicated and resolved within the jurisdiction of the State of Utah.

Section 6.18 Estoppel Certificate. Within ten (10) business days after written request of the Site Owner or its lender, the Agency shall provide an estoppel certificate to the Site Owner, a prospective purchaser or an existing or prospective lender certifying that this Agreement is in full force and effect, that no defaults exist (or specifying any defaults which do exist) and providing such other factual information pertaining to this Agreement as the Site Owner, such lender or a prospective purchaser of part or all of the Project may reasonably request. The Site Owner shall pay any actual, out-of-pocket reasonable attorney's fees incurred by the Agency in connection with the foregoing.

Section 6.19 Miscellaneous. In addition to the foregoing, the parties to this Agreement agree as follows:

(a) No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed, in writing, by the party making the waiver.

(b) The recitals and the exhibits attached to this Agreement shall be and hereby are incorporated in and an integral part of this Agreement by this reference.

(c) This Agreement shall be binding upon, and shall inure to the benefit of the parties to it and their respective successors and assigns.

(d) In the event that any provision of this Agreement shall be held invalid and unenforceable, such provision shall be severable from, and such invalidity and unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

(e) The Parties agree to use reasonable diligence to fulfill their respective obligations under this Agreement at all times that this Agreement is in effect.

(f) Nothing in this Agreement is or shall be intended to provide or convey any actionable right or benefit to or upon any person or persons other than the Site Owner and the Agency. Except as otherwise specifically provided in this Agreement, each party shall bear its own costs and expenses (including legal and consulting fees) in connection with this Agreement and the negotiation of all agreements, including without limitation the Agreement, and preparation of documents contemplated by this Agreement.

(g) All obligations of the Parties set forth in this Agreement which are contemplated to be performed or satisfied after the Closing in accordance herewith shall survive the Closing and the delivery of any instrument of conveyance made in connection therewith.

(h) Except as otherwise provided in this Agreement, whenever a period of time is in this Agreement prescribed for action to be taken by a Party, said Party shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to a Force Majeure Event; for purposes of this Agreement, "Force Majeure Event" means any act or event, whether foreseen or unforeseen, that meets all three of the following tests:

(i) The act or event prevents a Party, in whole or in part, from:

(A) performing its obligations under this Agreement or another specified agreement; or

(B) satisfying any conditions to the obligations under this Agreement.

(ii) The act or event is beyond the reasonable control of and not primarily the fault of a Party.

(iii) A Party has been unable to avoid or overcome the act or event by the exercise of commercially reasonable due diligence.

(iv) In furtherance of such definition, and not in limitation of such definition, each of the following acts and events is deemed to be a Force Majeure Event: war, flood, lightning, drought, earthquake, fire, volcanic eruption, landslide, hurricane, cyclone, typhoon, tornado, explosion, civil disturbance, act of God or the public enemy, terrorist acts, military action, epidemic, famine or plague, shipwreck, action of a court or public authority, or strike, work-to-rule action, go-slow or similar labor difficulty, and such failure, standing alone, prevents Site Owner from fulfilling one or more of its obligations under this Agreement. The foregoing list of Force Majeure Events is not exhaustive, and the principle of ejusdem generis is not to be applied in determining whether a particular act or event qualifies as a Force Majeure Event. Notwithstanding the foregoing, a Force Majeure Event shall not mean or include economic hardship, changes in market conditions, insufficiency of revenues or funds,

or the financial condition of a Party, or the sale, transfer, liquidation, insolvency, failure, secession, disbandment, dissolution or termination of any person owning any interest in a Party.

(v) Notwithstanding the foregoing, no Force Majeure Event shall excuse or delay the Site Owner's obligation to pay Ad Valorem Taxes when due or the Agency's obligation to pay the Property Tax Rebate within the time period required by this Agreement.



AGENCY:

REDEVELOPMENT AGENCY OF  
SYRACUSE CITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:

By: \_\_\_\_\_

STATE OF UTAH            )  
                                          ) ss.  
COUNTY OF DAVIS        )

On \_\_\_\_\_, 2012, personally appeared before me \_\_\_\_\_, who  
being by me duly sworn did say that he is the \_\_\_\_\_ of the  
REDEVELOPMENT AGENCY OF SYRACUSE CITY, and that said instrument was  
signed on behalf of the Redevelopment Agency of Syracuse City, by authority of law.

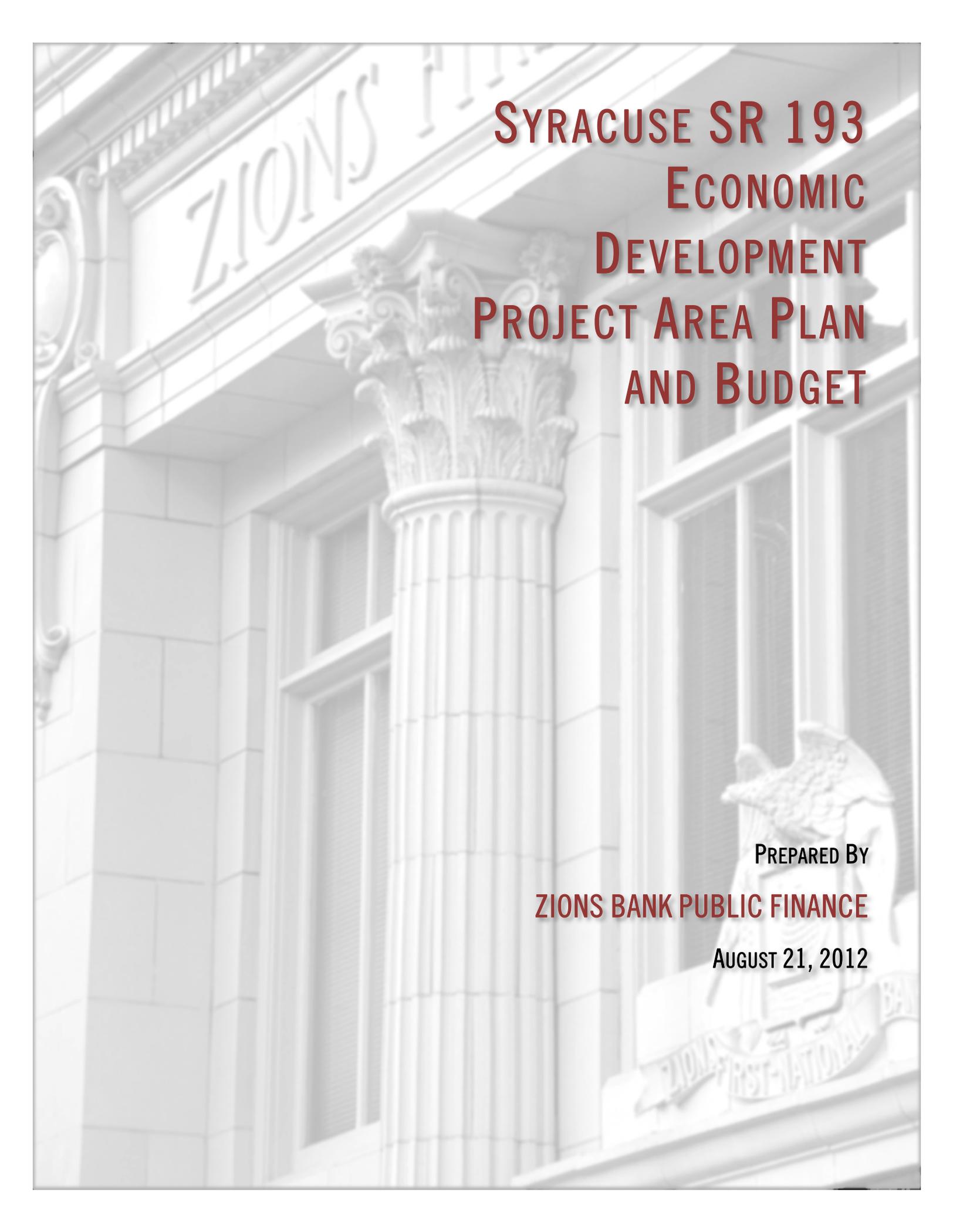
\_\_\_\_\_  
NOTARY PUBLIC

## LIST OF EXHIBITS

To Agreement for the Development of Land

|           |                                                    |
|-----------|----------------------------------------------------|
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| Exhibit B | Legal Description of Facility Property             |
| Exhibit C | Depiction of Facility Real Property                |
| Exhibit D | Anticipated Property Tax Rebate Repayment Schedule |





**SYRACUSE SR 193  
ECONOMIC  
DEVELOPMENT  
PROJECT AREA PLAN  
AND BUDGET**

**PREPARED BY  
ZIONS BANK PUBLIC FINANCE**

**AUGUST 21, 2012**

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## 1. INTRODUCTION

The Syracuse City Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of Syracuse City (the "City") and its residents, regarding need of and capacity for new development, has prepared this Economic Development Project Area Plan (the "Plan") for the Syracuse SR-193 Economic Development Project Area (the "Project Area") described in more detail below. The Study Area covered 246.6 acres, of which it is recommended that 187.66 acres (the easternmost portion of the Study Area) be included in the Project Area. Within the Project Area, it is recommended that, at this time, only the easternmost portion (79.44 acres) be included in the tax increment collection area.

In accordance with the terms of this Plan, the Agency will encourage, promote and provide for the development of a new business park within the Project Area. The Syracuse SR-193 Economic Development Project Area will include nearly two million square feet of building space at buildout, located on 187.66 acres, for an average floor area ratio of 0.25.<sup>1</sup> The Tax Increment Collection Area will include approximately 865,000 square feet of building space at buildout.

It is anticipated that the project will generate significant economic activity in the City through the creation of both temporary construction and permanent employment, the generation of additional property tax revenue, and the creation of new business opportunities. Within the Tax Increment Collection Area, an estimated 350 to 1,100 good-paying jobs will be created at this site. Additional jobs will be created within the rest of the Project Area, depending on the type of development that takes place in the remainder of the Project Area. Construction jobs will also be generated as part of this project, with construction wages approximating \$13.8 million over the six-year absorption timeframe estimated for the projects currently identified in the Tax Increment Collection Area.<sup>2</sup>

This Plan will govern the development within the Project Area, including the capture and use of tax increment to promote and incentivize development. The purpose of this Plan clearly sets forth the aims and objectives of this development, its scope, available incentives and the mechanism for funding such incentives, and the value of the Plan to the residents, businesses and property owners of the City.

## 2. DEFINITIONS

As used in this Economic Development Project Area Plan:

1. The term "**Act**" shall mean and include the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act Title 17C, Chapters 1 through 4, Utah Code Annotated, , including such amendments or successor statutes as shall from time to time be enacted.
2. The term "**Agency**" shall mean the Syracuse City Redevelopment Agency, a separate body corporate and politic.
3. The term "**base taxable value**" shall mean the base taxable value of the property within the Project Area, as shown upon the assessment roll last equalized, before: the date the taxing entity committee adopts the first project area budget.
4. The term "**City**" shall mean Syracuse City, Utah.

<sup>1</sup> The floor area ratio is the ratio of total building square feet to total land square feet.

<sup>2</sup> Based on anticipated construction jobs and average construction wages as discussed in detail in this report.

5. The term "**community**" shall mean the community of Syracuse City, Utah.
6. The term "**Developer**" shall mean any person or entity undertaking development activities in the Project Area including, initially, Ninigret Construction Company North, L.C. (sometimes also referred to as the "Ninigret Group").
7. The term "**economic development**" shall mean to promote the creation or retention of public or private jobs within the State through planning, design, development, construction, rehabilitation, business relocation, or any combination of these within a community; and the provision of office, industrial, manufacturing, warehousing, distribution, parking, public, or other facilities, or other improvements that benefit the state or a community.
8. The term "**Plan Hearing**" means the public hearing on the draft Project Area Plan required under Subsection 17C-3-102 of the Act.
9. The term "**planning commission**" shall mean the planning commission of the City.
10. The term "**Project**" means the activities associated with this Project Area Plan.
11. The term "**Project Area**" or "**SR-193 Economic Development Project Area**" shall mean the geographic area described in this Project Area Plan or Draft Project Area Plan where the economic development set forth in this Project Area Plan or Draft Project Area Plan takes place or is proposed to take place.
12. The term "**Project Area Plan**" or "**Plan**" shall mean the SR-103 Economic Development Area Project Area Plan that was adopted pursuant to the Act to guide and control economic development activities within the project area.
13. The term "**Project Area Budget**" shall mean a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to the project area that includes:
  - (a) the base taxable value of property in the project area;
  - (b) the projected tax increment expected to be generated within the project area;
  - (c) the amount of tax increment expected to be shared with other taxing entities;
  - (d) the amount of tax increment expected to be used to implement the project area plan, including the estimated amount of tax increment to be used for land acquisition, public improvements, infrastructure improvements, and loans, grants, or other incentives to private and public entities;
  - (e) the tax increment expected to be used to cover the cost of administering the project area plan;
  - (f) if the area from which tax increment is to be collected is less than the entire project area:
  - (i) the tax identification numbers of the parcels from which tax increment will be collected; or
  - (ii) a legal description of the portion of the project area from which tax increment will be collected;
  - (g) for an economic development project area, the information required under Subsection 17C-3-201(1)(b).
14. The terms "**tax**," "**taxes**," "**property tax**" or "**property taxes**" includes privilege tax and each levy on an ad valorem basis on tangible or intangible personal or real property.
15. The term "**taxing entity**" shall mean each public entity that levies a property tax on property situated within the Project Area.

16. The term "tax increment" shall mean the difference between (i) the amount of property tax revenues generated each tax year by all taxing entities from the area designated in the Project Area Plan as the area from which tax increment is to be collected, using the current assessed value of the property, and (ii) the amount of property tax revenues that would be generated from that same area using the base taxable value of the property. Tax increment does not include taxes levied and collected under Section 59-6-1602 Utah Code Annotated, on or after January 1, 1994.
17. The term "Tax Increment Collection Area" shall mean the area from which tax increment is collected for the timeframe of this Plan.
18. All other terms shall have the same meaning set forth in the Act unless the context clearly indicates otherwise.

### 3. PRECONDITIONS FOR DESIGNATING AN ECONOMIC DEVELOPMENT PROJECT AREA

- a) Pursuant to the provisions of the Act, the Agency Board (the "Board"), on November 15, 2011, adopted a resolution designating an economic development survey area ("Survey Area") and containing a map of the boundaries of the Survey Area; and
- b) Pursuant to the provisions of §17C-3-102(2)(a) and (b) of the Act, the City has a planning commission and general plan as required by law; and
- c) Pursuant to the provisions of §17C-3-102(1)(b) and (c) of the Act, the Agency made a draft Project Area Plan available to the public at the Agency's offices during normal business hours, provided notice of the plan hearing and held a public hearing on the draft plan on August 14, 2012; and
- d) Pursuant to the provisions of §17C-3-102(1)(d) of the Act, the Agency has conducted one or more public hearings for the purpose of informing the public about the proposed Project Area, allowing public comment on the draft Project Area Plan and whether the plan should be revised, approved or rejected. The purpose of the hearing(s) was to inform the public about the Plan, to allow public comment on the draft Plan and to solicit input on whether the Plan should be revised, approved or rejected.

### 4. PROJECT AREA BOUNDARIES [17C-3-103(1)(a)]

The area identified for study (see map in Appendix A) consists of approximately 246.6 acres. Based on a study of the entire Survey Area, it was determined by the Board that a project area for the 187.66 acres (easternmost portion) is the most viable and beneficial at this point in time for a project area, and that the easternmost portion of the project area (79.44 acres) is most viable for a tax increment collection area. It was determined that the westernmost portion of the study area has significant uncertainty as to the type of development and zoning that will take place in the area. Until these issues are resolved, a project area is best suited for the eastern portion of the study area. The proposed project area of 187.66 acres will be located west of 1000 West, north of 700 South, south of 200 South and east of approximately 1700 West. This area is identified on the map shown in Appendix A. The tax increment collection area will consist of 79.44 acres, located at the easternmost portion of the project area. A legal description is included in Appendix B.

## 5. GENERAL STATEMENT OF LAND USES, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES, BUILDING INTENSITIES AND HOW THEY WILL BE AFFECTED BY THE ECONOMIC DEVELOPMENT [17C-3-103(1)(b)]

### A. LAND USES IN THE PROJECT AREA

The permitted land uses within the Project Area shall be those uses permitted by the officially adopted zoning ordinances of the City, as those ordinances may be amended from time to time. At present, all of the real property in the Project Area is unimproved, is in agricultural use and is partially zoned industrial. With this Plan in place, it is expected that land will be developed as a business park – mainly office, warehousing, commercial and manufacturing which are all permitted uses under the current zoning designations.

### B. LAYOUT OF PRINCIPAL STREETS IN THE PROJECT AREA

The Project Area is currently bordered on the north by 200 South Street, on the east by 1000 West Street, on the south by a private unimproved road, and on the west by roughly 1700 West. There are currently no improved interior streets within the Project Area. Appendix A shows the new streets planned as part of this Project Area. In addition, 1000 West Street will be widened as part of this project. It is anticipated that the east-west street extending west from 1000 West Street may initially terminate in a cul-de-sac somewhat east of the power corridor during the first phase of the project. The cul-de-sac would be removed and the street extended to connect to a second new street that would be built in connection with later phases.

### C. POPULATION DENSITIES IN THE PROJECT AREA

Currently, no one lives within the Project Area. The Plan does not currently propose any residential development. Existing and proposed residential densities within the Project Area will therefore remain at zero persons per square mile.

### D. BUILDING INTENSITIES IN THE PROJECT AREA

Currently there are no buildings within the Project Area. The Plan proposes an estimated 865,000 square feet of office/business park space on 79.44 acres within the Tax Increment Collection Area. This results in a floor area ratio of 0.25, calculated as follows:

$$865,000 \div (79.44 \text{ acres} \times 43,560^3) = 0.25$$

While there are no specific plans for the remainder of the Project Area, it is anticipated that it will develop with similar densities, resulting in a total of approximately two million square feet in the entire Project Area.

## 6. STANDARDS THAT WILL GUIDE THE ECONOMIC DEVELOPMENT [17C-3-103(1)(c)]

The general standards that will guide the economic development are as follows:

---

<sup>3</sup> Number of square feet per acre

## A. GENERAL DESIGN OBJECTIVES

Development within the Project Area will be held to quality design and construction standards, suitable for a business park and will be subject to: (1) appropriate elements of the City's General Plan; (2) applicable City building codes and ordinances; (3) planning commission review and recommendation; and (4) the City's land use code.

Developers will be allowed flexibility of design in developing land located within the Project Area. The development shall be of a design and shall use materials that are subject to design review and approval by the City pursuant to a development agreement with the Developer specifically addressing design issues.

Coordinated and attractive landscaping shall also be provided as appropriate for the character of the Project Area. Materials and design paving, retaining walls, fences, curbs, benches, and other items shall have an attractive appearance and be easily maintained.,

All development will be based on site plans, development data, and other appropriate submittals and materials clearly describing the development, including land coverage, setbacks, heights, and any other data dictated by the City's land use code, and applicable City practice or procedure.

The general principles guiding development within the Project Area are as follows:

1. Encourage and assist economic development with the creation of a well-planned business park that will attract top-quality companies and job opportunities to the area.
2. Provide for the strengthening of the tax base and economic health of the entire community and the State of Utah.
3. Implement the tax increment financing provisions of the Act which are incorporated herein by reference and made a part of this Plan.
4. Encourage economic use of and new construction upon the real property located within the Project Area.
5. Promote and market the Project Area for economic development that would enhance the economic base of the City through diversification.
6. Provide for compatible relationships among land uses and quality standards for development, such that the area functions as a unified and viable center of economic activity for the City.
7. Remove any impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels served by adequate public utilities, streets and other infrastructure improvements.
8. Achieve an environment that reflects an appropriate level of concern for architectural, landscape and design principles, developed through encouragement, guidance, appropriate controls, and financial and professional assistance to the Developers.
9. Provide for construction of public streets, utilities, curbs and sidewalks, other public rights-of-way, street lights, landscaped areas, parking, water utilities, sewer utilities, storm drainage, recreational trails and other public improvements.

10. Facilitate better traffic circulation and reduce traffic hazards through improved public street access and design.

## **B. SPECIFIC DESIGN OBJECTIVES AND CONTROLS**

In addition to the general City design objectives and standards described above, the developer has adopted specific design guidelines that will govern the development of the Project Area. These guidelines focus on the development of a business park atmosphere that will benefit the community.

### **1. BUILDING DESIGN OBJECTIVES**

All new buildings shall be of design and materials that will be in harmony with adjoining areas and other new development and shall be subject to design review and approval by the City.

The design of buildings shall take advantage of available views and topography and shall provide, where appropriate, separate levels of access.

### **2. OPEN SPACE PEDESTRIAN WALKS AND INTERIOR DRIVE DESIGN OBJECTIVES**

All open spaces, pedestrian walks and interior drives shall be designed as an integral part of an overall site design, properly related to existing and proposed buildings.

Comfortably graded pedestrian walks should be provided in areas of the most intense use, particularly from building entrances to parking areas, and adjacent buildings on the same site.

The location and design of pedestrian walks should afford adequate safety and separation from vehicular traffic.

Materials and design of paving, retaining walls, fences, curbs, and other accouterments, shall be of good appearance and easily maintained.

### **3. PARKING DESIGN OBJECTIVES**

Parking areas shall be designed with regard to orderly arrangement, topography and ease of use and access.

### **4. PROJECT IMPROVEMENT DESIGN OBJECTIVES**

Public Rights-of-Way. All streets and walkways within public rights-of-way will be designed or approved by the City and will be consistent with all design objectives.

Street Lighting and Signs. Lighting standards and signs of pleasant appearance and modern illumination standards shall be provided as necessary as approved by the City.

Grading. The applicable portions of the Project Area will be graded in conformance with the final project design as approved by the City for each specific project in accordance with City Code.

## **C. TECHNIQUES TO ACHIEVE THE ECONOMIC DEVELOPMENT PLAN OBJECTIVES**

Activities contemplated in carrying out the Plan in the Project Area may include the acquisition and development of properties in the Project Area.

### 1. ACQUISITION AND CLEARANCE

Parcels of real property located in the Project Area may be acquired by the Agency by purchase, but may not be acquired by condemnation unless from an Agency board member or officer with their consent [§17C-1-206 (1) and (2)(b)].

### 2. IMPLEMENTATION OF ECONOMIC DEVELOPMENT PROJECTS

The Agency shall have the right to approve the design and construction documents of all economic development within the Project Area to ensure that all economic development within the Project Area is consistent with this Plan. The City shall notify the Agency of all requests for: (1) zoning changes; (2) conditional use permits; (3) site plan approval; and (4) building permits within the Project Area, and all proposed amendments thereof. Economic development projects within the Project Area shall be implemented as approved by the Agency and the City.

### D. APPROVALS

Development within the Project Area shall be implemented by the Agency in accordance with this Plan, and as approved by the City in accordance with applicable land use and building code provisions. The City shall notify the Agency of all requests for (1) zoning changes; (2) design approval; (3) site plan approval; and (4) building permits within the Project Area.

## 7. HOW THE PURPOSES OF THE ACT WILL BE ATTAINED BY THE ECONOMIC DEVELOPMENT [17C-3-103(1)(d)]

It is the intent of the Agency, with the assistance and participation of the Developer, to facilitate and promote the development of office, industrial, light manufacturing, commercial and other business park related activities that will result in the creation of jobs in the Project Area. Further, the project will strengthen the tax base of the community, which will also serve to accomplish economic development objectives and create a well-planned business center.

The purposes of the Act will be achieved by the following:

### A. ESTABLISHMENT OF NEW BUSINESS AND INCREASED TAX BASE

The proposed Project envisions business park development that will benefit the State and the City through increased job creation, increased property tax base, increased income taxes paid (both corporate and individual) and increased energy usage (and the accompanying municipal energy “franchise” tax). Multiplier (indirect and induced) impacts will result from the initial job creation and expenditures for construction and supplies.

### B. PUBLIC INFRASTRUCTURE IMPROVEMENTS

The construction of the public infrastructure improvements as provided by this Plan will support the development contemplated herein and provide for future development in surrounding areas. The associated public infrastructure improvements will make the land within the Project Area more accessible to and from other parts of the City. Thus, the components of the Project provided in this Plan will encourage, promote and provide for economic development within the Project Area and the City generally for years to come.

## 8. THE PLAN IS CONSISTENT WITH AND WILL CONFORM TO THE COMMUNITY'S GENERAL PLAN [17C-3-103(1)(e)]

This Plan is consistent with the City's General Plan that was updated and approved May 26, 2009. Specifically, the City's mission statement states a desire to "provide quality, affordable services for its citizens, while promoting community pride, fostering economic development and managing growth." This Project Area Plan will help accomplish all of these purposes.

The General Plan (pp. 13-14) also specifically refers to development along 200 South and 1000 West as follows:

*The corridor along 200 South in Syracuse between 1000 West and the future North Legacy Parkway (approximately Bluff Road) represents an area with the highest future potential for commercial development within the City. In a first phase, UDOT plans to widen (to 100') 200 South between I-15 and 2000 West sometime around 2011. As the time of completion of this roadway project draws near, the land along the south side of 200 South between 1000 West and 2000 West will become increasingly attractive to commercial developers. The City should maintain its current plan for a C-2 Commercial land use along most of this corridor. This land use will allow the greatest flexibility of development. A key focal point for retail locations along this corridor should be the corner of 2000 West and 200 south. UDOT is also planning for the widening of 2000 West from 1700 South all the way to Weber County, thus making this intersection a highly attractive location for future commercial activity.*

*Commercial development is also proposed along the city's shared boundary with Clearfield City along 1000 West between 200 South and 700 South. This location represents yet another commercial opportunity to Syracuse as this area is located adjacent to the Freeport Center. The opportunities in this area are commercial developments that are compatible or would support the large industrial enterprises that are typical of the Freeport Center.*

The development proposed in this Project Area Plan is consistent with what is specified in the General Plan and is compatible with that Plan.

## 9. DESCRIBE HOW THE ECONOMIC DEVELOPMENT WILL CREATE ADDITIONAL JOBS [17C-3-103(1)(f)]

Located proximate to the North Legacy Parkway, the Project Area is one of the premiere business park sites in Davis County. This means that the site will be attractive to major tenants – tenants that could invest significant amounts in both real and personal property and that would be likely to offer skilled jobs and above average wages. The number of jobs created at the site will vary depending on the type of business park development that takes place. Generally speaking, the average number of square feet per worker in commercial buildings is 766.<sup>4</sup> The ratio in industrial buildings varies widely depending on the type of usage but could be as high as 2,500 square feet per employee. Assuming there will be over 865,000 square feet of building space at buildout in the Tax Increment Collection Area alone, there would be a range of roughly 350 to 1,100 employees (FTE's). The remaining Project Area would include additional employees, the number of which would depend on the type of development that takes place in that area.

<sup>4</sup> Source: [http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebste/retailserv/retserv\\_howmanyempl.htm](http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebste/retailserv/retserv_howmanyempl.htm) and <http://www.cyburbia.org/forums/showthread.php?25827-Square-feet-per-employee>.

## 10. DESCRIPTION OF ANY SPECIFIC PROJECT OR PROJECTS THAT ARE THE OBJECT OF THE PROPOSED ECONOMIC DEVELOPMENT [17C-3-103(1)(g)]

The Plan specifically proposes over 865,000 square feet of business park related building space located on 79.44 acres in the Tax Increment Collection Area and potentially two million square feet of building space in the Project Area (187.66 acres). . However, there will need to be some flexibility in the type and amount of square footage developed in order for the Developer to respond to changing market conditions in the future. There may also be a minimal amount of support retail located within the Project Area.

## 11. HOW PRIVATE DEVELOPERS WILL BE SELECTED AND IDENTIFICATION OF CURRENT DEVELOPERS IN THE PROJECT AREA [17C-3-103(1)(h)]

### A. SELECTION OF PRIVATE DEVELOPERS

The Agency contemplates that owners of real property within the Project Area will take advantage of the opportunity to develop their property, or sell their property to developers for the development of facilities within the Project Area. In the event that owners do not wish to participate in the economic development in compliance with the Plan, or in a manner acceptable to the Agency, or are unable or unwilling to appropriately participate, the Agency may, consistent with the Act, encourage other owners to acquire property within the Project Area, or to select non-owner developers by private negotiation, public advertisement, bidding or the solicitation of written proposals, or a combination of one or more of the above methods.

### B. IDENTIFICATION OF DEVELOPERS WHO ARE CURRENTLY INVOLVED IN THE PROPOSED ECONOMIC DEVELOPMENT

The Ninigret Group currently has the 79.44 acres of property in the Tax Increment Collection Area under contract. Upon approval of this Plan, the Agency and the City intend to enter into a Development Agreement with the Ninigret Group. The Agency and the City will work with the Ninigret Group to implement this Project Area Plan as provided in the Development Agreement.

## 12. REASONS FOR THE SELECTION OF THE PROJECT AREA [17C-3-103(1)(i)]

The Project Area was selected by the Agency as that area within the City having an immediate opportunity to strengthen the community through a major developer who is willing to invest private capital into a business park that will allow for significant job creation, bring new businesses and services into the community, and provide for public infrastructure which will support the development and provide for future development in surrounding areas.

The Project Area contains a portion of the City that is desirable for business park development because of: (1) its accessible location to the North Legacy Parkway; (2) the opportunity to commence a public-private partnership to develop this area of the City; and (3) the current proposal of the Ninigret Group to construct a large master planned development within the Project Area.

Specific boundaries of the Project Area were arrived at by the Agency after a review of the area by members of the Agency, City staff, economic development consultants, and other technical and legal consultants. Planned treatment of this area is intended to stimulate development to the degree necessary for sound long-term growth in the Project

Area and to encourage the development of real property located within the Project Area. Finally, development of the Project Area as a business center is an important element in the City's General Plan.

### 13. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS EXISTING IN THE AREA [17C-3-103(1)(j)]

#### A. PHYSICAL CONDITIONS

The proposed Project Area consists of approximately 187.66 acres of privately owned land as shown on the Project Area map in Appendix A, located south of 200 South, west of 1000 West, north of 700 South and east of approximately 1700 West that is currently dedicated to agricultural use. The Tax Increment Collection Area consists of approximately 79.44 acres. The site contains a 22-foot drop with steep grades which will contribute to significant site grading challenges and development costs.

#### B. SOCIAL CONDITIONS

There are currently no buildings and no residents within the Project Area. No unusual social conditions were found to exist. Because of the shifting of land uses from agricultural land to active business park or commercial in the Project Area, consistent with the General Plan of the City, this area will take on a new social character that will enhance existing development in the City. The Project Area Plan will bring workers from the surrounding region to the Project Area for employment purposes. It is anticipated, therefore, that the proposed Project Area will add to the community's economy, quality of life, and reputation.

#### C. ECONOMIC CONDITIONS

There is currently no development in the Project Area. All of the land is currently publicly owned by a charitable 501(c)(3) organization and is therefore exempt from property taxation. The current taxable value of the area is \$0.00; therefore, no property tax revenues are currently generated from this area.

### 14. TAX INCENTIVES OFFERED TO PRIVATE ENTITIES FOR FACILITIES LOCATED WITHIN THE PROJECT AREA [17C-3-103(1)(k)]

The Agency intends to use 80 percent of the property tax increment generated within the Tax Increment Collection Area over a period of 15 years to pay part of the costs associated with development of the Project Area. The Agency intends to negotiate and enter into one or more inter-local agreements with the Davis County School District (the "School District"), Davis County (the "County"), the City, water districts, sewer district, and possibly other smaller taxing entities to secure receipt of a portion of the property tax increment generated within the Project Area that would otherwise be paid to those taxing entities.

The Project Area Budget (attached as Appendix C) shows anticipated tax increment receipts, and the estimated eligible development costs to be reimbursed. Detailed expenditures are shown in the table below.

| DETAILED EXPENDITURES                   |           |
|-----------------------------------------|-----------|
| <i>Syracuse City</i>                    |           |
| 3 water vaults at \$60,000 each         | \$180,000 |
| Water lines                             | \$125,000 |
| Secondary water - booster pump and line | \$150,000 |

| DETAILED EXPENDITURES                                      |                    |
|------------------------------------------------------------|--------------------|
| <i>Weber Basin Water Conservancy</i>                       |                    |
| Pipeline portion and portion of meter vault                | \$173,000          |
| <i>Developer</i>                                           |                    |
| Roads Construction                                         | \$681,131          |
| Culinary Water                                             | \$394,220          |
| Storm Drain                                                | \$386,918          |
| Sewer                                                      | \$207,558          |
| Secondary Water                                            | \$145,475          |
| Electrical                                                 | \$62,178           |
| RMP                                                        | \$94,973           |
| Landscaping (along roadways)                               | \$672,249          |
| Value of Land Required for Roads & Easements               | \$565,336          |
| Admin, Engineering , Survey and Testing                    | \$229,974          |
| Bonding                                                    | \$63,744           |
| City Engineering & Review Fee                              | \$25,497           |
| Soil Imbalance Cut/Fill                                    | \$1,065,800        |
| Transmission Line Relocation                               | \$190,000          |
| Rail                                                       | \$350,000          |
| <i>Tenant Outreach</i>                                     |                    |
| Tenant Outreach at 30%                                     | \$3,289,891        |
| <b>TOTAL EXPENDITURES (not incl. administrative costs)</b> | <b>\$9,052,944</b> |

**15. ANALYSIS OF WHETHER THE ADOPTION OF THE PROJECT AREA PLAN IS BENEFICIAL UNDER A BENEFIT ANALYSIS [17C-3-103(1)(I)]**

The public will realize significant benefits from the development of the Economic Development Project Area as proposed by this Plan. The Agency's long-term objective in developing the Project Area is to create a high quality, business center that will diversify the City's economic and tax base, and offer good-paying employment opportunities. The Agency adopted a resolution for the preparation of this Plan because of the opportunity to "jump start" the proposed business park development.

**A. EVALUATION OF THE REASONABLENESS OF THE COSTS OF ECONOMIC DEVELOPMENT [17C-3-103(2)(a)(i)]**

The Project Area has higher than normal development costs for several reasons: 1) the lack of any utilities currently serving the Project Area which is an agricultural field; 2) the steep grade and 22-foot drop of the property; and 3) the addition of a rail spur that will attract a wider variety of businesses who can make significant investment in the area and establish a good taxable base. The proposed costs of development for site preparation, railroad, infrastructure, economic incentives, or any assistance with building construction, are nearly \$9.1 million. The purpose of the tenant outreach is to attract top-quality businesses through assistance with fees, training, relocation costs, and other activities for businesses that will significantly improve the property tax base and provide higher-than-average paying jobs.



| SUMMARY OF EXPENDITURES  |                    |
|--------------------------|--------------------|
| Syracuse City            | \$455,000          |
| Weber Basin Water        | \$173,000          |
| Developer Infrastructure | \$4,785,053        |
| Rail Spur                | \$350,000          |
| Tenant Outreach          | \$3,289,891        |
| <b>TOTAL</b>             | <b>\$9,052,944</b> |

Total costs necessary to facilitate the development of this Project Area, including tenant outreach, are therefore estimated at \$9,052,944. This is a cost of \$113,960 per acre in the Tax Increment Collection Area (where all of the improvements are currently planned). In comparison, the value per acre in the Tax Increment Collection Area at buildout is estimated to be nearly \$892,980.<sup>5</sup> The ratio of value to public investment is roughly 7.8 to 1.0.

The issuance of bonds to the full extent now or hereafter permitted by law is authorized as part of this Plan.

### **B. EFFORTS THE AGENCY OR DEVELOPER HAS MADE OR WILL MAKE TO MAXIMIZE PRIVATE INVESTMENT [17C-3-103(2)(a)(ii)]**

The public investment of approximately \$9.1 million represents only 12.8 percent of the estimated private investment of \$70.1 million in the Tax Increment Collection Area for land, buildings and personal property (equipment).

### **C. RATIONALE FOR USE OF TAX INCREMENT, INCLUDING AN ANALYSIS OF WHETHER THE PROPOSED DEVELOPMENT MIGHT REASONABLY BE EXPECTED TO OCCUR IN THE FORESEEABLE FUTURE SOLELY THROUGH PRIVATE INVESTMENT [17C-3-103(2)(a)(iii)]**

This development is unlikely to happen solely through private investment for several reasons. First, the addition of a rail spur to the site adds an extra cost of development that cannot be recovered through rents that can be achieved in the area. However, the rail spur will greatly expand opportunities to attract a wider range of end users with good-paying jobs and significant investment in equipment (and therefore taxable value) at the site.

Second, many of the business opportunities that can be pursued for this site will be highly sought after by other communities. Therefore, in order to be on a level playing field with surrounding areas, tax increment must be available to offset incentives provided in other areas. Also, several of the opportunities that the Developer is pursuing are businesses that are also looking at sites located outside of the State of Utah. In order to be eligible for EDTIF funds provided by the State (that will attract these businesses to Utah), the Governor's Office of Economic Development (GOED) requires local areas to come up with local funds to show their commitment and partnership in the Project.

<sup>5</sup> The value at buildout is based on an average value per building square foot as follows: building (\$50); and personal property (\$32). Total taxable value at buildout in the tax increment collection area is projected to be \$70,938,331. The total number of acres in the Tax Increment Collection Area is 79.44. Therefore, the value per acre is \$892,980.

Third, this site has higher than normal development costs because of the steep grade and 22-foot elevation change on the site. These costs, if added to tenant costs, would make the site less competitive with other areas. And, there are currently no utilities at this site, which must be extended to this agricultural field.

The rationale for the use of tax increment is twofold: 1) tax increment funds must be available from local sources if the statewide EDTIF funds are to be available for the site; and 2) tax increment funds are necessary to offset the extraordinary costs of development associated with the site.

**D. ESTIMATE OF THE TOTAL AMOUNT OF TAX INCREMENT THAT WILL BE EXPENDED IN UNDERTAKING ECONOMIC DEVELOPMENT AND THE LENGTH OF TIME FOR WHICH IT WILL BE EXPENDED [17C-3-103(2)(a)(iv)]**

The total amount of tax increment necessary for this project is nearly \$9.1 million (\$2012). The Project Area Budget suggests a 15-year timeframe in order to account for the variability in development and economic conditions that will occur over the 15-year period.

**E. BENEFICIAL INFLUENCES UPON THE TAX BASE OF THE COMMUNITY [17C-3-103(2)(b)(i)]**

The City and taxing entities will see an increase in taxable value of an estimated \$70,938,331 when the Tax Increment Collection Area is fully built out. If construction begins in 2013 and the Project Area commences in 2014 and runs for a period of 15 years, each of the taxing entities will receive increased taxes over the next 15 years from the increased investment in the area. If the taxing entities receive 20 percent of the increment, with the remaining 80 percent of the increment flowing to the Agency, the taxing entities will receive over \$2.7 million more over the 15-year period than they are currently receiving.

| TAX BENEFIT TO TAXING ENTITIES<br>2014-2028 |                 |                    |                             |
|---------------------------------------------|-----------------|--------------------|-----------------------------|
| Taxing Entities                             | Tax Rate        | % to Entity/Agency | Total Tax Benefit 2014-2025 |
| Davis County                                | 0.002383        | 20%                | \$444,252                   |
| Davis County School District                | 0.008861        | 20%                | \$1,651,918                 |
| Syracuse City                               | 0.001821        | 20%                | \$339,481                   |
| Weber Basin Water Conservancy District      | 0.000217        | 20%                | \$40,454                    |
| Davis County Mosquito Abatement District    | 0.000104        | 20%                | \$19,388                    |
| County Library                              | 0.000392        | 20%                | \$73,079                    |
| North Davis Sewer District                  | 0.000928        | 20%                | \$173,003                   |
| <b>TOTAL</b>                                | <b>0.014706</b> |                    | <b>\$2,741,576</b>          |

At the end of the 15-year period, the taxing entities will receive the entire (100%) tax increment which would amount to an estimated \$1 million per year more than what they are currently receiving.

| ANNUAL TAX BENEFIT TO TAXING ENTITIES<br>End of Project Area Plan |          |                    |                      |
|-------------------------------------------------------------------|----------|--------------------|----------------------|
| Taxing Entities                                                   | Tax Rate | % to Entity/Agency | Annual Tax Increment |

| ANNUAL TAX BENEFIT TO TAXING ENTITIES<br>End of Project Area Plan |                 |      |                    |
|-------------------------------------------------------------------|-----------------|------|--------------------|
| Davis County                                                      | 0.002383        | 100% | \$169,046          |
| Davis County School District                                      | 0.008861        | 100% | \$628,585          |
| Syracuse City                                                     | 0.001821        | 100% | \$129,179          |
| Weber Basin Water Conservancy District                            | 0.000217        | 100% | \$15,394           |
| Davis County Mosquito Abatement District                          | 0.000104        | 100% | \$7,378            |
| County Library                                                    | 0.000392        | 100% | \$27,808           |
| North Davis Sewer District                                        | 0.000928        | 100% | \$65,831           |
| <b>TOTAL</b>                                                      | <b>0.014706</b> |      | <b>\$1,043,219</b> |

**F. ASSOCIATED BUSINESS AND ECONOMIC ACTIVITY LIKELY TO BE STIMULATED [17C-3-103(2)(b)(ii)]**

Other business and economic activity likely to be stimulated includes business, employee and construction expenditures.

**1. BUSINESS AND EMPLOYEE EXPENDITURES**

Between 350 and 1,100 jobs will be created and located within the Tax Increment Collection Area. If these jobs pay, on average, 120 percent of the average wage in Davis County, this will result in approximately \$15 million to \$50 million annually in increased wages.<sup>6</sup> The increased buying power will result in increased sales tax revenues to the State, the County and the City and increased economic activity generally. Additional jobs and wages will be created in the remainder of the Project Area.

It is anticipated that the business owners and employees of the Project Area facilities will directly or indirectly purchase local goods and services related to their operations from local or regional suppliers. These purchases will likely increase employment opportunities in the related businesses of office equipment, furniture and furnishings, office supplies, computer equipment, communication, security, transportation and delivery services, maintenance, repair and janitorial services, packaging supplies, office and printing services, transportation and delivery services.

Employees will make many of their purchases near their workplace, assuming that goods and services are available. These will most likely include purchases for: lunchtime eating, gasoline and convenience store, personal services such as dry cleaning and haircuts, and auto repair. In addition, there may be limited purchases for gifts, hobbies, etc., if such goods are available.

The following summarizes the benefits to the community:

- Provide an increase in direct purchases in the community.
- Provide economic diversification within the City and the County.

<sup>6</sup> Source: Workforce Services. <http://www.bls.gov/ro7/qcewut.htm>. The average weekly wage in Davis County is \$704, or \$36,308 annually. A job that pays 120 percent of the average wage would reach \$43,930 yearly.



- Complement existing businesses and industries located within the City by adding new employees who may live and shop and pay taxes in the City and the region.
- Provide an increase in indirect and induced (“multiplier”) impacts for business purchases, as well as purchases by employees and their households.
  - The types of expenditures by employees in the area will likely include convenience shopping for personal and household goods, lunches at area restaurants, convenience purchases and personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all of their convenience or personal services purchases near their workplace, and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within close proximity to the workplace (assuming the services are available).

## 2. CONSTRUCTION EXPENDITURES

Economic activity associated with the development will include construction activity. Construction costs for projects within the Tax Increment Collection Area are expected to reach approximately \$34.6 million, of which 40 percent (\$13.8 million) approximates labor costs, another 40 percent (nearly \$14 million) represents materials and supplies and the remaining 20 percent represents overhead and profit. A portion of the labor costs will be re-spent in the community – to the extent that convenience goods and services, such as fast food for lunch, personal services, etc., are available. A large portion of the costs for construction supplies will likely be spent in the community as the County has several large-scale construction suppliers.

## G. NUMBER OF JOBS OR EMPLOYMENT ANTICIPATED TO BE GENERATED OR PRESERVED [17C-3-103(2)(b)(iii)]

Business Center Jobs. The number of jobs created within the Tax Increment Collection Area will vary depending on the type of business park development that takes place. Generally speaking, the average number of square feet per worker in commercial buildings is 766.<sup>7</sup> The ratio in industrial buildings varies widely depending on the type of usage, but could be as high as 2,500 square feet per employee. Assuming that there will be roughly 865,000 square feet of building space developed at buildout within the Tax Increment Collection Area, there will be between 350 and 1,100 (FTE's). Additional jobs will be created in the remainder of the Project Area.

Construction Jobs. Construction costs are expected to reach approximately \$34.6 million within the Tax Increment Collection Area, of which 40 percent (\$13.8 million) approximates labor costs. Assuming an average construction wage of \$27,070,<sup>8</sup> results in the creation of approximately 500 one-year job equivalents in the construction industry.

To summarize, the creation of the Project Area and adoption of the Project Area Plan is beneficial to the community for the following reasons:

- Increased tax base that will provide additional tax revenues to the various taxing entities;
- Creation of between 350 and 1,100 full-time jobs in the Tax Increment Collection Area;

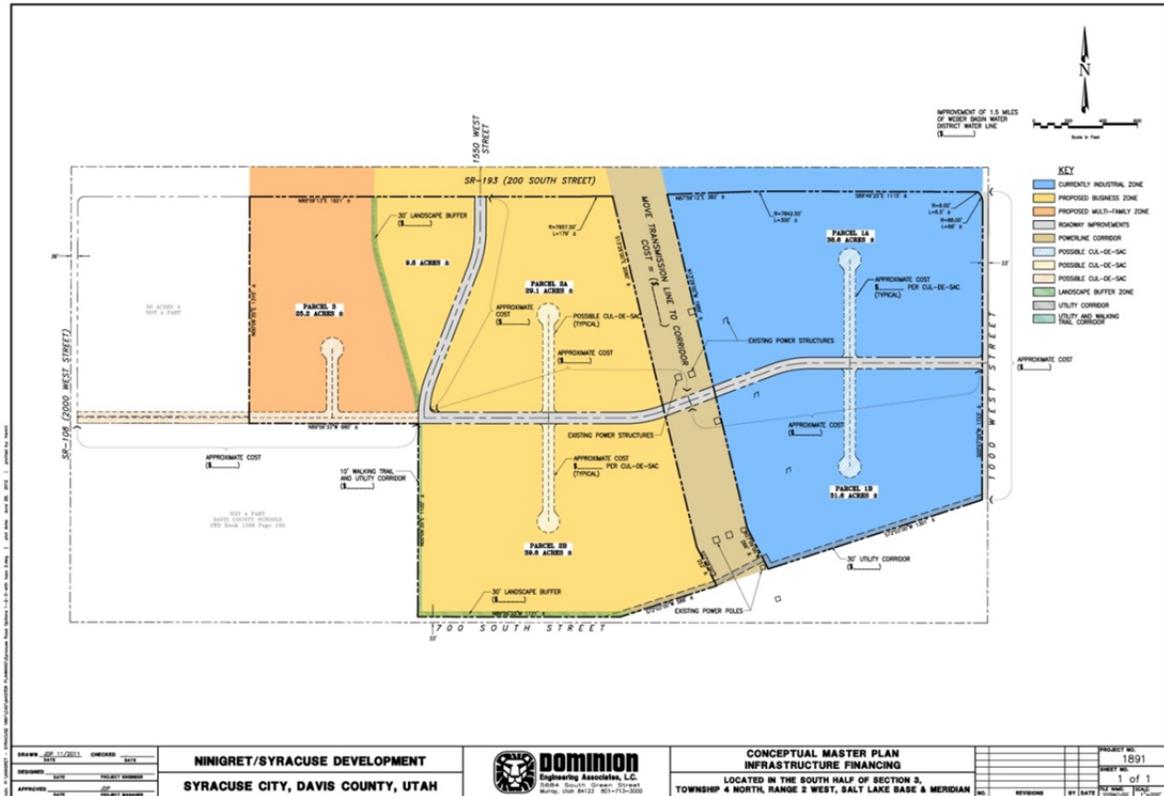
<sup>7</sup> Source: [http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebiste/retailserv/retserv\\_howmanyempl.htm](http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebiste/retailserv/retserv_howmanyempl.htm)

<sup>8</sup> <http://jobs.utah.gov/jsp/wi/utalmis/oidoreport.do#wage>

- Creation of approximately 500 construction jobs (one-year job equivalents) in the Tax Increment Collection Area;
- Increased spending in the local area for construction supplies and for convenience purchases by full-time employees at the business park; and
- Added economic diversification to the community.

## APPENDIX A: PROJECT AREA MAP

The entire Study Area is represented on the map below. The westernmost area, shaded in salmon color, is not included in the Project Area. The rest of the map is included in the Project Area. Only the easternmost portion of the map, shaded in blue, represents the Tax Increment Collection Area.



## APPENDIX B: LEGAL DESCRIPTION

A parcel of land located in the South Half of Section 3, Township 4 North, Range 2 West, Salt Lake Base and Meridian, Davis County, Utah, described as follows:

BEGINNING at the East Quarter Corner of Section 3, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and thence along the east line of said Section and the easterly line of the Syracuse City boundary South 00°06'46" West 1,921.36 feet to the northeast corner of property described in that certain Correction Quit Claim Deed recorded October 29, 2001 as Entry No. 1699015 in Book 2914 at Page 910 of the Davis County records; thence along the north line of said property and the southerly line of the Syracuse City boundary the following two courses: 1) South 72°12'57" West 2,191.75 feet and 2) South 72°12'01" West 45.02 feet to the north line of the 700 South Street right-of-way; thence South 00°03'43" West 66.00 feet to the south line of said right-of-way; thence along said south line the following two courses: 1) North 89°56'17" West 526.87 feet and 2) North 89°56'56" West 642.32 feet to the southerly extension of the east line of property described in that certain Special Warranty Deed recorded March 9, 1993 as Entry No. 1021678 in Book 1588 at Page 130 of said records; thence along said line and the northerly extension thereof North 00°09'58" East 1,236.48 feet to a point of tangency of a 567.00 feet radius curve to the left; thence Northerly 159.68 feet along said curve through a central angle of 16°08'10" and a long chord of North 07°54'07" West 159.16 feet; thence North 15°58'12" West 760.62 feet to a point of tangency of a 633.00 feet radius curve to the right; thence Northerly 178.27 feet along said curve through a central angle of 16°08'10" and a long chord of North 07°54'07" West 177.68 feet; thence North 00°09'58" East 371.18 feet to the north line of the South Half of said Section 3; thence along said line South 89°56'57" East 3,553.84 feet to the POINT OF BEGINNING. Said parcel contains 8,174,635 square feet or 187.66 acres, more or less.

The parcels to be included in the Tax Increment Collection Area are as follows:

| Parcel    | Owner                                      | Acres | Taxable Value |
|-----------|--------------------------------------------|-------|---------------|
| 120260017 | CORP OF THE PRESIDING BISHOP OF THE CHURCH | 73.23 | \$0.00        |
| 120260018 | UTAH DEPARTMENT OF TRANSPORTATION          | 6.21  | \$0.00        |

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## APPENDIX C: PROJECT AREA BUDGET



SR 193 Project Area Budget

Zions Bank Public Finance - Municipal Consulting Group

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|------------------------------------------------------------|--|--------------------|
| <b>Detailed Expenditures:</b>                              |  |                    |
| <b><i>Syracuse City</i></b>                                |  |                    |
| 3 water vaults at \$60,000 each                            |  | \$180,000          |
| Water lines                                                |  | \$125,000          |
| Secondary water - booster pump and line                    |  | \$150,000          |
| <b><i>Weber Basin Water Conservancy</i></b>                |  |                    |
| Pipeline portion and portion of meter vault                |  | \$173,000          |
| <b><i>Developer</i></b>                                    |  |                    |
| Roads Construction                                         |  | \$681,131          |
| Culinary Water                                             |  | \$394,220          |
| Storm Drain                                                |  | \$386,918          |
| Sewer                                                      |  | \$207,558          |
| Secondary Water                                            |  | \$145,475          |
| Electrical                                                 |  | \$62,178           |
| RMP                                                        |  | \$94,973           |
| Landscaping (along roadways)                               |  | \$672,249          |
| Value of Land Required for Roads & Easements               |  | \$565,336          |
| Admin, Engineering , Survey and Testing                    |  | \$229,974          |
| Bonding                                                    |  | \$63,744           |
| City Engineering & Review Fee                              |  | \$25,497           |
| Soil Imbalance Cut/Fill                                    |  | \$1,065,800        |
| Transmission Line Relocation                               |  | \$190,000          |
| Rail                                                       |  | \$350,000          |
| <b><i>Tenant Outreach</i></b>                              |  |                    |
| Tenant Outreach at 30%                                     |  | \$3,289,891        |
| <b>TOTAL EXPENDITURES (not incl. administrative costs)</b> |  | <b>\$9,052,944</b> |

## Exhibits B and C

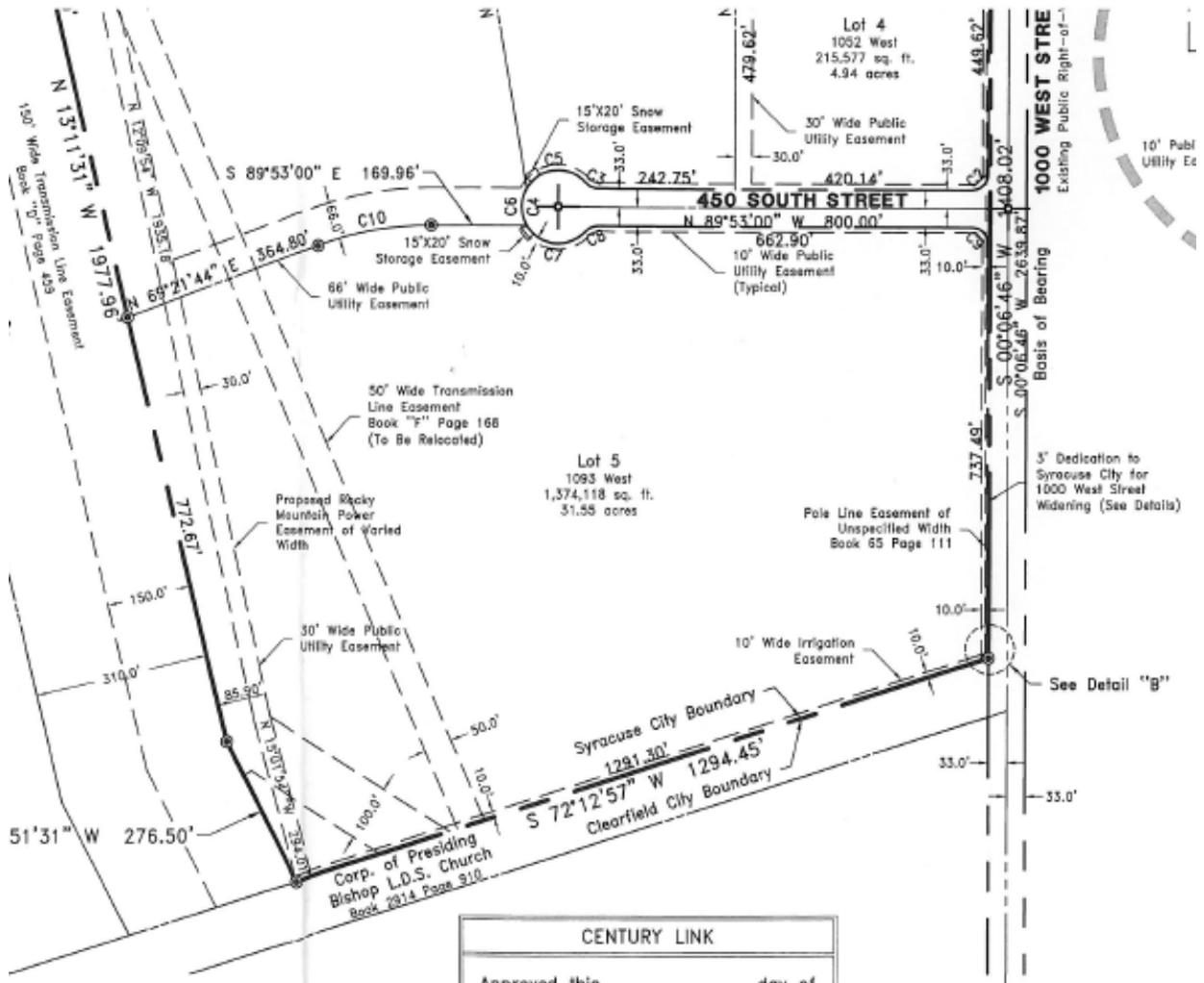
### Exhibit B - Legal Description of Facility Property

Site Serial Number: 12-761-0005

Site Address: 1093 West 450 South, SYRACUSE 84075

Legal Description: ALL OF LOT 5, NINIGRET NORTH I SUBDIVISION. CONT. 31.55000 ACRES.

### Exhibit C - Depiction of Facility Real Property



## EXHIBIT D

### SYRACUSE CITY REDEVELOPMENT AGENCY SR-193 ECONOMIC DEVELOPMENT PROJECT AREA ESTIMATED PROPERTY TAX REBATE REPAYMENT SCHEDULE

| <u>TAX YEAR</u> | <u>PAYMENT<br/>DATE</u> | PROJECTED USCS                                    |                         | <u>ESTIMATED<br/>REBATE<br/>PAYMENT</u> |
|-----------------|-------------------------|---------------------------------------------------|-------------------------|-----------------------------------------|
|                 |                         | <u>PROPERTY TAX<br/>COLLECTIONS<br/>TO AGENCY</u> | <u>AGENCY<br/>SHARE</u> |                                         |
| 2014            | 4/30/2015               | \$367,700                                         | 30%                     | \$110,310                               |
| 2015            | 4/30/2016               | \$367,700                                         | 30%                     | \$110,310                               |
| 2016            | 4/30/2017               | \$525,287                                         | 30%                     | \$157,586                               |
| 2017            | 4/30/2018               | \$525,287                                         | 30%                     | \$157,586                               |
| 2018            | 4/30/2019               | \$525,287                                         | 30%                     | \$157,586                               |
| 2019            | 4/30/2020               | \$525,287                                         | 30%                     | \$157,586                               |
| 2020            | 4/30/2021               | \$525,287                                         | 30%                     | \$157,586                               |
| 2021            | 4/30/2022               | \$525,287                                         | 30%                     | \$157,586                               |
| 2022            | 4/30/2023               | \$525,287                                         | 30%                     | \$33,863                                |
| 2023            | 4/30/2024               | \$525,287                                         | 30%                     | \$0                                     |

**Total Rebate to USCS: \$1,200,000**



# COUNCIL AGENDA

November 13, 2012

Agenda Item #g

Discuss potential petition to disconnect cemetery property from Clearfield City. (10 min.)

***Factual Summation***

- Please see the attached documentation from City Attorney Will Carlson. Any questions regarding this item may be directed at him.



**Mayor**  
Jamie Nagle

**City Council**  
Brian Duncan  
Craig Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

## MEMORANDUM

**To:** Mayor and City Council  
**From:** City Attorney, William J. Carlson  
**Date:** November 13, 2012  
**Subject:** Potential Petition to Disconnect Cemetery Property from Clearfield

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### Summary

Syracuse owns property immediately north of the city cemetery which is inside Clearfield's city boundaries. In the past, Syracuse has made efforts to make minor adjustments to its boundary with Clearfield. Such adjustments are allowed to be negotiated by Utah Code §10-2-419. In a work session on June 19, 2012, the Clearfield City Council unanimously declined to participate in a boundary adjustment.

Syracuse anticipates eventually converting the property north of the cemetery from farmland to expand the existing cemetery. Utah Code provides a separate procedure for a property owner to disconnect land from a city. This memorandum outlines the procedure for a disconnection as well as potential obstacles, including apparent restrictions on municipal use of the disconnection process.

### Background

The boundary between Clearfield and Syracuse is jagged, with the line running along 500 West, 1000 West, 1480 West, and 1525 West at different locations. Along some sections of the border a road is entirely within one city while at other points the border runs down the middle of the road. The recently considered Ninigret development is almost entirely in Syracuse, but it also includes a small portion of land in Clearfield's city boundaries. Syracuse also owns farmland immediately north of the city cemetery which is in Clearfield. This complicates efforts to maintain infrastructure along the border as well as development opportunities.

In an effort to increase clarity and streamline development for both cities, Syracuse staff spoke with Clearfield staff about implementing some boundary adjustments. On June 19, 2012 the Clearfield City Council was asked about this possibility during a work session. The Clearfield Council was not impressed with the suggestion. Clearfield expressed several concerns, including: disappointment with improvements of 500 South near Barlow Park, development of a subdivision in that area prior to completion of the street, the value of the cemetery property owned by Syracuse for residential development, buffering for Clearfield residents, Syracuse' reputation for not being cooperative in issues along the border, and not wanting to benefit the cemetery. [Clearfield Council Minutes, June 19, 2012](#), pp. 5-6.

### **Boundary Adjustments and Disconnections under State Code**

Utah Code anticipates two relevant methods of adjusting a border between cities: adjustments based on approval by both cities, and disconnections based on the request of property owners. UCA §§[10-2-419](#) and [10-2-501](#) through [510](#).

“The legislative bodies of two or more municipalities having common boundaries may adjust their common boundaries as provided in [Utah Code 10-2-419].” UCA §[10-2-419](#). Unfortunately, the Clearfield Work Session of June 19, 2012 suggests Clearfield Council does not intend to pass any ordinance permitting a boundary adjustment. *See* Clearfield Council Minutes above.

Even so, state law does provide a method for property owners to disconnect their land from a city. Since Syracuse owns some land in Clearfield city limits, the question was raised of whether the city could annex the land using the disconnection method. The disconnection process begins with property owners [petitioner] filing a request for disconnection. [UCA 10-2-501\(2\)\(a\)](#). That request must include four things:

1. The names, addresses, and signatures of the owners of more than 50% of the real property in the area proposed for disconnection;
2. The reasons for the proposed disconnection;
3. A map or plat of the territory proposed for disconnection; and
4. One to five persons with authority to act on the petitioners' behalf in the proceedings. *Id* at (2)(b).

After filing the request, the petitioner must publish the request in the paper once a week for three weeks and deliver the request to the Clearfield Council. *Id.* at (3). The Clearfield Council must hold a public hearing and, within 45 days of the hearing, decide whether or not to grant the disconnection. UCA [§10-2-502.5](#). If the Clearfield Council denies the request, the petitioner may file a petition to disconnect in District Court. *Id.*<sup>1</sup>

Assuming that the Clearfield Council denies the disconnection and a petitioner files the petition, the Court is likely to hold a hearing on the matter. At that hearing, the petitioner must prove four things by the preponderance of the evidence:

1. The viability of the disconnection;
2. That justice and equity require that the territory be disconnected from the municipality;
3. That the proposed disconnection will not:
  - a. leave the municipality with an area within its boundaries for which the cost, requirements, or other burdens of providing municipal services would materially increase over previous years;
  - b. make it economically or practically unfeasible for the municipality to continue to function as a municipality; or
  - c. leave or create one or more islands or peninsulas of unincorporated territory; and
4. That the county in which the area proposed for disconnection is located is capable, in a cost-effective manner and without materially increasing the county's costs of providing municipal services, of providing to the area the services that the municipality will no longer provide to the area due to the disconnection. Utah Code [§10-2-502.7\(3\)](#).

In making a decision, the court would have to consider all relevant factors, including how the disconnection will affect: the municipality or community as a whole, adjoining property owners, existing or projected streets or public ways, water mains and water services, sewer mains and sewer services, law enforcement, zoning, and other municipal services. *Id.* at (4).

If the court orders the disconnection, it must also order the county to levy a tax on the property to compensate Clearfield for costs of disconnection and a proportionate share of obligations accrued while the property was in Clearfield. UCA §§[10-2-506](#), [507](#).

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<sup>1</sup> If the Clearfield Council grants the request, only Davis County can challenge the decision. UCA 10-2-502.5(5)(a)(ii).

## Obstacles to Disconnection

If Syracuse were to attempt to disconnect the property north of the cemetery from Clearfield, it would face several obstacles. First, Clearfield's lack of cooperation on the earlier boundary adjustment suggests that a disconnection request is likely to be denied and end up in District Court. Second, Utah Code may prohibit cities from engaging in disconnections as petitioners. Utah Code [§10-2-510](#) states:

“This part [about disconnections] may not be construed to abrogate, modify, or replace the boundary adjustment procedure provided in Section [10-2-419](#).”

To the extent that Syracuse's attempt to disconnect is an attempt to avoid obtaining the cooperation of Clearfield, it is likely to be statutorily prohibited. In *Bluffdale Mountain Homes, LC v. Bluffdale City*, the Utah Supreme Court pointed out that:

The plain language of section 10-2-419(1) limits the boundary adjustment remedy to neighboring municipalities. Section 10-2-419(1) states as follows: “The legislative bodies of two or more municipalities having common boundaries may adjust their common boundaries as provided in this section.”<sup>69</sup> Only municipalities “having common boundaries” may adjust their boundaries under this section

*Bluffdale Mountain Homes, LC v. Bluffdale City*, 2007 UT 57, 167 P.3d 1016, 1037. In this context, a court could easily determine that since 10-2-419 only applies to municipalities, 10-2-510 prevents municipalities from pursuing disconnection efforts. Syracuse would have to argue that it pursued an adjustment under section 419 only to be rebuffed by Clearfield and that accordingly the disconnection is not an abrogation, modification, or replacement of section 419. No appellate courts in Utah have addressed such an argument.

Syracuse would also have to argue that it qualifies as a person under state code. Utah Code §10-2-501 defines petitioners as “persons who...own title to real property within the area proposed for disconnection.” Case law has long recognized corporate personhood for the purpose of protecting property

owned by the corporation. *See Society for the Propagation of the Gospel in Foreign Parts v. Town of Pawlet*, 29 U.S. 480 (1830).

### **Conclusion**

The City Attorney was asked whether Syracuse can adjust the boundaries between Syracuse and Clearfield so that the property owned by the city north of the cemetery would be inside Syracuse city limits. Based on a June work session in Clearfield, a collaborative boundary adjustment seems unlikely. As a property owner, Syracuse could seek to disconnect the property from Clearfield, but it is likely to face the same opposition. Moreover, state code on disconnections suggests that cities may be precluded as property owners from disconnecting their land from other cities.

#####



**SYRACUSE CITY**  
**Syracuse City Council Agenda**  
**November 13, 2012 - 7:00 p.m.**  
City Council Chambers  
Municipal Building, 1979 W. 1900 S.

1. Meeting called to order  
Invocation or thought\*\*  
Pledge of Allegiance  
Adopt agenda
2. Presentation of the Syracuse City and Wendy's "Award for Excellence" to Clint Watts and Julie Stone.
3. Approval of Minutes:
  - a. Work Session Meeting of January 10, 2012
  - b. Work Session Meeting of March 14, 2012
  - c. Regular Meeting of October 9, 2012
  - d. Special Meeting of October 23, 2012
4. Public Comment: This is an opportunity to address the Council regarding your concerns or ideas. Please limit your comments to three minutes.
5. Proposed Resolution R12-26 appointing a Police Chief for Syracuse City.
6. Councilmember Reports
7. Mayor Report
8. City Manager Report
9. Adjourn

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In compliance with the Americans Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the City Offices at 801-825-1477 at least 48 hours in advance of the meeting.

**CERTIFICATE OF POSTING**

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Syracuse City limits on this 9<sup>th</sup> day of November, 2012 at Syracuse City Hall on the City Hall Notice Board and at <http://www.syracuseut.com/>. A copy was also provided to the Standard-Examiner on November 9, 2012.

CASSIE Z. BROWN, CMC  
SYRACUSE CITY RECORDER

\*\*Members of the public who desire to offer a thought or invocation at Syracuse City Council Meetings shall contact the City Administrator at least two (2) weeks in advance of the meeting. Request will be honored on a first come, first serve basis. In the event there are no requests to offer a comment or prayer, the Mayor may seek opening comment or prayer from those members of the public attending the meeting or from City Staff or City Council.



# COUNCIL AGENDA

November 13, 2012

## Agenda Item #2

Presentation of the Syracuse City and Wendy's "Award for Excellence" to Clint Watts and Julie Stone.

### *Factual Summation*

- Please see the attached memo from the Community and Economic Development Department. Any questions regarding this item can be directed at Mike Eggett, Community and Development Director.



**Mayor**  
Jamie Nagle

**City Council**  
Brian Duncan  
Craig Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

**City Manager**  
Robert D. Rice

## MEMORANDUM

**To:** Mayor and City Council

**From:** Community & Economic Development Department

**Date:** November 13th, 2012

**Subject:** Presentation of the Syracuse City & Wendy's Award for Excellence to Clint Watts and Julie Stone.

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### Background

The City wishes to recognize citizens who strive for excellence in athletics, academics, arts and/or community service. To that end, in an effort to recognize students and individuals residing in the City, the Community and Economic Development, in conjunction with Jeff Gibson, present the recipients for the "Syracuse City & Wendy's Award for Excellence."

### "Syracuse City & Wendy's Award for Excellence"

This monthly award recognizes the outstanding performance of a male and female who excel in athletics, academics, arts and/or community service. The following are the individuals selected for the award and the reasoning for their selection:

#### Clint Watts

"Clint has shown excellent improvement this year. He is challenging himself by taking rigorous courses. Good job Clint!"

#### Julie Stone

"Julie has earned an excellent GPA. She shows great potential and has set high goals for herself. Way to go Julie!"

Both students will:

- Receive a certificate and be recognized at a City Council meeting
- Have their picture put up in City Hall and the Community Center
- Have a write up in the City Newsletter, Facebook, Twitter, and website
- Be featured on the Wendy's product TV
- Receive \$10 gift certificate to Wendy's

### **Recommendation**

The Community & Economic Development Department hereby recommends that the Mayor and City Council present the "Syracuse City & Wendy's Award for Excellence" to Clint Watts and Julie Stone.



# COUNCIL AGENDA

November 13, 2012

Agenda Item #3

Approval of Minutes.

***Factual Summation***

- Please see the attached draft minutes of the following meetings:
  - Work Session Meeting of January 10, 2012.
  - Work Session Meeting of March 14, 2012.
  - Regular Meeting of October 9, 2012.
  - Special Meeting of October 23, 2012.
- Any question regarding this agenda item may be directed at Cassie Brown, City Recorder.

***Staff Recommendation***

***Approve the draft minutes of the January 10 and March 14, 2012 work session meetings, the October 9, 2012 regular meeting, and the October 23, 2012 special meeting.***

Minutes of the Syracuse City Council Work Session Meeting, January 10, 2012.

Minutes of the Work Session meeting of the Syracuse City Council held on January 10, 2012, at 6:00 p.m., in the Council Work Session Room, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Alan Clark  
D. Matthew Kimmel  
Matthew Ocaña  
Douglas Peterson  
Larry D. Shingleton

Mayor Jamie Nagle  
City Administrator Robert Rice  
City Recorder Cassie Z. Brown

City Employees Present:  
Police Chief Brian Wallace  
Finance Director Steve Marshall  
City Attorney Will Carlson  
Community Development Director Michael Eggett  
City Planner Kent Andersen  
Police Detective Corey Rowley

The purpose of the Work Session was for the Governing Body to review agenda for Special Council Meeting to begin at 7:00 p.m., receive a presentation from Finance Director Marshall regarding utility billing, receive a presentation from IT Director Peace regarding improving communications at a reduced cost, discuss idea to create an “Award for Excellence” program, review and discuss City Council Standards and Norms document, discuss the potential appointment of Councilmembers to various committee positions and assignments, and discuss Council Business.

6:00:16 PM

Presentation from Finance Director Marshall regarding utility billing

Mr. Marshall stated this topic arose as a result of an employee incentive program application from two of the City’s utility employees. He stated they found that the majority of cities in the area charge a late fee on past due utility billing amounts, but Syracuse City does not do the same. He explained that the City currently has 6,651 households and 116 businesses for a total of 1,677 utility customers that receive a bill from the City each month. He stated that last month 619, or 9.3 percent, of those accounts were one month past due and 274, or 4.1 percent, were two months past due. He reiterated that Syracuse City currently does not charge a late fee for past due amounts. He stated staff conducted research to determine the late fee policies and amounts charged in seven other cities: Clinton, Layton, Clearfield, Sunset, Ogden, West Point, and Roy. He stated that Clinton charges a \$3.00 late fee; Layton charges a \$5.00 late fee; Clearfield and Sunset charge a \$10.00 late

1 fee; Ogden and West Point charge a \$15.00 late fee; and Roy charges a \$25.00 late fee. He stated that means the average late  
2 fee charged by the seven cities is \$11.86. He stated staff plans to move forward with adding a \$10.00 late fee to all utility  
3 accounts not paid in full on the due date. He stated a 10-day grace period will be established and the late fee will not be  
4 added to the account until the fifth day of the following month. He stated there is already a \$10.00 late fee included in the  
5 City's Consolidated Fee Schedule, but the fee was not being enforced up to this point in time. He stated that based on the  
6 current number of utility accounts that are past due the City could generate significant revenue totaling \$8,930 per month or  
7 \$107,160 per year. He stated he would anticipate a reduction in the number of accounts that are past due once the late fee is  
8 implemented. He stated this will reduce the amount of time and resources spent by staff tracking past due accounts. He  
9 stated the overall goal is to help to encourage people to pay their bills on time.

10 [6:03:29 PM](#)

11 Councilmember Shingleton asked what the experience has been in cities that have implemented a late fee. Mr. Rice  
12 explained that one of the cities that staff spoke to reported that the number of delinquent accounts reduced by nearly half soon  
13 after the implementation of a late fee.

14 [6:04:01 PM](#)

15 Councilmember Peterson asked what has happened in cities where they began charging a late fee after not initially  
16 charging one. Mr. Marshall stated that the number of delinquent accounts each month was decreased by nearly half.

17 [6:04:29 PM](#)

18 Councilmember Kimmel inquired as to the current process employed by staff when a utility customer is late in  
19 making their payment. He asked if they receive a follow-up letter or phone call to remind them they are late. Mr. Marshall  
20 stated that the current practice is to simply send the next month's bill showing that their previous months balance is unpaid  
21 and past due. He stated that once a customer is two months past due in making a payment they are placed on the "shut-off  
22 list" and they receive a notice informing them of that. Councilmember Kimmel asked how many customers get their water  
23 shut off each month, which then forces them to pay for reconnection. Mr. Marshall stated that there are usually 35 to 50  
24 customers that have their water shut off each month. He explained that first time offenders must pay a \$35 fee to get their  
25 water turned back on while repeat offenders are charged a \$50 reconnection fee.

26 [6:05:17 PM](#)

1 Mayor Nagle stated that when this issue was raised it reminded her of the situation the City dealt with a couple of  
2 months ago when it was brought to staff's attention that several builders in the area are delinquent in paying their property  
3 taxes. She stated they were essentially using the City as an interest free lender and she feels that past due utility customers  
4 are basically doing the same thing. She stated that staff's focus is on accountability. She added that she is hoping to see a  
5 proposed piece of legislation in the upcoming legislative session that will put some of that accountability back on the builders  
6 that are delinquent in paying their property taxes.

7 [6:05:50 PM](#)

8 Councilmember Lisonbee asked where the revenue generated by the late fee would be deposited. Mr. Marshall  
9 stated that it would be deposited into the City's water utility fund. Councilmember Lisonbee asked if that is required by law.  
10 Mr. Marshall stated that he is not sure if that is legally required and he would be happy to see if the City would legally be  
11 allowed to deposit the money into the City's general fund instead. Mr. Rice added that it is common to move money from  
12 the utility fund to the general fund to offset salaries of the employees that service the utility department and it may be  
13 possible to increase the internal service allocation currently being charged to the utility fund.

14 [6:06:43 PM](#)

15 Mr. Marshall then reported the plan is to apply late fees to bills that are due January 25, meaning the late fee would  
16 be assessed on February 5 for all delinquent accounts. He stated the citizens have been informed of the change via an article  
17 in the City's newsletter as well as an announcement on the December and January utility billing statements that were  
18 delivered to all customers. He added that the Administration is planning to hire a temporary intern that will call each  
19 household in the City to encourage customers to sign up for Express Bill Pay, which will allow customers to receive their bill  
20 via email and to have their payment automatically deducted from their banking account. Mr. Rice added that the long term  
21 goal is set up a billing system similar to the other large utility billing customers in the area. He stated that he is not sure if the  
22 City will ever get 100 percent of the customers to subscribe to that system, but that is his goal.

23 [6:08:29 PM](#)

24 Councilmember Lisonbee asked if there is any policy in place that would allow for a citizen that is experiencing  
25 hardship to receive some sort of waiver of the late fee. Mr. Marshall stated staff could look into that; the City currently  
26 works with customers that are on the shut-off list for the first time, but the City would likely not work with customers that are  
27 on the shut-off list on a recurring basis. Mayor Nagle added there is a State program called HEAT assistance and the City

1 could refer customers to that program. She stated that it helps provide subsidies and help to people to avoid having their  
2 utilities shut-off. She then stated she feels this is a move in the right direction. She stated that the staff was so nervous when  
3 the former Utility Manager, Janice Lansing, left her employment with the City because she took so much institutional  
4 knowledge with her, but a fresh set of eyes in that position has provided a new perspective and some innovation. She stated  
5 she thinks this is great.

6  
7 [6:09:58 PM](#)

8 Presentation from IT Director TJ Peace regarding improving  
9 communications at a reduced cost.

10 Mr. Peace explained the City has been using T-Mobile as the wireless carrier, but he was recently approached by  
11 Verizon and Sprint about new pricing options; Verizon's original bid was very high, but Sprint provided some good pricing.  
12 He stated that there are some obstacles the City must deal with relative to the types of phones City employees can use and he  
13 highlighted some of those obstacles and solutions. He concluded that Sprint offered a \$9,000 credit and there will be no cost  
14 for hardware. He stated the City's T-Mobile bill averages \$2,400 per month, plus \$959 per month for air cards for a total of  
15 \$3,359. He stated that according to Sprint's proposal the City will only pay \$2,500 per month for a savings of \$860 per  
16 month.

17 [6:12:28 PM](#)

18 Councilmember Kimmel asked if these are introductory rates that will increase through the life of the contract. Mr.  
19 Peace stated some of it is introductory, but the City cannot be held to a contract for these services and if prices are increased  
20 the City will find another carrier.

21 [6:12:55 PM](#)

22 Councilmember Shingleton asked how many phones the City provides. Mr. Peace stated there are a total of 89  
23 devices between air cards and cell phones. Councilmember Shingleton asked why that many devices are necessary. Mr.  
24 Peace stated that Police Officers have cell phones, but they still need data service in their vehicles for their laptops, so the Cit  
25 provides them with air cards. Mayor Nagle added that Police Officers are required to have cell phones because they are not  
26 permitted to communicate medical information over Police scanners because of HIPPA laws.

1 [6:13:48 PM](#)

2 Mr. Peace stated the bottom line is that he anticipates a savings of \$10,000 per year. Councilmember Kimmel  
3 clarified that is for one year. Mr. Peace agreed. Councilmember Shingleton stated the interesting thing is that costs  
4 traditionally decreased, but recently they have increased. Mr. Peace stated that is especially true for data service.

5 [6:14:30 PM](#)

6 Councilmember Lisonbee stated Mr. Peace's PowerPoint presentation notes that one reason to switch carriers is to  
7 get improved customer service and she asked if there were issues with the previous carrier. Mr. Peace stated that he has  
8 always had a very hard time reaching T-Mobile customer service representatives. Mr. Rice added that both Sprint  
9 representatives live locally and they have been very responsive to issues the City is dealing with.

10 [6:15:12 PM](#)

11 Mayor Nagle inquired as to the rotation for mobile devices for employees. Mr. Peace stated he currently does not  
12 have a rotation schedule in place and most employees use a phone until it is no longer usable.

13 [6:16:14 PM](#)

14 Councilmember Kimmel asked when the transition will take place. Mr. Peace stated it has already been done.  
15 Mayor Nagle stated that staff wanted to inform the Council of the cost savings.

16

17 [6:17:12 PM](#)

18 Discussion regarding the Award for Excellence

19 A staff memo from the Community Development Department the City wishes to work towards recognizing citizens  
20 who strive for excellence in either athletics, academics, arts or community service. To that end, in an effort to recognize  
21 students at Syracuse High, Clearfield High, as well as other schools in our City and individuals residing in the City, Mayor  
22 Jamie Nagle and City Manager Robert Rice has asked staff to develop a recognition program to promote pride and unity  
23 within our community. In conjunction with Jeff Gibson, staff would like to present the "Syracuse City & Wendy's Award for  
24 Excellence." In order to recognize outstanding students and athletes in Syracuse, the Community and Economic  
25 Development Department have developed the "Syracuse City and Wendy's Award for Excellence" award process. This  
26 monthly award, given in alternating months (e.g. January athlete, February scholar/community/art, March athlete, etc.),

1 recognizes the outstanding performance of a male and female who excel in athletics, arts and/or academics. The individuals  
2 selected for this award will be identified by Syracuse City in partnership with representatives from the city recreation  
3 department, local elementary, junior high, and high schools. Once selected, an individual will:

- 4 • Receive a certificate and be recognized at the first City Council meeting of each month
- 5 • Have their picture put up in City Hall
- 6 • Have a write up in the City Newsletter, Facebook, Twitter, and website
- 7 • Be featured on the Wendy's product TV
- 8 • Receive \$10 gift certificate to Wendy's

9 The Community & Economic Development Department hereby requests Mayor and City Council support of the  
10 proposed "Syracuse City & Wendy's Award for Excellence."

11 City Planner Kent Andersen summarized his staff memo.

12 [6:19:26 PM](#)

13 Councilmember Johnson stated Wendy's already provides an award for local athletes. Mayor Nagle stated that is  
14 correct and this is simply an expansion of that program. She added that the reason she wanted to promote this program is  
15 because of the division in the community between the students that attend Clearfield High School and the students that attend  
16 Syracuse High School. She stated the Clearfield High students feel like they are not recognized by anyone in Syracuse City.  
17 She stated students from Syracuse feed into two high schools and she wants to make sure to recognize that. Mr. Andersen  
18 added that if the program is approved school employees can offer suggestions for those that should receive the award.

19 [6:21:18 PM](#)

20 Councilmember Peterson stated he would like to see some sort of schedule that identifies what school would be  
21 highlighted each month. He stated that he does not think that athletes should dominate the award; maybe there could be an  
22 athlete in the fall, winter, and spring, but not every other month. Mr. Andersen added that there was also a suggestion to  
23 recognize youth in the City's recreation program. Councilmember Peterson stated that is a good idea.

24 [6:22:19 PM](#)

25 Councilmember Shingleton wondered if the youth's pictures should be displayed at City Hall or the Community  
26 Center. He stated the exposure at the Community Center is much greater. All agreed.

1 [6:23:03 PM](#)

2 Councilmember Kimmel asked if staff has developed criteria for selecting a winner. Mr. Andersen stated nothing  
3 has been developed to this point. He stated there are hundreds of kids that will be deserving of this award each month and he  
4 likes the idea of selecting a student from a different school each month. Councilmember Kimmel asked who will do the  
5 selection. Mr. Andersen stated it will be done internally with assistance from the school and the Police Department.  
6 Councilmember Shingleton suggested getting the Public Works Department involved because they work with so many Boy  
7 Scouts.

8 [6:24:09 PM](#)

9 Former Councilmember Clark suggested that the City pick one student per month; staff could call the school and ask  
10 if they want to nominate someone and that may take up the 12 months of the year. Councilmember Shingleton stated that  
11 may not encompass volunteers; there are youth that participate in many other community programs that the school may not  
12 know about. Councilmember Peterson stated there are nine or 10 schools and that would leave two extra months to honor  
13 youth volunteers.

14 [6:25:01 PM](#)

15 A resident, no name given, stated the City could add a form to the webpage to give people the opportunity to  
16 nominate youth that they come in contact with. He stated they may be doing service that the City would have no way of  
17 being aware of. Mr. Andersen stated that is a great suggestion. Councilmember Lisonbee added that there may be youth that  
18 the school would not pick as an academic achiever, but that youth may have shown a huge increase in their level of  
19 competency or performance and they could be nominated by a family member.

20 [6:25:57 PM](#)

21 Mayor Nagle stated she thinks staff has taken a great approach to the program and she thinks the program will be  
22 positive though there may be some kinks to work out.

23

24 [6:26:24 PM](#)

25 Review and discussion of the City Council Standards and Norms

1 A staff memo from the City Recorder explained that on January 4, 2012 Councilmembers Lisonbee and Shingleton  
2 asked her to add an item to the work session agenda to give the Council an opportunity to review and discuss the City  
3 Council norms document that was adopted via resolution by the City Council in 2007. The resolution was provided to each  
4 Councilmember. At this time I feel it may be appropriate to consider voiding the norms document due to the fact that the  
5 Council recently adopted the rewritten version of Title Two of the City Code as well as adopted a set of rules and order of  
6 procedure to govern public meetings. I believe that most of the topics included in the norms document are covered in the  
7 other two documents that I referenced.

8 Councilmember Shingleton explained why he asked for this item to be added to the agenda. Ms. Brown  
9 summarized her staff memo and reiterated that most of the items listed in the norms document are already included in other  
10 City documents.

11 [6:28:31 PM](#)

12 Council briefly discussed the issue. Councilmember Peterson stated he is comfortable rescinding the norms  
13 document. Mayor Nagle stated she thinks there will be more things like this as the City goes through recodification of the  
14 City Code.

15 [6:29:55 PM](#)

16 Councilmember Lisonbee stated that she received an email from the Mayor about adding items to the agenda, but  
17 the language used in the email was not from the norms document. She added that she conducted some research on the  
18 internet and her understanding is that two Councilmembers can place an item on the agenda and staff is simply doing their  
19 duty by placing that item on the agenda and it is not necessary to get permission from any elected official or staff member.  
20 Councilmember Johnson stated Title Two states that a written agenda shall be prepared by the City Manager or his designee  
21 and that the Mayor or two members of the City Council may add an item to the agenda. Mayor Nagle stated in her email she  
22 was simply asking for a professional courtesy as the head of the Governing Body. She stated that Councilmembers Lisonbee  
23 and Shingleton were not willing to tell her what they wanted to talk about. She stated that she has never not added an item to  
24 the agenda that the Council has requested, even if it is something that she does not agree with. She stated that if someone  
25 wants something on the agenda. . .she is responsible to conduct the meetings, which is in City Code, and she would think that  
26 the Council could extend her the courtesy of letting her know about items they would like to add. She stated if not, she  
27 would like for the Council to at least inform Mr. Rice of their request. She stated that there are new members on the City

1 Council and she wants to get off on the right foot without adversarial issues. She stated that before she sent her email to  
2 Councilmember Lisonbee, she sent an email to all the Davis County Mayors to see how they handled this type of issue and  
3 not one of them said that any of their Councilmembers add items to the agenda without consulting with them first. She stated  
4 she wanted to make sure that she was not trying to overstep, but she is the head of the Governing Body and it is her duty to  
5 run the meetings. She stated in order to do that she should know what is on the agenda so she can guide the agenda.

6 Councilmember Lisonbee stated she is not arguing that point, but she too did some research and talked to other  
7 Councilmembers and they do not go through the Mayor to add items to the agenda. She stated they can let their Mayor know  
8 about items or not because it is not a requirement to let the Mayor know. She stated that while she is emailing Ms. Brown to  
9 add an item to the agenda she can copy the Mayor on that email and she would be happy to do that. She stated she simply  
10 wanted to clarify what the permissions are.

11 [6:33:08 PM](#)

12 Ms. Brown stated that she wanted to offer some information on the internal policy of the City relative to creating  
13 Council agendas. She stated that every Wednesday morning all Department Heads meet in a staff meeting during which the  
14 draft agenda for the next Council meeting is reviewed. She stated she provides Mr. Rice with information about any requests  
15 to add items to the agenda and then she sends the agenda to the Mayor on Wednesday afternoon for approval. She stated the  
16 Mayor sees all items that have been added and she typically has questions about various items. Councilmember Shingleton  
17 asked if he and Councilmember Lisonbee were incorrect in sending an email to Ms. Brown about adding an item to the  
18 agenda. He stated that is the process that has been used in the past. Ms. Brown stated that the City Code reads that the  
19 request will be submitted to the City Manager. She stated she has always been the City Manager's designee relative to  
20 creating Council agendas.

21 [6:34:01 PM](#)

22 Resident TJ Jensen asked if two Councilmembers copying the Mayor on an email sent to City staff would be a  
23 meeting due to a quorum participating in the communication. Ms. Brown answered no and explained the Mayor and two  
24 Councilmembers does not constitute a quorum.

25 [6:34:10 PM](#)

26 Councilmember Lisonbee asked what would happen if the Council were to add an item to the agenda that requires  
27 extra work or background research. She asked if it would be up to the requesting Councilmembers to provide that

1 background information. Ms. Brown stated it would be very helpful if the Councilmembers could provide information about  
2 the intent of the item. She stated when staff is preparing a packet they try to include as much information possible about  
3 every item on the agenda and it would be helpful if the requesting Councilmembers could provide a memo or explanation to  
4 support the item. She stated that is required of staff or any resident adding an item to the agenda. Mr. Rice added that he will  
5 not let an item on the agenda unless it has been vetted by the staff. Ms. Brown added that she would like the Council to keep  
6 in mind the schedule that staff uses to finalize an agenda. She stated that she tries to have an agenda finalized by the  
7 Wednesday before the meeting and she would appreciate having any information approximately 72 hours before that day.  
8 Councilmember Shingleton stated it is good to get this educational information. Ms. Brown added that she is hoping to put  
9 together an agenda for the next extended work session with several agenda items regarding training opportunities for the  
10 Council. She stated it would have been best to review all of this information at the same time. Councilmember Kimmel  
11 stated there will always be items that arise that are urgent and it is not possible to push it to a later agenda. Ms. Brown and  
12 Mr. Rice acknowledged that is true and urgent items will be dealt with accordingly. Ms. Brown reiterated it would be nice  
13 for the Council to give her a couple of days notice about an item they would like added to an agenda rather than sending it to  
14 her the day that agenda are being finalized. Councilmember Kimmel stated that would give staff enough time to ask  
15 questions about the intent of the item.

16 [6:39:25 PM](#)

17 Councilmember Peterson stated he sees very few reasons that an item would need to be added to the agenda via  
18 email from a Councilmember. He asked why the requesting Councilmember cannot simply raise the issue during the next  
19 work session and ask the Council about adding it to the next agenda. Mayor Nagle added that in this instance if the  
20 Councilmembers had called her she could have solved this situation very easily by reporting that a comprehensive training  
21 session is scheduled for the next extended work session. She stated she is simply asking for the courtesy of a phone call  
22 moving forward. She stated she does not think that is too much to ask and she will extend the same courtesy to the Council.

23

24 [6:40:29 PM](#)

25 Discussion regarding appointing City Councilmembers to various  
26 committee positions and assignments

1 A staff memo from the City Recorder explained that at the beginning of each calendar year past Councils have  
2 reviewed the lists of appointments and assignments and made changes according to recent election results or other  
3 determining factors. I have included the most current list of assignments as well as a proposed resolution including the list of  
4 assignments with blanks to be filled in. It is my hope that the Governing Body can determine what appointments and  
5 assignments should be made so that a resolution can be adopted in the business meeting to formalize the direction given  
6 during the work session. Also, the City has the opportunity to appoint one of its members to serve on the Wasatch Integrated  
7 Waste Management District (WIWMD) Administrative Control Board. Past-Councilmember Clark was appointed to this  
8 position until his term on the Council expired on January 2, 2012. The WIWMD Board will have its first meeting of 2012 at  
9 the beginning of February and they have asked that the Council appoint one of its members before that date. The WIWMD  
10 Board meets the first Wednesday of the month at 5:00 p.m. at its offices located at 1997 E. 3500 N. in Layton.

11 Ms. Brown reviewed her staff memo and there was discussion about the meeting schedule for the WIWMD.

12 [6:42:59 PM](#)

13 Mayor Nagle stated she would like to be appointed to the WIWMD Board position. She stated that with the money  
14 that she would earn from that position she would like to create a scholarship fund to be used at the Community Center for  
15 youth that cannot afford to participate in recreation programs. Councilmember Peterson stated he is comfortable with that.  
16 Councilmember Shingleton stated he cannot attend daytime meetings. Councilmember Lisonbee stated that she is willing to  
17 accept the assignment unless someone else has a stronger desire. She stated she likes the idea of creating the scholarship  
18 fund.

19 [6:44:07 PM](#)

20 There was a brief discussion among Council and staff regarding the North Davis Sewer District appointment.

21 [6:48:51 PM](#)

22 The Council then reviewed the list of Council assignments and determined which Councilmembers would be  
23 appointed to the various positions.

24  
25  
26 The meeting adjourned at 6:55 p.m.  
27

City Council Work Session  
January 10, 2012

1

2

3 \_\_\_\_\_

3 Jamie Nagle

4 Mayor

5

6 Date approved: \_\_\_\_\_

\_\_\_\_\_

Cassie Z. Brown, CMC

City Recorder

Minutes of the Syracuse City Council Work Session Meeting, March 14, 2012.

Minutes of the Work Session meeting of the Syracuse City Council held on March 14, 2012, at 6:00 p.m., in the Council Work Session Room, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Brian Duncan  
Craig A. Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

Mayor Jamie Nagle  
City Administrator Robert Rice  
City Recorder Cassie Z. Brown

City Employees Present:  
Finance Director Steve Marshall  
IT Director TJ Peace  
City Attorney Will Carlson  
Community Development Director Michael Eggett  
City Planner Kent Andersen

The purpose of the Work Session was for the Governing Body to review agenda for Special Council Meeting to begin at 7:00 p.m.; review of agenda item five, Proposed Ordinance No. 12-02 amending various provisions of Title 10, the Land Use Ordinance, relating to administrative review and development review procedures – Conditional Use Permits; discuss agenda item six, Proposed Ordinance No. 12-03 amending various provisions of Title 10, the Land Use Ordinance, relating to animals; discuss Proposed Resolution R12-11 appointing City Councilmembers to various committee positions and assignments; discuss Proposed Resolution R12-09 appointing a representative(s) to serve as Syracuse City’s appointee(s) on the Taxing Entity Committee (TEC) for the Redevelopment Agency of Syracuse City; review agenda item nine, Proposed Resolution R12-10 amending the Syracuse City Wage Scale by reclassifying the position of Deputy Fire Chief to a full-time position, and by making other minor title amendments throughout; discuss City Planner position; review City Council Rules of Order and Procedure; and discuss Council Business.

[6:00:23 AM](#)

Review of business meeting agenda item five, Proposed Ordinance No. 12-02 amending various provisions of Title 10, the Land Use Ordinance, relating to administrative review and development review procedures – Conditional Use Permits.

1 City Planner Andersen approached the Council and summarized the changes that are being recommended for  
2 consideration by the body. He stated he would be happy to answer any questions.

3 Mayor Nagle stated that she had one question about Section 10-4-080(E)(5)(c). She stated that the paragraph seems  
4 incomplete. Mr. Andersen explained that some of the wording has been changed, but it follows the intent of the section. He  
5 explained that (c) is part of a list of items that are required by paragraph (5).

6 Councilmember Duncan stated that he has a question about 10-4-080(D)(1)(h). He stated that the section reads that  
7 “the Department may request that the applicant provide, at his or her expense, any reports and/or studies relating to utilities,  
8 traffic impact, school impact, soil and water impact, existing conditions, line-of-sight and building massing, and any other  
9 information necessary in order to render a proper decision”. He stated that he feels that some language needs to be added  
10 calling out a reasonable standard. Mr. Andersen asked if Councilmember Duncan is referring to a reasonable standard under  
11 which the City can request the documents referenced by the section, to which Councilmember Duncan answered yes. He  
12 stated that under the current language the City could request the cited reports for any given reason, but he would like some  
13 stipulations added that must be met in order for the City to request said documentation. Mr. Andersen noted that the section  
14 says that the City “may” request the documentation, but there is no requirement for the City to request the documents. He  
15 stated that the City would only request the documentation if it would be in the best interest of the development application.  
16 Councilmember Duncan stated that he would still like to see some language added to the section that allows applicants to  
17 reject the request from the City if it is not reasonable. He stated that every time a request is made of him he considers  
18 whether that request is reasonable before complying. Councilmember Peterson agreed, but stated that it could be solved  
19 easily by adding language stating that if additional information is required for the City to consider an application, the  
20 applicant could be asked for that additional information. Councilmember Shingleton stated that if the information is  
21 required, that differs from what Mr. Andersen stated about the submission of additional information being optional. Mr.  
22 Andersen agreed and reiterated that the City can request additional information, but the section does not require an applicant  
23 to provide that information. Community Development Director Eggett agreed and stated that a developer could give an  
24 explanation about why they do not feel the additional information should be necessary. Mr. Andersen stated that he is  
25 hopeful that whatever information the City is requesting will only serve to assist in the processing of the conditional use  
26 application. Councilmember Duncan stated that is fine, but he is still concerned that an applicant may get “dinged” for not

1 providing information requested by the City because they may not feel that request is reasonable. Mr. Eggett stated that an  
2 applicant can always appeal any decision of the Community Development staff.

3 Councilmember Lisonbee inquired as to the ratio of citizens applying for conditional use permits in comparison to  
4 developers. Mr. Eggett stated that development has been lagging as of late, so he suspects that there have been more  
5 applications received from residents; but, development is beginning to pick up again and that ratio will change. He stated  
6 that the ratio is likely 85 to 15, with home occupations or residents being the higher of the two. Mr. Andersen agreed and  
7 stated that home occupations such as daycares require conditional use permits, but those types of applications do not require  
8 any studies outside of a short survey. Mr. Eggett noted that the City has never received a negative response to a request for  
9 additional information to accompany a conditional use permit application. He stated that the staff is very willing to work  
10 with applicants on any issue that may arise. Councilmember Duncan stated that he is comfortable leaving the language as it  
11 is currently written with the understanding that applicants have the option of providing additional information rather than  
12 being required to do so. Mr. Andersen stated the language could be amended to say “the Department may request that the  
13 applicant provide, at his or her option and/or expense. . .”. Councilmember Shingleton stated that he was comfortable with  
14 that language. Councilmember Peterson agreed.

15  
16 [9:51:03 AM](#)

17 Discuss business meeting agenda item six, Proposed Ordinance No. 12-03 amending  
18 various provisions of Title 10, the Land Use Ordinance, relating to animals.

19 Mayor Nagle stated this item was on the last Council meeting agenda and at that time the Council had the  
20 opportunity to hear from Planning Commissioner Gary Pratt about his opinions regarding the changes that are being  
21 suggested. She stated that Planning Commissioner TJ Jensen also wanted to address the Council, but there was not sufficient  
22 time at the last meeting for him to do so; therefore, she would like to hear from Mr. Jensen this evening.

23 [9:51:26 AM](#)

24 Mr. Jensen approached the Council and stated and provided his input regarding the proposed Ordinance.

25 [9:52:10 AM](#)

26 Mr. Andersen noted that a change has been made to the Ordinance whereby four cats would be allowed with a  
27 Conditional Use Permit (CUP). He added, however, that a resident would not be allowed to have four cats and four dogs;

1 rather, they would be allowed four dogs and two cats or four cats and two dogs. Mr. Jensen noted he is comfortable with that  
2 change.

3 [9:52:36 AM](#)

4 Councilmember Shingleton asked about someone that may have four parakeets. Mr. Anderson stated that the  
5 Ordinance reads that someone may keep dogs, cats, small animals, and fowl as household pets in residential zones subject to  
6 certain conditions, including that no more than two of the same species shall be kept excluding dependent young. The  
7 Council then briefly discussed the issue of how many household animals can be kept by a property owner.

8 [9:55:34 AM](#)

9 There was a discussion about Davis County's animal keeping ordinance compared to Syracuse City's ordinance with  
10 Councilmember Lisonbee noting that if the City does not adopt its own animal keeping ordinance, the Davis County  
11 ordinance will essentially be in effect for Syracuse. Mr. Andersen stated that is correct. City Manager Rice noted Davis  
12 County will not enforce parts of their ordinance that conflict with parts of the City's ordinance.

13 [9:56:55 AM](#)

14 Councilmember Lisonbee stated she has questions about setbacks; the City has a point system that applies to  
15 properties starting at a quarter-acre in size, but the point system is also related to setbacks and the setbacks basically preclude  
16 property owners with one-third of an acre or less from the point system, which could be considered a contradiction. Mr.  
17 Andersen stated that he could review the language to determine what would be more appropriate for a quarter-acre lot size.  
18 Mr. Eggett added that it may be possible to create different standards for smaller lots. Councilmember Peterson stated that  
19 the zoning of the property should still be considered. Mr. Eggett agreed. Councilmember Lisonbee then raised the issue of  
20 keeping roosters on property in the City. Mr. Andersen stated the ordinance is written now in a way that it prohibits roosters  
21 in an R-1 Residential zone. Councilmember Lisonbee stated that the language could be added to say that roosters are not  
22 permitted in any residential zones except for those zones with lot sizes over one-half acre. Mayor Nagle stated that could  
23 create some problems; a discussion among the Council and staff regarding the issue then ensued with the conclusion being  
24 that discussion would continue during the business meeting prior to making a final determination.

25

26 [10:02:20 AM](#)

1 Discuss Proposed Resolution R12-11 appointing City Councilmembers to  
2 various committee positions and assignments; Discuss Proposed Resolution  
3 R12-09 appointing a representative to serve as Syracuse City's appointee on  
4 the Taxing Entity Committee for the Redevelopment Agency of Syracuse City.

5 Mayor Nagle stated it is necessary to review this resolution again because of former Councilmember Kimmel's  
6 resignation and the subsequent appointment of Councilmember Duncan. The Council reviewed the list of assignments and  
7 made decisions about which assignments they would accept.

8 [10:05:50 AM](#)

9 Councilmember Lisonbee asked Mayor Nagle if she is resigning from her position on the Wasatch Integrated Waste  
10 Management District (WIWMD) Board. Mayor Nagle stated she will and there is a resolution on the agenda to appoint  
11 Councilmember Shingleton to take her place. Councilmember Lisonbee stated that means the position would be a midterm  
12 vacancy and State Code says that for any midterm vacancy there needs to be a period of time during which the vacancy is  
13 advertised to the public. The Council and staff then discussed the issue of midterm vacancies for these types of positions.

14

15 [10:21:53 AM](#)

16 Review of agenda item #9, Proposed Resolution R12-10 amending the Syracuse  
17 City Wage Scale by reclassifying the position of Deputy Fire Chief to a full-time  
18 position, and by making other minor title amendments throughout.

19 A memo from Finance Director Marshall explained the changes to the wage scale are reflected in the "recommended  
20 change" column and are highlighted in yellow. It is important to note that NO changes were made to the actual wages or  
21 ranges for any position with the exception of the proposed full-time deputy fire chief (discussed below in detail). Most of  
22 the changes are minor. For example:

- 23 ○ City Administrator was changed to City Manager.
- 24 ○ Recreation Director was changed to Parks & Recreation Director.
- 25 ○ Utility Billing Clerk was changed to Utilities Billing Clerk.
- 26 ○ Administrative Secretary was changed to Administrative Professional.
- 27 ○ Secretary I & II were changed to Administrative Assistant I & II.

- 1           ○ Several positions are recommended to be deleted from the wage scale since they are now obsolete.
- 2           ○ The bailiff position was changed from a full-time position to a part-time position on the wage scale. It was
- 3           input as a full-time position in error when it was originally approved.

4           The one major change to the wage scale is a recommendation to change the part-time fire chief to a full-time deputy

5 fire chief. There are several reasons for this recommendation. The fire department has operated with a part-time fire chief

6 for the past several years. However, with the retirement of our assistant fire chief our new fire chief has taken on the task of

7 evaluating the fire department structure as a whole to see what will be the best model to move forward with in the future.

8           Mr. Marshall reviewed his staff memo and highlighted the changes to the wage scale.

9           [10:24:14 AM](#)

10           Councilmember Duncan stated some positions are being removed from the wage scale and he confirmed that means

11 those positions will not be filled. Mr. Marshall stated that is correct. Councilmember Duncan asked if that changes the

12 City's financial situation. Mr. Marshall answered no because the positions have been vacant for some time. Mr. Marshall

13 then continued to review the wage scale.

14           [10:26:19 AM](#)

15           The discussion regarding the Deputy Fire Chief position began by Mr. Marshall reviewing the wage scale relative to

16 that position as well as benchmark data from other cities. Mr. Rice also provided input regarding the recommendation.

17           [10:31:13 AM](#)

18           Fire Chief Froerer then provided input and answered a question from the Mayor regarding who had been performing

19 the duties of Fire Marshall in the Fire Department.

20           [10:32:55 AM](#)

21           Councilmember Duncan asked if specific positions are understaffed or if the entire Department is understaffed.

22 Chief Froerer stated the Department definitely needs a Fire Marshall and there is enough expertise in the Department to

23 promote from within to fill that position.

24           [10:33:50 AM](#)

25           Discussion regarding financial implications of the proposal as well as staffing of the entire Department were then

26 discussed by the Council and staff.

1 [10:42:42 AM](#)

2 A discussion regarding the elimination of the GIS Technician position then ensued with the conclusion being that  
3 continued discussion regarding budgeting for payroll can be discussed during the upcoming Administration/Council budget  
4 retreat.

5 [10:46:07 AM](#)

6 Mayor Nagle stated that there is no more time to discuss the remaining items. Councilmember Lisonbee stated she  
7 wanted to continue the work session meeting after the business meeting to have the discussion regarding the last two items.

8

9 The meeting reconvened at [4:06:42 PM](#)

10 [4:06:47 PM](#)

11 Discussion regarding City Planner position

12 This item was added to the agenda at the request of Councilmember Shingleton and Councilmember Lisonbee.  
13 Councilmembers Lisonbee and Shingleton explained their reasons for adding the item to the agenda. Councilmember Shingleton  
14 asked Mr. Rice to provide a justification for filling the position. Mr. Rice responded to Councilmember Shingleton's inquiry and  
15 discussion regarding the powers and duties of the Council versus powers and duties of the City Manager ensued.

16

17 [4:39:56 PM](#)

18 Review City Council Rules of Order and Procedure

19 This item was added to the agenda at the request of Councilmember Lisonbee.

20 Mr. Carlson stated that he has reviewed the recommended changes from Councilmember Lisonbee and discussion regarding  
21 those changes ensued. Mayor Nagle stated that she does not have a copy of Councilmember Lisonbee's recommended changes.  
22 Councilmember Lisonbee read her proposed changes to the Council and Mayor. Discussion regarding the changes ensued.

23

24 [4:46:57 PM](#)

25 Council business.

26 Mayor Nagle provided a report regarding a barbeque the City is hosting for the Hill Air Force Base 388<sup>th</sup> Squadron.

1           The meeting adjourned at 11:33 p.m.

2

3

4

5 \_\_\_\_\_  
6 Jamie Nagle  
7 Mayor

\_\_\_\_\_

Cassie Z. Brown, CMC  
City Recorder

8 Date approved: \_\_\_\_\_

Minutes of the Syracuse City Council Regular Meeting, October 9, 2012.

Minutes of the Regular Meeting of the Syracuse City Council held on October 9, 2012, at 7:00 p.m., in the Council Chambers, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Brian Duncan  
Craig A. Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

Mayor Jamie Nagle  
City Manager Robert D. Rice  
City Recorder Cassie Z. Brown

Department Heads Present:

Finance Director Steve Marshall  
Police Chief Brian Wallace  
Fire Chief Eric Froerer  
Parks and Recreation Director Kresta Robinson  
Community Development Director Mike Eggett  
Public Works Director Robert Whiteley  
Information Technologies Director TJ Peace

Visitors Present:	Marissa Erickson	Dorathy Law	Charlie Black
	Marta Black	Christi Carpenter	Janeia Nichols
	Amy Nichols	Bruce Schofield	Mary Schofield
	Chloe Allsop	Gabby Ross	Alyssa Thurston
	Matt Kealamaicia	Spencer Johnson	Jake Garner
	Jessica Underwood	Keaton Jones	Tyson Pesnes
	Landon Maedgen	Lauren Sudweeks	Clint Sherman
	Tim Rodee	Teri Briggs	Arlene Briggs
	Derik Noorlander	Stephen Schneider	Lisa Jamison
	Annette Mazariegos	Dayoberto Mazariegos	Matthew Timothy
	Beverly Timothy	Heather Banks	Chad Thompson
	Clay Jaggi	Duncan Thompson	Zachary Smith
	Tyler Beazer	Kennedy Haggard	Geoff McLaughlin
	Shane Howes	LeAnn Fowler	Adam Birch
	Case Sorensen	Arick Sorensen	Tyler Watson
	David Hellewell	Jennifer Tays	Jessica Howes
	Brandon Lancaster	Daniel Nanney	Louise Fielding
	Mildred Schenck	Katrina Knight	Wyatt Francis
	Sarah Davies	Koltan Helm	Tristen Hillberg
	Jacob Sanders	Garrett Geertsens	Jody Howell
	Don Howell	Brendan Peters	Josh Genebaux
	Alex Lawton	Marc Cuimond	Emmie Hill
	Adam Martens	Delani Stacks	Terry Palmer
	Brandon Taylor	Jaron Carman	Bridger Silvester
	Ty HOGgan	Josh Coleman	Nick Gonder
	Jennifer Ruch	Matt McBride	Jennica Smith
	Ron Newey	Elizabeth Ludlow	Heidi Renner
	Bryce Cob	Griek Niel	Rhett Noschett
	Hayden Barney	Logan Child	Dona Jo Call
	Breckell Soifua	Ray Zaugg	Jerry Guffey

1. Meeting Called to Order/Adopt Agenda

7:10:06 PM

1 Mayor Nagle called the meeting to order at 7:00 p.m. as a regularly scheduled meeting, with notice of time, place,  
2 and agenda provided 24 hours in advance to the newspaper and each Councilmember. She asked all visitors present if any  
3 wished to provide an invocation or thought; Councilmember Peterson provided an invocation. Boy Scout Cade Sorensen  
4 representing Troop 556 then led all present in the Pledge of Allegiance.

5 [7:12:19 PM](#)

6 COUNCILMEMBER SHINGLETON MADE A MOTION TO ADOPT THE AGENDA. COUNCILMEMBER  
7 PETERSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

8  
9 2. Presentation of the Syracuse City and Wendy's "Award for Excellence"  
10 to Ashleigh Banks and Kaison Cotton.

11 [7:12:35 PM](#)

12 The City wishes to recognize citizens who strive for excellence in athletics, academics, arts and/or community  
13 service. To that end, in an effort to recognize students and individuals residing in the City, the Community and Economic  
14 Development, in conjunction with Jeff Gibson, present the recipients for the "Syracuse City & Wendy's Award for  
15 Excellence". This monthly award recognizes the outstanding performance of a male and female who excel in athletics,  
16 academics, arts, and/or community service. The monthly award recipients will each receive a certificate and be recognized at  
17 a City Council meeting; have their photograph placed at City Hall and the Community Center; be written about in the City  
18 Newsletter, City's Facebook and Twitter Feed, and City's website; be featured on the Wendy's product television; and  
19 receive a \$10 gift certificate to Wendy's.

20 Mayor Nagle stated Ashleigh Banks was nominated by a teacher from her school, West Point Junior High. She  
21 stated Ms. Banks' teacher said "Ashleigh is a very kind, happy, and accomplished student. She also plays in our school band.  
22 West Point Jr. is lucky to have her as a student". Mayor Nagle asked everyone in attendance to recognize Ms. Bank's  
23 excellence and give her a round of applause. The entire Council then shook Ms. Banks' hand and Mayor Nagle provided her  
24 with a certificate of recognition.

25 Mayor Nagle stated she remembered the next award recipient from the Syracuse Got Talent show earlier this year.  
26 She stated he has so much talent and confidence. She stated that Kaison Cotton also attends school at West Point Junior High  
27 and his teacher said of him "Kaison is an outstanding student that is a friend to all at West Point Jr. Kaison is also an amazing

1 dancer. He is an excellent student and friend.” Mayor Nagle asked Mr. Cotton to be stood and recognized and everyone in  
2 attendance gave him a round of applause. The entire Council then shook Mr. Cotton’s hand and Mayor Nagle provided him  
3 with a certificate of recognition.

4 Mayor Nagle stated we are so lucky to live in a community that rallies around the youth and this is such a great  
5 opportunity to recognize two youth every month, but for every two that are recognized there are 20,000 that are also amazing.  
6 She stated this award speaks to the commitment the community has to families and the quality of the kids’ lives and she  
7 asked everyone to keep up the good work.

8  
9 3. Approval of minutes.

10 7:16:17 PM

11 The minutes of the Regular Meeting of August 14 and the Work Session and Regular Meetings of September 11,  
12 2012 were reviewed.

13 COUNCILMEMBER LISONBEE MADE A MOTION TO APPROVE THE MINUTES OF THE REGULAR  
14 MEETING OF AUGUST 14 AND THE WORK SESSION AND REGULAR MEETING OF SEPTEMBER 22, 2012 WITH  
15 AMENDMENTS. COUNCILMEMBER SHINGLETON SECONDED THE MOTION.

16 Councilmember Lisonbee stated the August 14 minutes need to be amended; page 10 she would like the minutes to  
17 read after “Councilmember Lisonbee stated the Mayor just said the Council met outside of open meetings and decided not to  
18 second the motion, she stated that is not true and asked for it to be on the record.” Councilmember Lisonbee also  
19 recommended changing another statement that says Councilmember Lisonbee disagreed because it is not clear what she  
20 disagreed with, so please add that she disagreed with the assumptions and accusations.

21 Councilmember Shingleton stated that in the September 11 business meeting there is a motion that says he made the  
22 motion and seconded it as well. City Recorder Brown stated that she caught that error and has corrected it.

23 Mayor Nagle stated there has been a motion and a second to adopt the minutes; she called for a vote. ALL VOTED  
24 IN FAVOR.

25  
26 4. Public comment.

27 7:18:33 PM

1 Matthew Timothy stated he has a concern about the intersection of 2110 West and 1700 South in the subdivision  
2 better known as Cherry Village. He stated there is a visibility problem at the intersection and he was wondering if there is an  
3 ordinance in place that could help address the situation. He noted there are a lot of kids that ride their bikes on the sidewalk  
4 in the area and drivers are having problems seeing them as they are navigating the roads. He provided some photographs of  
5 the area and explained there is a big tree and shrub near the intersection that prevents drivers from seeing anyone on the  
6 sidewalk. He stated he is concerned that kids riding bikes near the intersection will get hit by a vehicle and that is very  
7 concerning to him. He wondered if there is something the City can do to provide better visibility.

8 Mayor Nagle stated Mr. Timothy's concerns will be forwarded to City Administration and they will work with him  
9 to determine if the Syracuse City Code can provide some solution.

10 [7:20:18 PM](#)

11 Lurlen Knight stated that a short time ago he was riding the Front Runner train and he was checked by an officer to  
12 see if he had a ticket to ride. He stated the officer was a former Syracuse City Police Officer and he asked him why he was  
13 no longer working for Syracuse and the officer told him that he had received a \$5.00 per hour raise to accept employment  
14 with the Utah Transit Authority (UTA). He stated he then read a story in the newspaper explaining the City could potentially  
15 be losing three more Police Officers, one of which he met tonight. He stated that the City went through this issue in the past  
16 with the Fire Department. He stated once an employee becomes certified another agency can offer them more money and  
17 some employees choose to leave. He stated he thinks that sometimes the Council gets so concerned about the lowest paid  
18 citizen in Syracuse who has been laid off or not received a raise and City employees are compared to that person, but that is  
19 not fair to City employees. He stated that he feels employees should be paid based to wages paid in the market they work in.  
20 He stated he wants to ask the Council to compare public safety or the entire City to similar and surrounding communities to  
21 see how the wages compare. He stated he knows there is a lot of concern about taxes and he hates taxes as well, but he  
22 looked at his tax bill and only \$240 of his total property taxes go to the City. He stated he was talking to a senior citizen one  
23 day who was telling him about an alarm monitoring system on their home and they pay \$40 per month for it. He stated that  
24 translates to \$480 per year, which is almost twice what he pays in taxes to the City. He stated he does not want his taxes  
25 doubled, but it seems strange that people are comfortable paying for things like an alarm system, but they complain about a  
26 tax bill that covers public safety, roads, and other City services. He stated the Council needs to seriously consider this issue;  
27 if the City loses its seasoned Officers and Fire Fighters it is losing the experience they have when responding. He stated the

1 City may be saving a dollar here and there, but it becomes the training ground for public safety and he would ask that the  
2 Council consider what can be done to keep the employees in place. He stated he would also recommend that Syracuse not be  
3 the lowest paid City in that can be helped. He added that he had heard that some people think the City has too many Police  
4 Officers, but last time he checked there was one on graveyard shift which requires response from other cities during  
5 nighttime emergencies. He stated that he works in Salt Lake and he has met two Fire Fighters that used to work for Syracuse  
6 and now work for Salt Lake and he would ask the Council to consider that and how they treat the employees.

7 [7:23:35 PM](#)

8 Terry Palmer stated he had a couple of things to talk about tonight; first he wanted to recognize all the students that  
9 are present this evening. He stated it is awesome to see them getting involved in government and he thanked them for  
10 coming. He then stated two weeks ago he attended the Council work session meeting and it appeared to him that the Council  
11 was talking about giving certain powers to the Fire Chief that would allow him to issue citations and tickets. He stated that  
12 the Chief already has those powers and his concern is that the Chief should not be given the authority to make legislation. He  
13 then stated he feels the City has already adopted a budget for the current fiscal year and it should be left alone, but he would  
14 like the budget to be opened so the citizens can be made aware of the salaries of City employees in order to compare the  
15 salaries and benefits the City employees receive. He stated he agrees the City needs to be competitive with the marketplace.  
16 He then stated he would recommend against opening the budget at this time and leaving it alone until next spring.

17 [7:25:29 PM](#)

18 Tim Rodee stated he noticed there is not a comment period following the Utah Department of Transportation  
19 (UDOT) presentation on tonight's agenda. He stated he has been working with the Citizens for a Better Syracuse and UDOT  
20 to find a solution relative to the problems associated with the West Davis Corridor. He stated that last Wednesday he was  
21 informed to refinements to alternative B, which he understands will be discussed tonight. He stated he was told the  
22 refinements were based on wetlands; wetlands have priority over the citizens of Syracuse and lack of clarity and transparency  
23 on the impact makes it frustrating to the citizens. He stated he cannot understand the numbers presented by UDOT;  
24 according to their numbers they were able to avoid 5.1 acres of wetland intrusion while sacrificing seven homes and partially  
25 taking properties owned by seven other residents. He stated he cannot accept that; if someone would have come to him and  
26 told him that his home would need to be sacrificed to save 25 other homes, he hopes he would have had the courage to say  
27 that makes sense, but 5.1 acres of wetlands caused the diversion of the 2000 West and Gentile Street interchange so that it

1 will sit on top of his house – a house he built 12 years ago. He stated that he visited the UDOT website today and read the  
2 following statement: “through these efforts it was discovered that many of the areas previously considered as potential  
3 wetlands did not contain the hidrick soil properties to qualify as wetlands. With this new wetland information UDOT shifted  
4 alternative B to the northeast between 2700 South and Gentile Road. This shift resulted in less wetland impacts and avoided  
5 the Syracuse City public works building and the Syracuse equestrian park.” He stated that is at the sacrifice of his home and  
6 his neighbors' home and property. He stated no one lives at the public works building or sleeps there every night; no one  
7 built their dreams at the public works building. He stated it is incredulous to him that the citizens are such a low priority that  
8 their homes would be sacrificed to save 5.1 acres of wetlands.

9 [7:28:58 PM](#)

10 Officer Millward stated he is a little disappointed to tell the Council that today is his last day with the Syracuse  
11 Police Department. He stated he has accepted another job offer that will increase his compensation. He stated that the people  
12 that he has worked with are not good employees – they are great employees; there are incredible people working for the City  
13 and things need to be done to help them so they can stay with the City and support their families. He stated he does not know  
14 if the Council knows that most Police Officers in Syracuse must work a part-time job in addition to their full-time  
15 employment with the City. He stated the job of Police Officer is supposed to be a career and be respected; the things they see  
16 and deal with are things that no one else wants to deal with. He stated the Officers protect people and put their lives on the  
17 line every day and they are willing to do what it takes to keep the community safe. He stated he would ask for more respect  
18 and better treatment and appreciation of the Officers. He stated there is more that can be done to appreciate the people that  
19 put their lives in the line and deal with scary and sad situations every day. He asked that the Council make the wages  
20 competitive for the incredible men who would give everything on a moment's notice for anyone in this room.

21 [7:31:27 PM](#)

22 Amy Nichols stated she has a brother that works for Syracuse Police; they will come to anyone's home when they  
23 need help and she asked why the Council would not support them with fair wages. She stated she would not want to do their  
24 job and neither would anyone on the City Council. She stated that if it were not for public safety employees, no one would  
25 be here because of criminal activity and other public safety problems. She stated she appreciates all of them for protecting  
26 the community.

27

1 5. Presentation from UDOT regarding West Davis Corridor.

2 [7:32:22 PM](#)

3 Randy Jeffries representing UDOT approached the Council and provided an update regarding the planning for the  
4 West Davis Corridor route through Syracuse City.

5 [7:59:48 PM](#)

6 Mayor Nagle stated she wanted to point out that no one will win in this situation; the road is needed, but most of the  
7 residents moved to this area because they like the rural feel of the community and they do not want the area impacted. She  
8 stated there are farms that will be impacted if alternative C is chosen, homeowners that will be impacted by alternatives A  
9 and B. She stated there are so many impacts and they are great, but the one thing to consider is that the process is so detailed  
10 in weighing all of the alternatives. She stated that wetlands are not the only thing considered, but she has been vocal about  
11 saying that wetlands should be given equal preference, but that there are homes and farms that are just as valuable as the  
12 wetlands. She reiterated the process has been very detailed and she wants the citizens to know that this is a tough decision  
13 for everyone and there will be tremendous impacts. She stated that while the impacts are still being studied the City is  
14 fighting to make sure the wetlands or the public works building are not the driving factor. She stated that the City actually  
15 hoped the road would take the public works building so that the land could be sold and the public works department could be  
16 relocated near the other City buildings. She stated she wanted Mr. Jeffries to know that she respects the position he is in and  
17 she recognizes this is a tough decision and no matter where the road is located there will be a lot of impacts.

18 [8:01:56 PM](#)

19 Councilmember Johnson asked when the more indirect impacts will be shown on the study. Mr. Jeffries stated they  
20 will be available as part of the draft Environmental Impact Study that will be published in the spring. Councilmember  
21 Johnson stated he is most concerned about the indirect impacts because they affect people's everyday lives. He stated he  
22 wished those impacts were available now and he feels there are a lot of indirect impacts associated with alternative B  
23 especially. Mr. Jeffries stated that there is a difference in opinion about that issue. He said some people have communicated  
24 to him that they have hoped their home would be taken rather than road being located directly next to it, while others have  
25 said they are glad that their home has been missed and that they prefer to stay in Syracuse even with the highway located next  
26 to them. He stated UDOT cannot predict or control all those varying opinions, which is why they must rely on the data that is  
27 available to them. He stated they are focused on reducing all of the impacts as much as possible.

1 [8:03:25 PM](#)

2 Mr. Jeffries then continued his presentation.

3 [8:05:52 PM](#)

4 Councilmember Johnson referred to alternative A and stated there is 73 acres of farmland and he inquired about the  
5 possibility of moving things in that area to reduce the number of acres to be impacted. He stated it looks like there may be  
6 some room in that area to allow for some shifting. Mr. Jeffries stated that UDOT has tried as best as possible to minimize  
7 impacts to farmland in that area as well as to avoid the wetland areas that exist along the Great Salt Lake Shorelands  
8 Preserve. He stated some of those areas are off limits according to the Clean Water Act. He stated they have tried to be on  
9 the edge of the farmland as opposed to down the middle. He added that they have tried to minimize impacts to the  
10 Bridgeway Island subdivision; it is a Homeowners Association (HOA) and they are trying to minimize the number of homes  
11 that would be impacted by the alignment. He stated he has made some adjustments to that route, but they were mainly in  
12 West Point to avoid historic properties and homes, but UDOT does not see any way to further make adjustments to the  
13 alternative as it runs through Syracuse. He stated he is open to suggestions.

14 [8:07:56 PM](#)

15 Mayor Nagle thanked Mr. Jeffries for his presentation.

16

17 6. Public Hearing – Proposed Resolution R12-24 adjusting the  
18 Syracuse City budget for the Fiscal Year ending June 30, 2013.

19 [8:08:01 PM](#)

20 A staff memo from the Finance Director explained the Council and staff discussed the budget opening and potential  
21 funding options for the general fund at the last Council meeting. After that meeting he updated the PowerPoint presentation  
22 to reflect the changes that were recommended. The changes that were made are highlighted in red. He also included in the  
23 packet a budget spreadsheet that itemizes the proposed changes by fund. There are a few additional items that are on the  
24 spreadsheet that were not discussed at the last Council meeting. They include the following:

- 25 ○ **Street Light Fund:** Street light capital expense of \$515,000. This budget request is a carryover from  
26 FY2012 because the conversion project was not completed by the end of FY2012. These funds came  
27 from the capital lease that was approved in the prior fiscal year.

- 1           ○ **Class C Roads Fund:** In addition to the \$320,955 transfer to the Class C roads fund from the general  
2           fund, we also have available in the Class C roads an additional \$166,520 from fund balance. This  
3           would increase our total capital project expense to \$1,320,955 for FY2013.
- 4           ○ **Sewer Fund:** This budget request is a carryover from FY2012. We ordered the camera during  
5           FY2012, and just received it this week.

6           The memo concluded by noting the Council was provided with the capital projects listing that was discussed at the  
7           last Council meeting. This recommendation would increase the City's capital project expenses across various funds from  
8           \$3,888,349 to \$6,702,214; the funds are available in cash and would not require any additional debt to complete.

9           [8:08:15 PM](#)

10          Finance Director Marshall reviewed his staff memo and provided a summary of the budget opening.

11          [8:11:01 PM](#)

12          Mayor Nagle convened the public hearing. There were no visitors wishing to make public comments and the public  
13          hearing was closed.

14          [8:11:22 PM](#)

15          COUNCILMEMBER PETERSON MADE A MOTION TO ADOPT PROPOSED RESOLUTION R12-24  
16          ADJUSTING THE SYRACUSE CITY BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2013.

17          The motion failed for lack of a second.

18          [8:11:42 PM](#)

19          Councilmember Johnson stated he wants to discuss the issue before making a motion. Mayor Nagle stated that  
20          according to the rules adopted by the Council, a motion should be made before discussion takes place. City Attorney Carlson  
21          added that a Councilmember can second a motion and still vote against it.

22          [8:12:01 PM](#)

23          COUNCILMEMBER LISONBEE MOVED TO TABLE PROPOSED RESOLUTION R12-24 ADJUSTING THE  
24          SYRACUSE CITY BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2013.

25          [8:12:15 PM](#)

1 Mayor Nagle stated there was a lot of discussion about this topic and there was no mention of tabling the issue  
2 tonight and she asked why Councilmember Lisonbee wants to table the item. Councilmember Lisonbee stated she believed  
3 this was one of the items that was discussed in the work session, but the time to discuss it ran out and the discussion was not  
4 completed. She stated she has more questions and concerns and she would like to continue the discussion. Councilmember  
5 Peterson stated that the Council can have more discussion at this meeting. Councilmember Lisonbee stated her motion stands  
6 and she asked the Mayor to call for a second.

7 [8:12:55 PM](#)

8 Mayor Nagle called for a second to Councilmember Lisonbee's motion; COUNCILMEMBER SHINGLETON  
9 SECONDED THE MOTION.

10 [8:13:05 PM](#)

11 Councilmember Peterson stated he wants to discuss the issue tonight; he thought that this issue was vetted during the  
12 work session and there is no reason to put it off. Councilmember Johnson agreed and stated that more discussion is needed.  
13 He stated he felt that opening the budget can be good and bad; some of the capital projects and other items in the budget  
14 opening are good things and he does not have an issue with those, but he does have questions regarding the conditions and  
15 abilities the Council has concerning the employee merit increases. He asked if the Council is able to put any conditions on  
16 money. He stated one of the conditions he would like to see is that if an employee has worked for the City for less than two  
17 years, they would not be eligible to receive a merit increase. He asked if the Council can put such conditions in place.  
18 Mayor Nagle stated the Council can put such conditions in place, but she would want reasons behind those conditions. She  
19 stated that if there is a Police Officer that has worked for the City for less than two years and they are considering leaving  
20 the City for other employment with higher pay, why would the Council want to lose them. Councilmember Johnson stated he  
21 is not saying he would want to lose those people, but at the time those employees got hired they had some ability to negotiate  
22 their salary with the City. Mayor Nagle stated prospective hires do not have the ability to negotiate their salary.  
23 Councilmember Johnson stated if those employees were hired at a lower wage, that was likely based on prior experience; or  
24 the City did not pay them correctly. Mayor Nagle stated the City has not paid them correctly; people have been hired at the  
25 entry level in every range and raises have not been provided over the past four or five years. She stated that government is  
26 different than the private sector; an offer is made and the prospective employee either takes it or leaves it, but there is no  
27 negotiation in the process. She stated she understands what Councilmember Johnson is saying, but her response would be

1 that regardless of whether a Police Officer has been in his position for one year or ten years and they are being paid at the low  
2 end of their wage range, she would hope the City would want to keep those employees. She clarified that the City will only  
3 be offering merit raises as opposed to cost of living adjustments (COLAs), which means that if they are a marginal employee  
4 they will likely not qualify for a raise; only the top performers – based on performance reviews – will be eligible for a merit  
5 increase. She stated two years ago the Council put stipulations in place dictating that no City employee could receive more  
6 than a five percent increase without a Council vote; that means no one employee will receive more than five percent with this  
7 merit increase. She stated there are thresholds in place that limit the amount of money that one person could get.

8 [8:16:31 PM](#)

9 Councilmember Duncan stated one of the concerns he has about merit raises is how objective the increases can be as  
10 opposed to subjectivity and as opposed to buying loyalty of staff in the City. He stated that if someone likes what has been  
11 done they will be eligible for a raise, but if they do not like what has been done the opposite will be true. He stated it is not  
12 about objectively doing good things; it is about subjectively where an employee fits into the political spectrum. He stated  
13 that happens in the private sector as well, but he is concerned that the merit pay will really be based on an objective standard  
14 and he asked what that standard will be. City Manager Rice stated the merit pay will be based on the performance of an  
15 employee as determined by their supervisor. He asked how a merit raise could be done any other way. Councilmember  
16 Duncan stated that is a struggle in City government, or any government. Mayor Nagle stated the same is true in the private  
17 sector. Councilmember Duncan stated that the private sector, by the nature of the fact that money is the bottom line, is  
18 performance driven and he questions in the wrong political environments if these merit increases will truly be based on  
19 performance as opposed to buying loyalty. Mayor Nagle stated she takes issue with that. Mr. Rice stated Councilmember  
20 Duncan is questioning the integrity of all Department Heads and the City Manager. Mayor Nagle stated that three years ago  
21 the City was operating with the lowest possible fund balance allowed by law at \$248,000. She stated the City was allocating  
22 \$78,000 per year for roads. She stated the Council told the staff to do more with less, innovate, out produce, outperform, and  
23 out provide any other city. She stated this year the suggested budget amount for capital improvement projects is \$6.7 million,  
24 increased from \$78,000; the fund balance has been increased to \$1.4 million from \$258,000. She stated if is politically drive,  
25 she says “bully for them” if that is what got the staff to produce those kinds of results. She proclaimed “God Bless America”  
26 and stated she wished everyone in government was that politically motivate to do the right thing. She stated she is going to  
27 stand with the staff tonight; they have done everything the Council has asked them to do and the Council has “beat the crap

1 out of them” at every opportunity and now Councilmember Duncan is saying the raises are not deserved because they are  
2 politically motivated. Councilmember Duncan stated he is not suggesting that the staff should not get a raise or that one  
3 should not be coming. He stated he is also not saying they have not done a good job and he has thanked them several times.  
4 He stated his question is whether the merits raises will be based on them actually doing a good job or actual merit. He stated  
5 that is the question. Mayor Nagle asked why there are Department Heads if the Council does not trust them. She asked why  
6 there is a City Manager in place. She charged the Council to come to the City every day and stated that the Council cannot  
7 even call a Department Head to ask them a question because they are too busy. Councilmember Duncan stated he has called  
8 a Department Head; he just communicated with them this week.

9 [8:19:54 PM](#)

10 COUNCILMEMBER LISONBEE MADE A MOTION TO RECESS.

11 Mayor Nagle stated that she is not recognizing Councilmember Lisonbee’s motion because she is talking and it is  
12 her meeting to control. She stated when she is finished talking she will entertain the motion. She stated the Department  
13 Heads are doing the job they have been hired to do and if the Council does not trust them, that is the issue that needs to be  
14 addressed. She stated that if the Council feels they are not managing their departments correctly and setting performance  
15 objectives that are getting optimum results – though all evidence points to the fact that is the case – the Council’s issue  
16 should be with the Department Heads. She stated the Council needs to set clear objectives, that is leadership; leadership is  
17 not about micromanaging, rather it is about setting clear objectives, hiring competent people and getting the hell out of their  
18 way and letting them do it. She then stated she did not think there could be a motion to adjourn with an active motion on the  
19 table. Councilmember Lisonbee stated she did not make a motion to adjourn; she made a motion to recess for a period of five  
20 minutes until emotions can calm down. Mr. Carlson stated a motion to recess is not one of the enumerated motions, but it is  
21 a motion that can be made. Mayor Nagle asked if that is correct even if there is an open motion on the table. Mr. Carlson  
22 stated that according to Roberts Rules of Order, the motion to recess is a higher motion, meaning it can be made.

23 [8:21:17 PM](#)

24 Mayor Nagle stated there has been a motion made to recess the meeting and she called for a second. The motion  
25 died for lack of a second.

26 [8:21:24 PM](#)

1 Councilmember Lisonbee stated that she thinks it is a good idea to take the emotion out of the issue and look at it  
2 objectively and consider the facts. She stated fact number one is that the City does not have the lowest pay scale in the  
3 County or along the Wasatch Front. She stated there is a fact that the City is competitive overall with wages. She stated the  
4 Council also needs to look at the fact that the current budget that was adopted earlier this year contains an allotment for pay  
5 increases for the Police Department. She stated there is a fact that there is an employee bonus program available for  
6 employees that outperform and that bring revenues to the City and create an innovative atmosphere. She stated the Council  
7 needs to look at the fact that it is only eight months until the next budget passage and perhaps this is a good time to think and  
8 wait. She stated a very high percentage of the budget goes to wages, more than a lot of other cities because the revenues in  
9 the City are not that high; over 67 percent of the budget goes to wages. She stated the City has gone from a proposed tax and  
10 fee increase last year and a huge deficit in the road funds under the previous Council and Administration to \$6 million plus  
11 dedicated to capital projects within one year with a new Council and new paradigm. She stated she thinks “we” still have a  
12 long way to go; “we” instructed staff at the last budget hearing to do a complete survey of all infrastructure needs in the City  
13 and the City is looking at huge costs in the future. She stated “we” have to balance “our” desire to compensate “our”  
14 valuable and wonderful employees with “our” future infrastructure needs that are going to be sizable. Mayor Nagle stated it  
15 is so condescending to say the employees are valuable. Councilmember Lisonbee stated she is not finished. Councilmember  
16 Duncan stated Mayor Nagle interrupts the Council, but the Council can not interrupt her. Councilmember Lisonbee stated  
17 there are infrastructure things the citizens depend on every day and the Council needs to consider the facts on the table; the  
18 City is competitive; there is money in the budget for police wage increases that can be implemented once a new Chief is in  
19 place; the Council was presented with a benchmark analysis that is in the Council packet and available online. She  
20 challenged all citizens to go online and see what the City is paying its employees compared to other cities close to Syracuse  
21 and along the Wasatch Front and they will see that the City is very competitive. She stated the City passed a 200 percent tax  
22 increase in 2007 and all of that money went to wage increases and then in 2008 the bottom fell out of the economy. She  
23 stated there was a huge benchmark that was increased in Syracuse and the economy stopped growing. She stated that is part  
24 of the reason that even though the City has not given COLAs or significant pay increases, the City is still quite competitive.  
25 Mayor Nagle asked why the City is losing all of its employees if the wages are competitive. Councilmember Lisonbee stated  
26 the City is not losing all of its employees. Mayor Nagle stated the Council can stick their heads in the sand, but that does not  
27 make it go away. Councilmember Lisonbee stated that she has talked to a number of employees that have left the City or to  
28 people that have directly talked to them and she has heard that they left for other reasons than pay. She stated while the staff

1 is wonderful and they have done a great job, she thinks the Council needs to be responsible and balance what they see on  
2 paper with what they feel in their hearts and would want to do.

3 [8:25:47 PM](#)

4 Councilmember Peterson stated that he wants to talk about some facts he is aware of; the first fact is that the  
5 \$150,000 is not to address the wage scale and how it compares with other cities. He stated the money will give the  
6 employees an opportunity to receive a merit increase. He stated the second fact is that the employees have not had a raise in  
7 four or five years. He stated the third fact is that he cannot believe the Council is squabbling over \$150,000 to put towards  
8 people when \$6.7 million is being added to the budget for roads and pipe. He stated the roads and pipe are important, but  
9 people are more important. He stated \$150,000 is a drop in the bucket to reward the employees. Councilmember Lisonbee  
10 stated \$150,000 over ten years is \$1.5 million. Mayor Nagle offered a fact. She stated that Councilmember Lisonbee  
11 claimed there has been a paradigm shift under the new Council, but she pointed out that all of the changes that have been  
12 brought about in the City that created the additional \$6.7 million being available for infrastructure improvements as well as  
13 the changes brought about to increase the fund balance to \$1.4 million were brought before the current Council was seated.  
14 She challenged the Council to come up with one thing they have brought forward that resulted in any of those costs savings.  
15 She stated there are none. She stated that is the paradigm shift; the City had tremendous momentum and the Council had  
16 asked the employees to keep doing more and more and then they are put into these situations. She stated it is not just about  
17 the Police Department, but it is about the Fire Department and the single mom that comes to work for \$12 per hour – her job  
18 is just as important. She stated the Council comes to the City one night every other week and complains they cannot get  
19 anything done because of their personal lives, but this is life for the City employees; they come here every day. She stated  
20 everything the Council does to say that they do not deserve a raise, but that the Council loves them, is insulting.

21 Councilmember Lisonbee stated no one is saying that the employees do not deserve a raise, but deserving something and the  
22 Council's ability as elected officials to say yes are two entirely different things. She stated "we" need to cut the rhetoric and  
23 look at the fact that the City is already competitive. She stated there may be one or two positions in the benchmark analysis  
24 and maybe those positions can receive a raise, but the employees are contract employees and they made a contract to work  
25 for a wage. She stated yes, "we" should appreciate them and yes, "we" should help them, but the Council is talking about tax  
26 payer funds. Mayor Nagle stated the employees also pay taxes. Councilmember Lisonbee stated that while she thinks a  
27 smaller amount that was specifically targeted to specific wages that are extremely low would be appropriate, she does not feel

1 she was elected to be in the business of giving merit pay increases just because she felt like even if the numbers did not weigh  
2 out.

3 [8:29:11 PM](#)

4 Councilmember Peterson asked Councilmember Lisonbee if she intends to go four years without giving the  
5 employees a raise. Councilmember Lisonbee stated she knows a lot of citizens in the City that have not had a raise in more  
6 than four years. Mayor Nagle stated that was not the question. Councilmember Peterson stated he knows a lot of citizens  
7 that have had raises.

8 [8:29:28 PM](#)

9 Councilmember Johnson stated that he thinks that some of the employees do need to receive a merit increase.  
10 Councilmember Lisonbee agreed. Councilmember Johnson stated four or five years is a long time and some of the very loyal  
11 employees should receive a raise. He stated that is why he was considering conditions. He stated he has reviewed the  
12 salaries of the City employees and he thought it may be appropriate to give raises to those employees that make less than  
13 \$60,000 per year. He stated money to provide Police Officers with raises is already in the budget, but there are a number of  
14 employees in other departments that are receiving low wages and that is the level he would like to look at. He stated he is  
15 very willing and more than happy to give raises to those employees because those are the people that are hurting the most.  
16 He stated it may be appropriate to draw a line and say that those making less than \$50,000 or \$60,000 should not be eligible  
17 for an increase. Mayor Nagle stated that is almost like welfare; giving raises to those with lower incomes while ignoring  
18 those that have a college degree or have a special skill set that has made them eligible to make above \$60,000 in their  
19 position. Councilmember Johnson stated many corporations do that. Mayor Nagle stated she would like to see those  
20 companies. Councilmember Johnson stated he has worked at some. Mayor Nagle stated a corporation may not provide  
21 raises to directors or those with higher positions. Councilmember Johnson stated that is what he is proposing and he does not  
22 know why that is not an element the Council can consider.

23 [8:31:32 PM](#)

24 Councilmember Duncan stated that before he was castigated, that was the direction he was going in. He stated there  
25 is an employee incentive program in place and he thinks it is a dangerous proposal to go through the City and say they merit  
26 an increase. He stated there may be a handful of City employees that would admit they are a sloth, but most employees are  
27 saying to themselves that they have been working for the last four or five years and they want a raise, too. He stated that is

1 the concern he has. He stated the Council budgeted for an employee incentive program and his concern is that if the City  
2 provides \$150,000 to raises each year and those raises are based solely on merit at the discretion of the Department Heads,  
3 that will create some disgruntled employees along the way. Mayor Nagle asked what the raises should be based on if they  
4 are not based solely on merit. She stated she absolutely believes the raises should be based on merit and nothing else.

5 [8:32:37 PM](#)

6 Councilmember Peterson stated it is not the job of the City Council to say who gets raises and who does not. He  
7 stated it is grossly far from it. He stated the Council approves dollar amounts, not who should receive a raise.

8 [8:32:50 PM](#)

9 Mayor Nagle agreed there is an employee incentive program in place and she wanted to remind the Council that  
10 when Mr. Rice brought a proposal before the Council about an employee that had discovered an opportunity for a significant  
11 cost savings, the Council was very upset about it and said that the City could not give an incentive to someone who figured  
12 out the City should have been charging a fee that had not been charged though it was in the fee schedule. She stated the  
13 Council said the employee was punishing the citizens and should not be eligible for an increase for that. She stated that even  
14 when a proposal is made and brought to the Council, the Council shoots it down. She agreed again that there is an incentive  
15 program, but it is not used as way to incentivize performance and out of the box thinking like figuring out where problems  
16 are and fixing them. She stated the Council has approved tools, but does not let the staff use them.

17 [8:33:52 PM](#)

18 Councilmember Lisonbee stated that she wanted to respond to Councilmember Peterson's comments and she stated  
19 the Council absolutely has oversight over the budget to talk about wages and this issue. She stated she has been told by  
20 several people in the County as well as elected officials that the Council could basically fire an employee by defunding his  
21 position in the budget and that is within the Council's policy making ability – not that the Council would want to do that.  
22 She stated that to suggest that the Council does not have the ability to discuss this issue when the Council does have  
23 legislative oversight over taxpayer dollars is disingenuous. Councilmember Peterson stated that is not what he is saying, but  
24 he is hearing Councilmembers saying that they want to decide which employees will get a raise and which will not. He  
25 stated that the Council does not have that right. Councilmember Johnson stated he does not want to decide person by person,  
26 but he would consider adding wage stipulations to certain titles. Councilmember Peterson stated he does not believe the

1 Council has that right; rather, the Council has the right to give an amount of money to the City Manager for raises and he  
2 shall follow the policies that the Council has set regarding how and when to give raises.

3 [8:35:02 PM](#)

4 Mr. Marshall stated he wanted to offer some facts to add to the discussion. He stated that if the Council decides  
5 against opening the budget whatsoever, the City will be in violation of State Code at the end of the Fiscal Year (FY) because  
6 the general fund balance will have exceeded the 18 percent limit. He stated that will result in an audit finding. He then stated  
7 the Council raised the issue of utilities and capital projects and he wanted to point out that the \$6.7 million available for  
8 projects are funded in majority from utility based fees rather than the general fund. He stated with the exception of roads,  
9 every other utility issue is covered by fees in a separate fund. He stated that the budget for roads will have gone from  
10 \$78,000 to \$1.3 million in one FY if this budget opening is approved. He stated that is an extraordinary increase in his  
11 opinion. He then stated that the Human Resources Manager conducted a study regarding COLAs and that information was  
12 included in the packet; the City compared with 46 cities in conducting that study and 76 percent of those cities gave raises to  
13 their employees in this current FY. He stated the staff has gone six years without any type of raise, which is compared to 76  
14 percent of the 46 cities that responded to the survey that gave raises this year. He stated most of those cities have given raises  
15 multiple times over the last three years, whether those raises were COLAs or merit raises. He then stated that from his point  
16 of view the City needs to do something for employees in order to be competitive.

17 [8:37:03 PM](#)

18 Mr. Rice stated that he wanted to address a couple of items that have been discussed throughout the budget  
19 preparation process. He stated that when the current FY budget was presented to the Council by the Administration, there  
20 was a statement in the narrative from the Administration expressing its opinion that the economy had turned around. He  
21 stated both Councilmembers Lisonbee and Shingleton disagreed with that statement and said they did not believe the  
22 economy had turned around. He stated that means that every single dollar that has been generated in the fund balance  
23 increase has been done on the backs of the employees; it is because of the work of the employees, not because of the  
24 economy. He then stated when he was hired to take his job Councilmember Shingleton, who is a businessman, put his arm  
25 around him and said he wanted Mr. Rice to run the City more like a business and he has done that. He stated when  
26 businesses do well, it is appropriate to reinvest in the business by buying inventory, buying new product, or rewarding the  
27 employees that are doing the business. He stated the City has no inventory to buy and no product to deliver, but it has

1 employees that have brought the fund balance from \$258,000 to \$1.4 million and they have endured hardships over the last  
2 five years; they have lived with the program and bought into the business of the City. He stated they are not City bureaucrats  
3 and instead they are customer service agents that have made the City prosper. He stated every idea that has come about and  
4 has been executed to increase revenues or decreased expenses has come from the employees or at the expense of the  
5 employees. He stated that if he were an outsider looking in he would wonder how the City has gone from spending very little  
6 money on capital projects to \$6.7 million on the same projects in such a short period of time. He asked how the fund balance  
7 has been driven from \$258,000 to \$1.4 million in two to four years. He stated it is all done by the good works of the  
8 employees; they deserve a raise because they have carried it and made the business stronger. He stated they are the number  
9 one asset of the business of Syracuse City.

10 [8:39:16 PM](#)

11 Mr. Marshall added that one year ago the Administration requested funding for a COLA raise for employees. He  
12 stated he understands disdain for COLA raises because the same amount is provided to all employees regardless of their  
13 performance. He stated the funding for a COLA was pulled from the budget based on that fact and now the Administration is  
14 bringing this proposal to the Council and he strongly feels that merit raises are the best option for the City. He stated he does  
15 not agree with placing limitations on the raises in regards to which employees will be eligible for a raise because if the City  
16 has great employees it should want to retain them and reward them for the work they have done. He stated if there are  
17 employees that are doing the bare minimum or less in their job, they should not be rewarded. He stated that is why merit  
18 raises are the best option; raises are based on performance. He stated it is subjective to Department Head and City Manager  
19 reviews, but there are limits on the amount of money that any employee could receive – five percent – without Council  
20 consent. He stated that it has been six years since most employees got raises. He stated it is true that in 2007 many  
21 employees got large wage increases, but to just do one raise and then not consider giving raises again for five or six years is  
22 not the best practice. He stated he feels there should be an ongoing wage increase program, whereby employee wages are  
23 evaluated every other year or every three years to determine if the employees are being paid based on their merits. He stated  
24 that is how the best employees are attracted and retained. He stated the staff has heard from different sources that it costs  
25 approximately one year in wages to train someone to do their job in a manner that they are proficient. He stated that it has  
26 been said time and again that Syracuse is the training ground; employees start here to get experience and then they move one

1 to places that pay higher wages. He stated that means the City is spending much more money in training costs than would be  
2 spent if the City were to just give raises so that they can be retained.

3 [8:42:19 PM](#)

4 Councilmember Johnson stated that he does not know what will be accomplished by tabling this item and he is not  
5 sure if he wants to table it. Councilmember Lisonbee suggested that Councilmember Johnson make an amended motion.

6 [8:42:27 PM](#)

7 Mayor Nagle stated there has been a motion and second and she can call for a vote. Councilmember Duncan asked  
8 if the Council was finished with discussion. Councilmember Lisonbee stated she was not done discussing the item. City  
9 Attorney Carlson noted that theoretically the discussion is regarding the motion to table. Councilmember Johnson stated he  
10 is not inclined to table, but he wants to hear from the Council about their feelings about why it may not be a good idea to  
11 place conditions on the wage increases. He suggested that those below the director level that earn lower wages should be  
12 “lifted up a little bit”. He asked what everyone thinks about that idea. Mr. Rice stated Councilmember Johnson mentioned a  
13 condition whereby those that have worked for the City for less than two years will not be eligible for a raise. He referred to  
14 the wage data in the Council packet and stated the Building Official has worked for the City for approximately 11 months,  
15 but his wage is very low compared to wages of other cities. He stated he does a great job and that is one person that would  
16 rate a merit raise, but if the condition is put in place he would not be eligible for a raise. He stated he can somewhat  
17 understand the direction Councilmember Johnson is heading in, but the Council hired him to make these kinds of decisions.  
18 Councilmember Johnson asked about his idea to only give raises to those below the director level in the City. Mayor Nagle  
19 referred to some packet materials; she noted that a fundamental part of what the City has been able to accomplish recently has  
20 been on the back of Mr. Marshall, but in reviewing the wage data in the packet, he is the third lowest paid Finance Director  
21 of the 20 cities that responded. She stated that if the Council wants to retain that caliber of talent there should be a way to  
22 provide even a small wage increase for him. She stated the entire Council would be hard pressed to argue the value he has  
23 brought to the City has not been amazing, though he has been with the City for less than two years and he is in a director  
24 position. Councilmember Johnson stated he is trying to be open minded and he is willing to listen to the concerns of the  
25 other Councilmembers; he is trying to encourage more dialogue about this issue. Councilmember Peterson stated the  
26 examples offered by Mr. Rice and Mayor Nagle are two perfect examples that prove it is tough to put a general sweeping rule  
27 in place regarding wage increases. He stated the Council does not have all the facts to make those decisions. He stated that if

1 the Council did have all the facts and worked with the employees on a daily basis, like Mr. Rice does, then maybe the  
2 Council could make these kinds of decisions, but putting a general rule in place does not take into account individual  
3 employees. Councilmember Lisonbee stated that she agrees there is a point to what Councilmember Peterson is saying, but  
4 there may be a way to address the issue by approving a set dollar amount for wage increase less than \$150,000, which is three  
5 percent for everyone. She stated that in looking at the benchmark information in the packet it is apparent there are some  
6 employees that are paid low in comparison to other cities and some of them are Department Heads, but most of them aren't.  
7 She stated they are positions like Firefighter 2 or Police Officer 2 or the Building Official. She stated the Council could  
8 decide to dedicate a certain amount of money rather than considering the years of service of the employees. Councilmember  
9 Johnson stated it may be better to look at how low the employees are paid according to the benchmark data and if employees  
10 are paid a lower amount, their wages could be increases. Councilmember Lisonbee agreed and stated that would equalize  
11 where the City is with its benchmark analysis to other cities. Councilmember Duncan stated that he also agrees, but  
12 wondered if that is the definition of merit pay. He stated that it is also important to be careful because maybe Mr. Marshall  
13 only has three years of experience and he is being compared to employees in other cities that have 15 years of experience and  
14 that is why they are making more money. He stated he is not commenting on whether Mr. Marshall deserves a raise, but  
15 these are the things that need to be taken into consideration. He stated he does not know the answers to the questions. He  
16 stated that our City Attorney makes less than the City Attorney in Layton, but the Layton Attorney has oodles of years of  
17 experience. Mayor Nagle stated that Layton has many Attorneys on staff and all of them make more money than Mr. Carlson.  
18 Councilmember Duncan stated he understands, but the fact that the City Attorney is making more money than Mr. Carlson  
19 has to do with the fact that he has been the City Attorney for decades. Mayor Nagle stated that the City has Department  
20 Heads and the City Manager to make these kinds of decisions. Councilmember Duncan stated he does not necessarily  
21 disagree, but one of the "beefs" he has had is that he has had multiple citizens come to him and say something about a certain  
22 employee being fired or driven out of the City even though they were a great employee. He stated that causes him to  
23 question things in the back of his mind, though he did not investigate the issue or look into the issue. Mayor Nagle asked  
24 Councilmember Duncan why he did not look into it; she stated she asked the Council to do so because she knew those  
25 comments were being made and that there were Councilmembers that thought the City had treated an employee unfairly. She  
26 reiterated she asked the Council to talk to Mr. Rice and find out what actually happened and none of the Councilmembers did  
27 so. She stated if she were a terminated employee she would give outsiders the best spin on her termination in order to save  
28 face and it is incumbent upon the Council to get the facts. She stated that she does not think it is appropriate for the Council

1 to make derogatory comments about a terminated employee, but it is good for the Council to know the back story of why the  
2 employee was terminated so that when those comments do come, the Council does not second guess the staff because they  
3 know why certain decisions were made. She stated she would suggest, and she believed Councilmember Shingleton would  
4 back her up, that every employee that has been terminated was one of the people that were not assisting in elevating the level  
5 of service or commitment in the City. She stated that when Mr. Rice began his employment he communicated to all the  
6 employees that he believed they would either be with him or they would figure out in a matter of a few months that they did  
7 not want to be with him, but there is no staying behind. She stated he has led staff to a superior level of service and originally  
8 the Council trusted Mr. Rice to identify who needed great direction or who really just needed a different opportunity. She  
9 stated she would still encourage Councilmember Duncan to figure out the other side of the story because she thinks he would  
10 be surprised to hear it.

11 [8:51:18 PM](#)

12 Councilmember Shingleton stated that he thinks employees need to understand that he is not opposed to giving  
13 raises and his quandary, which he thinks is probably the same for most of the Council, is how raises should be done so that  
14 everyone “gets a piece of the action”. He stated that a Police Officer stood and said he was leaving the City for higher paying  
15 employment elsewhere, but he does not know where he is in the “pecking order” of the Police Department and he has some  
16 questions about the situation. He wondered if he left because he was assigned one of the lower wage scales. He stated he is  
17 not saying that no one deserves a raise and if the City had the money he would give everyone a 50 percent raise; Police  
18 Officers and Firefighters do, in fact, put their lives on the line and that is appreciated and they are underpaid and he  
19 recognizes that. He stated he is worried about the person that is making \$32,000 versus the person making up to \$60,000 and  
20 which of those employees are leaving employment with the City. He stated those are questions he has. Councilmember  
21 Duncan stated that is a concern that has been expressed already tonight. He stated he has worked for a government entity in  
22 the past and they put in place a wage freeze for two years at a time when he was at the bottom of the “pecking order”. He  
23 stated that is a tough situation and during this economy the cost of everything is increasing and that adversely and  
24 disproportionately affects people. He stated that his question is how to address the fact that people have not had a raise for a  
25 long time and they are hurting. He asked if that should be addressed by giving raises across the board or by putting corporate  
26 welfare in place and say that the people most disproportionately affected by the problems in the economy are the people that  
27 have less money to operate on. He stated he has been affected by the economy and he pays the same amount of money for

1 gas, but he would guess he can afford it easier than others that are making far less money. Mayor Nagle stated that is why  
2 the Council has Mr. Rice and Department Heads in place and they should be making those decisions. She stated the Police  
3 Chief addressed the Council not too long ago and said that he needed to give raises to some of his lower paid employees; the  
4 Council does not know why those people are that the Chief wants to keep or who he wants to incentivize, but he does and he  
5 has come before the Council asking for the ability to do that. She stated that the Council does not know who is performing;  
6 maybe some employees should not be incentivized and maybe it would be better if they found another job opportunity, which  
7 would give another higher performing employee and opportunity to be promoted within their Department. Councilmember  
8 Duncan asked what will happen if a City employee does not get a raise after tonight's discussion; what will that employee  
9 think. Mayor Nagle stated that is not for her to say. Utility Manager Holly Craythorn said those people should understand  
10 that they should work harder and make a better contribution to the City and earn the merit that they were eligible to receive.  
11 She stated they should wonder what they could have done different to deserve a raise. Mayor Nagle stated Ms. Craythorn is  
12 the employee that was responsible for identifying almost \$30,000 a year in increased revenue and when Mr. Rice brought her  
13 proposal to the Council it was shot down.

14 [8:56:21 PM](#)

15 Councilmember Peterson stated there are two issues being discussed; one is a policy issue concerning how the raises  
16 should be allotted. He stated the other issue is the amount of \$150,000 and there was a suggestion that the amount should  
17 maybe less. He stated that regarding the latter, Councilmember Shingleton made the comment that if the City had the money  
18 he would approve a 50 percent raise for all employees. He stated the City does not have that kind of money, but it does have  
19 enough money to give the Administration \$150,000 to be used for raises. He stated that if the Council could legitimately say  
20 that it cannot give \$150,000 because \$30,000 of that is needed for roads, he could agree with that, but he cannot agree with  
21 that at this time because the City is in the situation now where there is enough money for utilities, roads, and other projects  
22 while still offering money for raises. He added that he does not think \$150,000 is a lot of money. He stated he really wants  
23 to know what the Council wants to do; do they want to set policy or do they want to lower the amount, or do they want to do  
24 both. Councilmember Lisonbee stated that she thinks a lot of the money that has been contributed to roads and infrastructure  
25 has been impact fee money and other money; it has not been from the general fund necessarily and ongoing the City is facing  
26 huge infrastructure costs and the Council has been told by staff several times that the City is looking at astronomical  
27 infrastructure costs and it has even been said that bonding is not necessarily a bad thing and the City should consider taking

1 on more debt to pay the increased infrastructure costs. She stated that to say that the City has a windfall of money and the  
2 Council does not need to think about any other upcoming expenses seems to be a little irresponsible. She stated \$150,000 is  
3 \$1.5 million in 10 years and in 10 years the City will have almost the same debt that it has now. Councilmember Peterson  
4 stated it will be more than \$1.5 million because the staff will want another raise before another 10 years. Councilmember  
5 Lisonbee stated that is obvious, but hopefully the City's revenues will continue to increase and the City will see positive  
6 impacts with all of the businesses coming into the City that the Council has voted to assist with RDA funds. She stated those  
7 things will increase the City's revenues and help defray the long term costs that the City will need to expend for capital  
8 projects. Mayor Nagle stated those projects that are being assisted with RDA funds were projects that were sought out by the  
9 staff and brought to the Council; the Council did not seek those projects out. Councilmember Lisonbee stated Ed Gertge  
10 brought his project to the City. Mayor Nagle stated staff recognized that the citizens want a pool and the City cannot afford it  
11 and they tried to figure out a solution; the staff knew Mr. Gertge wanted to expand his business and it was Mr. Rice and other  
12 staff that led the conversations with him regarding the idea of a pool. She stated that is what she is talking about; staff is  
13 bringing projects to the City. She stated she recognizes \$150,000 is a lot of money, but \$100,000 of the fund balance of \$1.4  
14 million is a very insignificant amount in comparison to what staff has brought to the table in all aspects. She stated that Mr.  
15 Marshall was the employee that identified the fact that if impact fee money was not used for capital projects, which are being  
16 funded in the amount of \$6.7 million, some of that money would be lost. She stated that was not discovered by the Council,  
17 but it was discovered by the staff. Councilmember Lisonbee stated she believed the Council talked about that in the budget  
18 hearing and she brought up the fact that those impact fee funds would be retiring soon. Mayor Nagle stated the  
19 Administration discovered that fact; it was not discovered by the Council. Councilmember Lisonbee stated that is great, but  
20 the point is that the staff is great; everyone has said that and the Council appreciates the staff. She stated no one is saying that  
21 they do not want to reward the staff, but what they are saying is that it needs to be responsibly considered.

22 [9:01:03 PM](#)

23 Councilmember Peterson agreed that the Council needs to consider long-term sustainability of the City, but over the  
24 past two years the Administration and employees have shown a track record that they are doing that and giving them  
25 \$150,000 for raises will not ruin the City's long term plans; rather, it will reward them and they will keep working hard and  
26 he has no reason to doubt that the Council will be having a similar discussion next year about extra money that needs to be  
27 spent. Councilmember Johnson agreed and stated that \$150,000 is not that much money and the more the discussion goes on

1 he is feeling that the Council should put faith in the Department Heads and Mr. Rice that they will choose the right people to  
2 receive merit increases. He stated that he feels the \$150,000 will be found somewhere else in next year's budget. He stated  
3 he wanted to have dialogue about the issue and there has been good conversation, but he is now willing to say that it is about  
4 time that the City provide raises to those that deserve it.

5 [9:02:46 PM](#)

6 Councilmember Shingleton stated there are a couple of other items in the budget opening that he wants to discuss.  
7 He stated there is funding for a car for the Police Department and two trucks for the Fire Department and he asked why those  
8 purchases are necessary. Mayor Nagle stated two of the vehicles have been totaled in accidents; a Police Department vehicle  
9 was involved in an accident and was totaled. She explained the insurance company paid the vehicle off, but the City must  
10 buy a new vehicle to replace it. She added a Fire Department truck was also involved in an accident and was totaled and it  
11 must be replaced and the vehicle the Fire Chief has been driving is in disrepair to the point that the Fire Chief cannot even  
12 take command of a scene because of his vehicles electrical issues. She noted that vehicle is 10 or 12 years old and needs to  
13 be replaced. Mr. Marshall added those purchases will be made using money from the capital projects fund rather than the  
14 General Fund. Councilmember Shingleton stated he understood that the Police Vehicle had been totaled, but he thought the  
15 City was leasing Police vehicles and he wondered why the total for the new vehicle is \$38,000. Mr. Marshall explained the  
16 City did lease 10 vehicles for \$390,000; the insurance company paid the bank directly for the totaled vehicle and the City  
17 feels it can further pay down that debt by purchasing the replacement vehicle with cash. He stated the City could lease one  
18 more Police vehicle, but this option allow for the replacement of the vehicle with no additional debt. Mr. Rice added the City  
19 has the cash available in that fund to do it.

20 [9:05:06 PM](#)

21 Councilmember Lisonbee asked about the business pamphlets expense in the budget opening. She asked what  
22 happened to the idea of "piggy-backing" the distribution of the pamphlets with the City newsletter to defray costs. Mr. Rice  
23 stated nothing happened to that idea; the City still has to pay the cost to print the pamphlets, but the two documents will be  
24 delivered together. He added the actual cost for the printing will likely be approximately \$1,500 less than the estimate  
25 included in the budget opening. Mr. Marshall added that the \$5,000 total is strictly for the cost to print the pamphlet and staff  
26 is working to send the pamphlets with the November newsletter.

27 [9:05:51 PM](#)

1 Mayor Nagle stated there has been a lot of discussion about this issue and she asked if there is a desire among the  
2 Council to make an amended motion. Mr. Carlson stated that because motions are ranked, he would recommend voting on  
3 the motion to table before another motion is entertained.

4 [9:06:07 PM](#)

5 Mayor Nagle stated there has been a motion and a second to table the Proposed Resolution; she called for a vote.  
6 ALL VOTED AGAINST TABLING THE PROPOSED RESOLUTION.

7 [9:06:38 PM](#)

8 COUNCILMEMBER PETERSON MADE A MOTION TO ADOPT PROPOSED RESOLUTION R12-24  
9 ADJUSTING THE SYRACUSE CITY BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2013.  
10 COUNCILMEMBER JOHNSON SECONDED THE MOTION.

11 COUNCILMEMBER LISONBEE MADE AN AMENDED MOTION TO ADOPT PROPOSED RESOLUTION  
12 R12-24 ADJUSTING THE SYRACUSE CITY BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2013, WITH THE  
13 FOLLOWING AMENDMENT:

- 14 • IN LIGHT OF ALL DISCUSSION AND THE FACT THAT THE COUNCIL WILL BE ABLE TO  
15 CONSIDER ADDITIONAL FUNDING TO DEDICATE TO PAY INCREASES FOR EMPLOYEES IN  
16 EIGHT MONTHS, THAT THE COUNCIL ONLY COMMIT AT THIS POINT IN THE BUDGET YEAR,  
17 AND BEFORE LOOKING AT INFRASTRUCTURE SURVEY RESULTS, \$60,000 TO PAY  
18 INCREASES TO EMPLOYEES BASED ON MERIT.

19 Councilmember Lisonbee's motion died for a lack of a second.

20 [9:07:43 PM](#)

21 Councilmember Duncan stated that he is torn; he really sees merit pay as a much broader concept and idea. He  
22 stated he agrees with Councilmember Johnson's concerns; he sees a real need to make sure that the employees that are doing  
23 well and are making less money. . .they are those that are suffering more at this particular time as compared to everyone else.  
24 He stated he also understands Councilmember Lisonbee's concern; he sees impending financial doom and there are some  
25 really issues in the City. He stated he wants to give raises, but the question is whether the Council is comfortable with  
26 \$150,000 or if they should give something now with the idea that once the Council has a better idea about the state of the

1 City's infrastructure, they can move forward with more money later on. He stated he is not opposed to giving out raises in  
2 spite of the attacks.

3 [9:09:22 PM](#)

4 Councilmember Peterson stated there may be some issues that the City will need to address in the future, but the  
5 staff has already started to conquer the problems with funding for roads and he believes they will deal with other problems in  
6 a similar manner and hopefully the Council will help rather than hinder them in doing that. Mayor Nagle added that the  
7 Council can also hold the staff accountable if they do not; that is the power the Legislative Body has.

8 [9:09:58 PM](#)

9 Mayor Nagle stated there is a motion and a second to adopt the Proposed Resolution; she called for a vote.  
10 VOTING "AYE": COUNCILMEMBERS DUNCAN, JOHNSON, PETERSON, AND SHINGLETON. VOTING "NO":  
11 COUNCILMEMBER LISONBEE.

12

13 [9:10:09 PM](#)

14 7. Proposed Ordinance 12-27 adopting Title Seven rewrite of Syracuse  
15 City Code pertaining to Fire and Hazardous Materials.

16 A staff memo from the City Attorney explained some sections of Title Seven have not been updated for over forty  
17 years. Based on the request of the Fire Chief and comparison to alternative ordinances, the city administration presents the  
18 attached re-codification of Title Seven (Title VII) as a proposal for the City Council's consideration. The memo highlighted  
19 the changes to the document from the September 25 draft version as follows:

- 20 1. The "Health Department" chapter, formerly chapter 1, has been entirely deleted. Utah Code §26A-1-103 now  
21 directs each county to create and maintain a health department for all incorporated and unincorporated areas in  
22 the county.
- 23 2. Uniform severability clauses were added at the end of each chapter.
- 24 3. "Inspection of Buildings" was amended to clarify that it applies exclusively to "premises not used as a private  
25 dwelling."
- 26 4. "Entry During Fires" was amended to clarify that the Fire Chief or his designee may perform investigations.

- 1           5. Criminal Penalties- The level of offense for violating the title was amended to a tier based system with  
2           criminally negligent violations being infractions and intentional violations being class B misdemeanors. The  
3           only exception was to the Open Burning chapter, a violation of which is already identified as a class B  
4           misdemeanor under state law. *See* UCA §65A-8-211(6)(b).
- 5           6. Sections involving “Social Officer” and “Rules and Regulations to Fire Department” were deleted.
- 6           7. The section “Apparatus for City Use- Exceptions” was deleted.
- 7           8. “Permissible Burning- Without Permit” was amended to clarify that burning fence lines does not require a  
8           permit, although it does require notice, and that burning on snow covered ground outside the closed fire season  
9           does not require a permit.
- 10          9. “Open Burning of Brush, Leaves, and Grass Clippings” was amended to allow open burning in agricultural  
11          zones, on properties containing twenty or more trees, and on lots larger than two acres.
- 12          10. Several minor technical revisions were made.

13    [9:10:16 PM](#)

14          Mr. Carlson summarized his staff memo.

15    [9:11:01 PM](#)

16          Mayor Nagle stated the Council had a fairly thorough discussion on this topic during tonight’s work session meeting  
17    and it seemed that everyone’s concerns were addressed and appropriate corrections to the document were made. She asked if  
18    a motion could be made to adopt the document as amended during the work session. Mr. Carlson stated that would be  
19    acceptable after the public hearing is closed. He then mentioned the specific revisions that were made during the work  
20    session meeting, as follows:

- 21           • There are many references to obtaining a permit and those references will be changed to “obtain  
22           permission” to indicate that there is no permit form that one must obtain.
- 23           • Section 7.02.030 will be amended to remove the reference to City Council in subsection 1.
- 24           • Section 7.04.050 will be amended to correct the code reference in subsection 5.
- 25           • Section 7.04.060 will be amended by adding “crop stubble” and rather than using the word “and” the  
26           section will use “or” in relation to the different types of property.
- 27           • Section 7.40.060(2) will be amended by changing the section reference.

- 1                   • Section 7.05.030 will be amended by changing “specific year” to a “specific period of time” relative to  
2                   imposed bans by the Fire Chief.

3                   [9:13:17 PM](#)

4                   Mayor Nagle convened the public hearing.

5                   [9:13:36 PM](#)

6                   TJ Jensen stated the Council discussed this item fairly extensively. He stated Terry Palmer has made comments on a  
7 couple of occasions about making sure that the Council does not delegate too much authority to the Fire Chief. He stated the  
8 City may have a very good staff now, but the City has had a history of people “going off the reservation” and there are people  
9 that have abused their position and have not been evenhanded in how they do things. He stated just because things are fine  
10 now does not mean that 10-years from now the City will not have a corrupt Mayor or a Fire Chief with a chip on his  
11 shoulder. He stated “we” do need to give the Fire Chief leeway to be able to do what he thinks is best, but there needs to be  
12 checks and balances in place as well. He stated it is not a bad idea for a recommendation on a fire ban to come to the Council  
13 and the penalties are something to consider as well as Councilmember Duncan has talked about in past discussions.

14                   [9:15:34 PM](#)

15                   Seeing no additional persons appearing to be heard, Mayor Nagle closed the public hearing.

16                   [9:15:42 PM](#)

17                   Councilmember Shingleton stated during the work session meeting tonight he suggested the amendment to Section  
18 7.05.030 by changing “specific year” to a “specific period of time” relative to imposed bans by the Fire Chief. He suggested  
19 that the language “but no longer than a year” could also be added to that Section. Councilmember Duncan stated the section  
20 only deals with a fireworks ban and fireworks are banned in the State of Utah for the entire year except for two period of time  
21 in the month of July. Councilmember Shingleton stated that is not true because fireworks are allowed around the New Year’s  
22 holiday as well. Mayor Nagle stated she does not see a problem with adding the language Councilmember Shingleton is  
23 suggesting. Mr. Carlson stated he understands the desire to change the language to “a period of time”, but that period of time  
24 could be a month or it could be 17 years. Councilmember Shingleton stated that is why he recommended adding the  
25 statement “but no longer than a year” after “a period of time”. Chief Froerer stated he is not opposed to the recommended  
26 language. Council discussion regarding the recommended amendment continued with the conclusion being that the language  
27 would be added as discussed.

1 [9:20:12 PM](#)

2 COUNCILMEMBER SHINGLETON MADE A MOTION TO ADOPT PROPOSED ORDINANCE 12-27  
3 ADOPTING TITLE SEVEN REWRITE OF THE SYRACUSE CITY CODE PERTAINING TO FIRE AND HAZARDOUS  
4 MATERIALS WITH THE FOLLOWING AMENDMENTS:

- 5 • THERE ARE MANY REFERENCES TO OBTAINING A PERMIT AND THOSE REFERENCES WILL  
6 BE CHANGED TO “OBTAIN PERMISSION” TO INDICATE THAT THERE IS NO PERMIT FORM  
7 THAT ONE MUST OBTAIN.
- 8 • SECTION 7.02.030 WILL BE AMENDED TO REMOVE THE REFERENCE TO CITY COUNCIL IN  
9 SUBSECTION 1.
- 10 • SECTION 7.04.050 WILL BE AMENDED TO CORRECT THE CODE REFERENCE IN SUBSECTION  
11 5.
- 12 • SECTION 7.04.060 WILL BE AMENDED BY ADDING “CROP STUBBLE” AND RATHER THAN  
13 USING THE WORD “AND” THE SECTION WILL USE “OR” IN RELATION TO THE DIFFERENT  
14 TYPES OF PROPERTY.
- 15 • SECTION 7.40.060(2) WILL BE AMENDED BY CHANGING THE SECTION REFERENCE.
- 16 • SECTION 7.05.030 WILL BE AMENDED BY CHANGING “SPECIFIC YEAR” TO A “SPECIFIC  
17 PERIOD OF TIME, BUT NOT LONGER THAN A YEAR” RELATIVE TO IMPOSED BANS BY THE  
18 FIRE CHIEF.

19 COUNCILMEMBER JOHNSON SECONDED THE MOTION; ALL VOTED IN FAVOR.  
20

21 [9:21:02 PM](#)

22 8. Public Hearing – Proposed Ordinance 12-28 amending Title

23 Nine of the Syracuse City Code pertaining to inspection fees.

24 A staff memo from the Fire Chief explained the fire department is requesting an amendment to Title IX Chapter 1-3  
25 “Fees.” On large or complex projects we will send the plans out for third-party engineering review to ensure engineering of  
26 the sprinkler design meets code. The fee for this service will be assessed to the project applicant/coordinator, rather than to  
27 Syracuse City. This was not specifically stated in the 1997 version of the City Code.

1 [9:21:22 PM](#)

2 Mr. Carlson summarized the memo.

3 [9:21:44 PM](#)

4 Mayor Nagle convened the public hearing. There were no visitors wishing to make public comments and the public  
5 hearing was closed.

6 [9:22:00 PM](#)

7 COUNCILMEMBER SHINGLETON MADE A MOTION TO ADOPT PROPOSED ORDINANCE 12-28  
8 AMENDING TITLE NINE OF THE SYRACUSE CITY CODE PERTAINING TO FIRE INSPECTION FEES.  
9 COUNCILMEMBER DUNCAN SECONDED THE MOTION; ALL VOTED IN FAVOR.

10 [9:22:22 PM](#)

11 Councilmember Duncan suggested that someone provide a quick summary of why the Council made this decision.  
12 Mayor Nagle stated that she understood that would only be necessary when the decision is contrary to the advice given. Mr.  
13 Carlson stated there was discussion regarding this item during the work session, but any reason provided for a vote will be  
14 considered by a judge if any legal action is taken.

15

16 [9:22:57 PM](#)

17 9. Public Hearing – Proposed Resolution R12-25 amending the  
18 Syracuse City Consolidated Fee Schedule by making  
19 adjustments throughout.

20 A brief staff memo from the Finance Director explained staff is recommending several changes to the fee schedule  
21 that are considered necessary.

22 [9:23:09 PM](#)

23 Mr. Marshall summarized his staff memo.

24 [9:23:45 PM](#)

25 Mayor Nagle convened the public hearing. There were no visitors wishing to make public comments and the public  
26 hearing was closed.

1 [9:23:57 PM](#)

2 COUNCILMEMBER DUNCAN MADE A MOTION TO ADOPT PROPOSED RESOLUTION 12-25  
3 AMENDING THE SYRACUSE CITY CONSOLIDATED FEE SCHEDULE BY MAKING ADJUSTMENTS  
4 THROUGHOUT. COUNCILMEMBER PETERSON SECONDED THE MOTION.

5 [9:24:07 PM](#)

6 Councilmember Duncan stated it seems that the changes being made by this resolution make sense and are mostly  
7 for clean-up purposes. He added, however, that one change should be made in the section of the fee schedule dealing with  
8 rental of space in the Community Center to specify that rental of classrooms differs from rental of gymnasium space.

9 COUNCILMEMBER DUNCAN MADE AN AMENDED MOTION TO ADOPT PROPOSED RESOLUTION 12-  
10 25 AMENDING THE SYRACUSE CITY CONSOLIDATED FEE SCHEDULE BY MAKING ADJUSTMENTS  
11 THROUGHOUT, WITH THE FOLLOWING AMENDMENT:

- 12 • IN THE SECTION DEALING WITH COMMUNITY CENTER RENTAL, DIFFERENTIATE RENTAL  
13 OF CLASSROOMS FROM RENTAL OF GYMNASIUM SPACE.

14 Mr. Carlson stated that has been noted as a typographical error and an amended motion is not necessary.  
15 Councilmember Duncan withdrew his motion.

16 [9:25:35 PM](#)

17 Mayor Nagle stated there has been a motion and a second regarding the Proposed Resolution; she called for a vote.  
18 ALL VOTED IN FAVOR.

19

20 [9:25:46 PM](#)

21 10. Proposed Ordinance 12-25 amending various provisions of  
22 Title Eight, the Subdivision Ordinance, relating to exaction of  
23 water shares.

24 A staff memo from the City Attorney explained that recently a concern was brought to the attention of City Staff  
25 relative to the exaction of water shares for development within the City. Upon review of the current City ordinance regarding  
26 the acquisition of irrigation water shares upon non-residential developments by the City Attorney, the CED Director and  
27 Public Works Director, it was determined that the current ordinance does not adequately address State requirements for

1 irrigation water. Therefore, the City Attorney, in working with the Public Works Department and the CED Department,  
2 crafted an update irrigation water section (regarding water shares) of the City Code and presented it for review by the  
3 Planning Commission on September 18, 2012. The Planning Commission held a public hearing on September 18, 2012 to  
4 review the proposed amendment language. For Council use and review, the proposed language changes to the Municipal  
5 Code, Title VIII, reflects the combined efforts of the City Attorney, Public Works Department and the CED Department to  
6 provide a mechanism that equitably requires irrigation water shares be transferred to the City for both residential and non-  
7 residential developments.

8 [9:25:53 PM](#)

9 Mr. Carlson summarized his staff memo.

10 [9:26:22 PM](#)

11 COUNCILMEMBER JOHNSON MADE A MOTION TO ADOPT PROPOSED ORDINANCE 12-25  
12 AMENDING VARIOUS PROVISIONS OF TITLE EIGHT, THE SUBDIVISION ORDINANCE, RELATING TO  
13 EXACTION OF WATER SHARE. COUNCILMEMBER PETERSON SECONDED THE MOTION. ALL VOTED IN  
14 FAVOR.

15  
16 [9:26:40 PM](#)

17 11. Proposed Ordinance 12-26 amending the existing zoning map  
18 of Title Ten, Syracuse City Zoning Ordinance, by changing from  
19 Residential R-2 Zone to Professional Office (PO) Zone the parcel  
20 of property located at approximately 2463 W. 1700 S.

21 A staff memo from the Community Development Department explained the Planning Commission held a public  
22 hearing on October 2, 2012 for the Brighton Bank rezone request. No public comment was provided during the hearing. The  
23 Planning Commission reviewed the request and agreed that the property as proposed is established as Professional Office on  
24 the General Plan Map and this rezone request is in conformance with the General Plan. The Planning Commission  
25 unanimously recommended that the Syracuse City Council approve the rezone request from Brighton Bank to rezone  
26 property located at 2463 West 1700 South from the R-2 (Residential) Zone to Professional Office, with a finding that the  
27 property is designated in the City General Plan for said land us of Professional Office. No concerns were raised by the

1 Planning Commission or members of the public. The CED Staff hereby recommend that the City Council adopt Ordinance  
2 12-26 and approve the rezone request from Brighton Bank to rezone property located at 2463 West 1700 South from the R-2  
3 (Residential) Zone to Professional Office, with a finding that the property is designated in the City General Plan for said land  
4 use as Professional Office.

5 [9:26:50 PM](#)

6 Community Development Department Director Eggett summarized his staff memo.

7 [9:27:22 PM](#)

8 COUNCILMEMBER JOHNSON MADE A MOTION TO ADOPT PROPOSED ORDINANCE 12-26  
9 AMENDING THE EXISTING ZONING MAP OF TITLE TEN, SYRACUSE CITY ZONING ORDINANCE, BY  
10 CHANGING FROM RESIDENTIAL R-2 ZONE TO PROFESSIONAL OFFICE (PO) ZONE THE PARCEL OF  
11 PROPERTY LOCATED AT APPROXIMATELY 2463 WEST 1700 SOUTH. COUNCILMEMBER DUNCAN SECONDED  
12 THE MOTION.

13 [9:27:40 PM](#)

14 Councilmember Johnson stated this change is in accordance with the City's General Plan. Councilmember Duncan  
15 concurred and stated he felt this change is appropriate.

16 [9:28:06 PM](#)

17 Mayor Nagle stated there has been a motion and a second regarding the ordinance; she called for a vote. ALL  
18 VOTED IN FAVOR.

20 [9:28:10 PM](#)

21 12. Final Subdivision Approval of the Trailside Park Subdivision  
22 Phase Three, located at approximately 2950 S. 2000 W.

23 A staff memo from the Community Development Department explained the Planning Commission held a public  
24 meeting on October 2, 2012 for approval of a Cluster Subdivision and recommendation for Final Plat approval of this final  
25 phase of Trailside Park Subdivision. All items noted in staff reports have been addressed by the Planning Commission.  
26 Subsequently, on October 2, 2012, the Planning Commission recommended this subdivision to the City Council for approval.  
27 The Planning Commission also approved the conditional use to allow Trailside Park Phase 3 to be developed as a cluster

1 subdivision subject to Chapter 10-16 “Cluster Subdivision” of the Municipal Code. This proposed development is the final  
2 phase of the Trailside Park Subdivision, a 55+ Adult single family dwelling cluster development. Phase 1 of the project  
3 included the dedication of 5.43 acres of park space to the City, with additional common open space dedicated within Phase 1  
4 & 2. The overall permitted density of the cluster development, based upon bonus through open space and various amenities is  
5 4.35 dwelling units per acre. The total density for the project is 3.41 d.u./acre. On October 2, 2012, the Syracuse City  
6 Planning Commission recommended that the Syracuse City Council approve the Trailside Park Subdivision, Phase 3 Final  
7 Plans, subject to development agreement and the City staff reviews dated September 20 & 28, 2012, with the stipulation for  
8 the City Engineer to review the tributary area for the storm water catch basin to the North, and any necessary  
9 recommendations and updates be made to the developer. CED Staff hereby recommend that the City Council approve the  
10 final plans and amended development agreement for the Trailside Park Cluster Subdivision, Phases 3 , located at  
11 approximately 2950 South 2000 West, subject to meeting all requirements of the City’s Municipal Codes and City staff  
12 reviews dated September 20 and 28, 2012, with the stipulation for the City Engineer to review the tributary area for the storm  
13 water catch basin to the North, and any necessary recommendations and updates be made to the developer.

14 [9:28:15 PM](#)

15 Community Development Department Director Eggett summarized his staff memo.

16 [9:28:58 PM](#)

17 COUNCILMEMBER PETERSON MADE A MOTION TO GRANT FINAL SUBDIVISION APPROVAL FOR  
18 TRAILSIDE PARK SUBDIVISION PHASE THREE, LOCATED AT APPROXIMATELY 2950 SOUTH 2000 WEST.  
19 COUNCILMEMBER LISONBEE SECONDED THE MOTION.

20 [9:29:07 PM](#)

21 Councilmember Johnson asked if there is a change to the development agreement as well. Mr. Eggett answered yes  
22 and stated the change to the development agreement will be in effect if this action is approved.

23 [9:29:39 PM](#)

24 Mayor Nagle stated there has been a motion and a second regarding the subdivision approval; she called for a vote.  
25 ALL VOTED IN FAVOR.

26  
27 13. Councilmember Reports.

1 Councilmember reports began at [9:29:44 PM](#). Councilmember Lisonbee provided her report followed by  
2 Councilmembers Shingleton, Duncan, Peterson, and Johnson.

3

4 14. Mayor Report.

5 Mayor Nagle's report began at [9:42:41 PM](#) .

6

7 15. City Manager Report.

8 Mr. Rice's report began at [9:44:44 PM](#) .

9

10

11 At [9:45:35 PM](#) p.m. COUNCILMEMBER SHINGLETON MADE A MOTION TO ADJOURN.

12 COUNCILMEMBER DUNCAN SECONDED THE MOTION; ALL VOTED IN FAVOR.

13

14

15 \_\_\_\_\_  
16 Jamie Nagle  
17 Mayor

15 \_\_\_\_\_  
16 Cassie Z. Brown, CMC  
17 City Recorder

17

18 Date approved:

Minutes of the Syracuse City Council Special Meeting, October 23, 2012.

Minutes of the Special meeting of the Syracuse City Council held on October 23, 2012, at 6:00 p.m., in the Council Work Session Room, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Brian Duncan  
Craig A. Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

Mayor Jamie Nagle  
City Manager Robert Rice  
City Recorder Cassie Z. Brown

City Employees Present:  
City Attorney Will Carlson  
Finance Director Steve Marshall  
Community Development Director Michael Eggett  
Public Works Director Robert Whiteley  
Fire Chief Eric Froerer  
Police Chief Brian Wallace  
Police Lieutenant Tracy Jensen

Visitors Present:	Bruce Baird	Dina Adams	Mason Adams
	Delaney Michie	Alex Nay	Susan Nay
	Thomas Ethington	Allen Gehrke	Caden Johnson
	Hydee Hartley	Brady Wasnock	Nick Rizer
	Logan Hoopes	Ray Zaugg	Pat Zaugg
	Justin Kilgore	Cardon Malan	Grant Patterson
	Bailee Anderson	Justin Sisneros	Oby Bennett
	Whitney Parker	Sydnee Lawrence	Jace Korn
	Morgan Hamblin	Tavin Wiese	Jackson Nuttall
	Jaryn Ashby	Brody Minson	Gavin Stybe
	Mark Christensen	Mike Voshell	Alejandra Alvarez
	Austin Smith		

1. Meeting Called to Order/Adopt Agenda

6:00:43 PM

Mayor Nagle called the meeting to order at 6:00 p.m. as a special meeting, with notice of time, place, and agenda provided 24 hours in advance to the newspaper and each Councilmember. She asked all visitors present if any wished to provide an invocation or thought; Councilmember Johnson provided an invocation. Councilmember Lisonbee then led all present in the Pledge of Allegiance.

6:02:41 PM

1 COUNCILMEMBER SHINGLETON MADE A MOTION TO ADOPT THE AGENDA. COUNCILMEMBER  
2 PETERSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

3

4 2. Public Comments

5 [6:02:47 PM](#)

6 There were no visitors present who wished to make public comments.

7

8 3. Approval of minutes.

9 [6:03:12 PM](#)

10 The minutes of the Work Session Meeting of October 9, 2012 were reviewed.

11 COUNCILMEMBER LISONBEE MADE A MOTION TO APPROVE THE MINUTES OF THE WORK  
12 SESSION MEETING OF OCTOBER 9, 2012 AS PRESENTED. COUNCILMEMBER DUNCAN SECONDED THE  
13 MOTION.

14

15 4. Consideration of Joint Development Agreement between Syracuse City and Ninigret.

16 [6:03:29 PM](#)

17 City Attorney Will Carlson explained this agreement was presented to the Council two weeks ago during their work  
18 session meeting and over the course of the last two weeks some of the exhibits that were initially missing from the agreement  
19 have been added. He noted the most recent addition to the document is the offsite improvement agreement, which is the last  
20 exhibit to the agreement. He stated the legal description of the property covered by the Joint Development Agreement was  
21 provided to the Council earlier today. He then stated he would be happy to answer any questions about the document.

22 [6:04:15 PM](#)

23 Councilmember Duncan asked what the offsite improvement agreement deals with. Community Development  
24 Director Eggett stated that the agreement holds the developer to what they have agreed upon relative to subdivision design.  
25 He stated it is a legal document to support the subdivision approval. Public Works Director Whiteley added that it covers the  
26 infrastructure and utility structures that support the development. Councilmember Duncan asked if there is anything unusual

1 about this agreement compared to other offsite improvements in the City. Mr. Eggett stated it is the City's standard  
2 agreement for subdivision approval.

3 [6:05:44 PM](#)

4 Mayor Nagle stated that the agreement was discussed during the last work session and she asked if there were any  
5 changes or additions to the document since that time. Mr. Carlson explained there were no changes to the body of the  
6 document; the only changes have been to collect and add all exhibits to the document.

7 [6:06:10 PM](#)

8 Councilmember Lisonbee stated that she thought the Council had suggested some changes to the agreement. Mr.  
9 Carlson stated there were no requests to change or update language at the last meeting.

10 [6:06:33 PM](#)

11 Councilmember Shingleton asked Mr. Carlson to explain which parcel of ground this agreement applies to. Mr.  
12 Carlson explained exhibit A is the project area plan and the Economic Development Area (EDA) framing document and it  
13 references 183 acres, which is the entire area around Syracuse High School; however, it also provides a specific plan and  
14 budget for the area just east of the power corridor. He stated in order to fund development west of the power corridor, that  
15 plan would need to be amended. He stated the agreement does not provide the power to do any work on the property west of  
16 the power corridor; the document does provide power to do work on the 72.6 acres of property east of the power corridor.

17 [6:07:35 PM](#)

18 Councilmember Duncan clarified the EDA encompasses the entire property, while the project plan only  
19 encompasses the 73 acre parcel. Mr. Carlson stated that is correct.

20 [6:08:10 PM](#)

21 COUNCILMEMBER PETERSON MADE A MOTION TO AUTHORIZE MAYOR NAGLE TO EXECTE JOINT  
22 DEVELOPMENT AGREEMENT BETWEEN SYRACUSE CITY AND NINIGRET. COUNCILMEMBER DUNCAN  
23 SECONDED THE MOTION; ALL VOTED IN FAVOR.

24

25

26 [6:08:28 PM](#)

1 Mayor Nagle stated that prior to adjourning she wanted to make a quick comment; she noticed Oby Bennett is  
2 present tonight and she wanted to report on an event that took place earlier today. She stated the City was presented with a  
3 big check from Davis County in the amount of \$42,000, all of which will go to Chloe's Park. She stated Oby and his wife  
4 initially came up with the idea for the park for their daughter Chloe and today was a big day for them. She noted Oby was  
5 present with Chloe and she wanted to commend the City staff involved as well as the Bennett's for all of their hard work.  
6 Mr. Bennett stated staff has done a lot of work and he was glad that Parks and Recreation Director Robinson was able to  
7 attend the event because she has done much work for the park.

8  
9

10 At [6:09:26 PM](#) p.m. COUNCILMEMBER SHINGLETON MADE A MOTION TO ADJOURN.  
11 COUNCILMEMBER PETERSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

12  
13

14 \_\_\_\_\_  
15 Jamie Nagle  
16 Mayor  
17  
18 Date approved: \_\_\_\_\_

\_\_\_\_\_

Cassie Z. Brown, CMC  
City Recorder



# COUNCIL AGENDA

## November 13, 2012

Agenda Item “5”

Proposed Resolution R12-26 appointing a Police Chief for Syracuse City.

### *Factual Summation*

- Any questions regarding this item may be directed at City Manager Bob Rice.
- Please see attached Proposed Resolution R12-26.

### *Staff Proposal*

*Adopt Proposed Resolution R12-26 appointing a Police Chief for Syracuse City.*

**RESOLUTION NO. R12-26**

**A RESOLUTION OF THE SYRACUSE CITY COUNCIL APPOINTING A  
POLICE CHIEF FOR SYRACUSE CITY.**

**WHEREAS**, Section 2.05.090 of the Syracuse City Municipal Code states that there shall be appointed by the Mayor, with the advice and consent of the City Council, a City Police Chief who shall perform the duties required of him by law, and shall perform such other duties as the City Council may require; and

**WHEREAS**, Police Chief Brian Wallace is retiring, thus creating a vacancy in the position of Police Chief; and

**WHEREAS**, Mayor Nagle desires to employ a qualified individual to act in the position of Police Chief; and

**WHEREAS**, Garret Atkin desires to work as the Syracuse City Police Chief and the Administration, Mayor, and Council have found that he possesses the necessary skills, abilities and qualifications to do so; and

**WHEREAS**, Mayor Nagle has determined that it will be in the best interest of the City and will promote public welfare to employ Garret Atkin as the Police Chief.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SYRACUSE CITY, STATE OF UTAH, AS FOLLOWS:**

**Section 1. Appointment:**

- The Syracuse City Mayor, with advice and consent of the Council, hereby appoints Garret Atkin to serve as the Police Chief, pursuant to the City's Ordinances, Rules and Regulations.

**Section 2. Severability.** If any section, part or provision of this Resolution is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Resolution, and all sections, parts and provisions of this Resolution shall be severable.

**Section 3. Effective Date.** This Resolution shall become effective immediately upon its passage.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF SYRACUSE CITY,  
STATE OF UTAH, THIS 13<sup>th</sup> DAY OF NOVEMBER, 2012.**

**SYRACUSE CITY**

ATTEST:

\_\_\_\_\_  
Cassie Z. Brown, City Recorder

By: \_\_\_\_\_  
Jamie Nagle, Mayor

# SYRACUSE POLICE DEPARTMENT

## "SETTING THE P.A.C.E"

### PRIDE

COOPERATION



ACCOUNTABILITY

### EXCELLENCE

STRATEGIC PLAN  
PRESENTED BY  
GARRET ATKIN

November 7, 2012

Dear Selection Committee,

Allow me to begin by thanking you for this opportunity. I believe that the future for Syracuse is bright, and I look forward to the challenges and successes that await me if selected as the City's next Police Chief.

I was asked to provide information on three basic questions; 1) What will my first 90 days as Police Chief look like? 2) What are my strategic goals for the first year? 3) How would I encourage the team to support my vision and move the Department forward? My belief is that this strategic plan will both answer these questions and serve as a road map for what I want to accomplish. It outlines not only my goals and vision, but I believe it also demonstrates how I plan to capture the enthusiasm and limit the stress that comes with any change in leadership.

"Setting the P.A.C.E." is a statement that will be used by Syracuse Police Department to identify our values. The term P.A.C.E. is an acronym for PRIDE, ACCOUNTABILITY, COOPERATION, and EXCELLENCE. Members will take PRIDE in the department they work for, the community they serve, and the work they produce on a daily basis. They will have ACCOUNTABILITY for the things they do, as well as the things they do not do. Great work will be recognized so that it may be used as examples for others to follow; problems will be addressed with an emphasis on improving future performance. An attitude of COOPERATION will be used to improve service to the community. Officers cannot successfully do their jobs alone; it takes the assistance of citizens, other City departments, and other agencies to combat the public safety concerns of the community. EXCELLENCE will stand as the ultimate goal in all that we do.

If selected, I understand that I will be tasked with developing the most professional, well trained, and service oriented department possible for the citizens of Syracuse. It will be my duty to work with the men and women of the Department, as well as the community, to both identify things that are working well and build upon them and identify areas of improvement that can be used to move the Department into a successful future.

Again, I would like to thank you for this opportunity and for considering me for this position.

Sincerely,



Garret Atkin

## 90 DAY PLAN

### FIRST TWO WEEKS

My first two weeks as Chief will present interesting challenges, in part due to the time of year. If selected, I will assume command of the Department on Christmas Eve and the two weeks surrounding Christmas and New Year's is typically a slower time for most organizations. It is a time when people are focused on festivities and family and begin to prepare for the challenges and hopes of a new year.

Here is my plan and my goals for this time period:

1. Prepare a Christmas card for each employee. It will introduce the concept of "Setting the P.A.C.E." and thank them for their service during the past year.
2. I plan to come out and work the road for a few hours on Christmas morning so that officers on duty may spend some time with their families. I also plan on bringing dinner to the Department for those who work later in the day.
3. During this time period, it is very important for employees to see me in uniform. This demonstrates my unity with my new department.
4. Within the first two weeks, I would hold a formal meeting with members of my leadership staff. I want to introduce myself to them, outline my plan, let them ask questions of me, and set my overall expectations.
5. I would also use this period to informally meet other members of the Department and the City. The point is simply to let them know who I am and portray my enthusiasm.
6. I would take down the current webpage for the Department in preparation for new information.
7. I would enroll in the International Association of Chiefs of Police organization. The cost is approximately \$150.00. I believe this would be an extremely valuable tool for me and the Department. It provides a mentoring program for new Chiefs and a wealth of information aimed at assisting smaller agencies.

## THE NEXT 30 DAYS

In the next 30 days, I would focus on the following four areas: 1) Developing communication with the community; 2) Meeting with members of the Department; 3) Getting acclimated to the city; and 4) Staff project. (These items are not listed in any order of importance or order of completion).

1. Developing communication with the community.
  - a. I would introduce myself to many of the key partners from the community and surrounding area. This would include the following:
    - Other local law enforcement leaders
    - School administrators
    - Business leaders
    - Senior citizen group
    - Judge
  - b. I would work with local media partners and other resources to announce an electronic community survey. The purpose of the survey is to determine how citizens feel about the Department and their perceptions of crime in the community. (See Attachment A for an example).
2. Formally meet with members of the Department. It is my chance to formally introduce myself to them, outline my plan, let them ask questions of me, and set my overall expectations. This would take place in groups first, and then individually.
  - a. Prior to individual meetings, I would email employees four questions for discussion:
    - What are your areas of responsibility in the Department?
    - What do we do well? How do we improve?
    - What don't we do so well? How do we improve?
    - What is one thing about the Department that you would change or that you feel is a negative tradition?
3. Getting acclimated to the city.
  - a. I would ride with several officers on different shifts to become familiar with the city and how they do their job.
4. Staff project
  - a. I would give staff members a project to see who meets deadlines, get a feel of their writing styles and quality of work, and get a sense of critical thinking skills.
    - Possible ideas include what information should be contained on the website, asking them to give me two goals for their areas of responsibility, or placing them in leadership positions on committees. (This is discussed in greater detail later in my strategic plan).

## THE REMAINING 45 DAYS

The remaining days of my 90 day plan would deal primarily with audits. It would include things such as the following:

- Reviewing employee survey feedback and staff project
- Reviewing citizen survey feedback
- Reviewing complaints, commendations, and use of force records
- Reviewing overall activity during the past year (citations, arrests, etc.)
- Reviewing training records and certifications
- Auditing crime statistics and trends
- Reviewing and evaluating reports from patrol and detectives
- Reviewing and evaluating the field training program
- Reviewing and evaluating the reserve officer program
- Evaluating current training efforts and programs
- Evaluating the property room and evidence storage methods
- Evaluating our involvement in special services such as ICAC, JCAT, and SWAT
- Evaluating our work on investigations
- Evaluating policies and procedures
- Evaluating need and ability to implement a Volunteers in Police Service (VIPS) program
- Evaluating forms and resource material

As you can tell from my 90 day plan, I do not anticipate making any large scale changes during this period. I believe I will be better suited to take information I learn during this time to make simple changes that will foster trust and assist with people buying into my methods and vision. Issues may come up that require my immediate attention and correction, and I will not hesitate to take action in those situations.

During this period of time, I also hope to determine what my supervisor expects from me and what involvement he expects to have in the Department. What changes, if any, would he like to see in the Department? When does he want to be notified about issues within the Department? What involvement am I expected to have with the Mayor and City Council? These and other questions will help me greatly as I manage the day to day operations of the Department.

## First year strategic goal #1

### PROFESSIONALISM

#### PURPOSE:

Improving the level of professional supports the Department's values of "Setting the P.A.C.E."

#### OBJECTIVE #1:

**Develop and implement a new mission and vision statement for the Department.**

The current mission statement for the Department is too long and unclear. A mission statement needs to be a simple guide that employees can follow and use in their individual assignments. A vision statement should also be simple and should identify the Department's long term goal(s).

#### METHOD AND MEASUREMENT:

A committee will be formed to achieve this objective. It will be comprised of employees, ideally voluntarily, from various areas of the Department. A supervisor will be placed in charge of the committee. The committee will be given basic parameters and a deadline. It will be up to the committee to present their ideas to the Police Chief for consideration. This objective will be accomplished when the Department has adopted and implemented the new mission and vision statements.

#### OBJECTIVE #2:

**Develop and implement uniform standards for the Department.**

The Department currently has a policy that addresses uniforms, but few specifics are actually mentioned. The purpose of a uniform in law enforcement organizations is to add an element of professionalism and to make uniformed officers readily identifiable to the public. Uniforms must be uniform.

#### METHOD AND MEASUREMENT:

A committee will be formed to achieve this objective. It will be comprised of employees, ideally voluntarily, from various areas of the Department. A supervisor will be placed in charge of the committee. The committee will be given basic parameters and a deadline. It will be up to the committee to present their ideas to the Police Chief for consideration. This objective will be accomplished when the Department has adopted and implemented standards for uniforms and dress in the various units.

**OBJECTIVE #3:**

**Improve the Department's commitment to productivity and officer safety.**

The Department, the City, and the citizens have a right to expect employees to be productive while on duty. Officers have a right to expect that the Department is concerned for their well being and will implement programs and equipment designed to improve their awareness and overall safety

**METHOD AND MEASUREMENT:**

To gauge productivity, the Department will implement a quota-free productivity system. Key areas of productivity will be identified by the administration, and officers will be held accountable for meeting or exceeding the standard. Supervisors will be held accountable for ensuring employees understand the system and expectations, and for providing mentoring to help employees be successful.

To improve officer safety, the Department will implement three key concepts. First, the Department will implement Law Officers' Below 100 initiative. This identifies five guiding principles aimed at bringing the total number of law enforcement officers killed in the line of duty across the nation to below 100. Second, the Department will implement the A.I.M program sponsored by the Department of Justice. It is designed to remind officers of the importance of awareness, image, and mind-set. Third, the Department will identify training opportunities and methods to improve the safety of its officers.

These items will be ongoing efforts for the Department.

**OBJECTIVE #4:**

**Improve performance during critical incidents.**

The need for quality and effective performance from police officers is paramount during critical incidents. These types of incidents may not be encountered on a regular basis, so it is important to prepare officers with the knowledge and skills necessary to meet these challenges.

**METHOD AND MEASUREMENT:**

The Department will develop a critical incident pocket manual that officers and supervisors can use as checklists during these stressful situations. The Department will also identify training opportunities and methods to improve the performance of officers. Part of this objective will be accomplished when the Department has developed the critical incident pocket manual; the training aspect will be an ongoing effort for the Department.

**OBJECTIVE #5:**

**Maintain and improve methods to document excellent performance, problems, and discipline.**

Publically recognizing/rewarding excellent performance by employees is key to reinforcing behaviors that the Department deems desirable. Likewise, it is important for supervisors to document employee's problems, correction efforts, and discipline.

**METHOD AND MEASUREMENT:**

The Department will research and identify methods to achieve this objective. It will be an ongoing effort for the Department.

**First year strategic goal #2**

**SERVICE TO THE COMMUNITY**

**PURPOSE:**

Improving the level of service to the community supports the Department's values of "Setting the P.A.C.E."

**OBJECTIVE #1:**

**Revise the Department's webpage.**

A webpage is a statement for a department. It should provide details about programs and services offered by the Department. It should also provide links that citizens can use to obtain more information on law enforcement related topics. Information on the webpage should be reviewed and updated regularly.

**METHOD AND MEASUREMENT:**

A committee will be formed to achieve this objective. It will be comprised of employees, ideally voluntarily, from various areas of the Department. A supervisor will be placed in charge of the committee. The committee will be given basic parameters and a deadline. It will be up to the committee to present their ideas to the Police Chief for consideration. This objective will be accomplished when the Department has adopted and implemented improvements to the webpage.

**OBJECTIVE #2:**

**Review the citizen survey responses.**

The purpose of the survey is to determine how citizens feel about the Department and their perceptions of crime in the community.

**METHOD AND MEASUREMENT:**

The Department will look for cost effective ways to deliver the surveys. Information obtained from the survey will be used by the Department to gauge effectiveness and identify areas of improvement. The Department will also strive to inform the public about the realities of crime in the community. This will be an ongoing effort for the Department.

**OBJECTIVE #3:**

**Develop crime prevention presentations and materials to be used for community education.**

Community education plays an important role in reducing crime and the fear of crime. To be effective, educational efforts must be presented in a professional and informative manner.

**METHOD AND MEASUREMENT:**

The Department will look for cost effective ways to create education material. The Department will also develop a series of presentations on crime prevention related topics that can be used by any member of the Department when making community presentations. This will be an ongoing effort for the Department.

**OBJECTIVE #4:**

**Encourage volunteer participation.**

Giving back to the community through volunteer efforts will be encouraged by the Department. The Department will also look for ways interested community members can volunteer.

**METHOD AND MEASUREMENT:**

The Department will encourage volunteer efforts of employees and recognize them for their participation in community causes. The Department will also look for ways outside the organization to recognize employees who give back to the community. A committee will be formed to assess the viability of a Volunteers in Police Service (VIPS) program. It will be comprised of employees, ideally voluntarily, from various areas of the Department. A supervisor will be placed in charge of the committee. The committee will be given basic parameters and a deadline. It will be up to the committee to present their ideas to the Police Chief for consideration. This objective will be accomplished when the Department has made a proper assessment on the viability and benefits of a VIPS program.

ATTACHMENT A

COMMUNITY SURVEY

In Syracuse, how concerned are you about the following issues: (please click on the number corresponding with your level of concern)

**1. My personal safety**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**2. Theft and Burglaries**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**3. Juvenile problems**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**4. Gang activity**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**5. Buying and selling of drugs**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**6. Vandalism**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**7. Traffic violations or problems**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**8. Noise and disturbances**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**9. Safety of children**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**10. The overall community crime rate**

(Not at all concerned)  1  2  3  4  5 (Extremely concerned)

**Your general impression of Syracuse Police Department:**

Key: SA = Strongly Agree A = Agree NO= No Opinion

D = Disagree SD = Strongly Disagree

**11. Officers are fair in dealing with citizens**

SA  A  NO  D  SD

**12. Officers are professional and helpful**

SA  A  NO  D  SD

13. Officers response time is adequate

SA  A  NO  D  SD

14. Officers are skilled at their job

SA  A  NO  D  SD

15. I know one or more of the officers in our community by name or sight

yes  no

16. The Department provides appropriate community education/outreach programs

SA  A  NO  D  SD

17. Overall, I am satisfied with the police services in Syracuse

yes  no

18. Syracuse needs more police officers

yes  no

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**Final thoughts:**

19. In the past year, overall crime in Syracuse has

Decreased Significantly  Decreased  Increased  Increased Significantly

20. What do you like best about Syracuse Police Department?

21. What recommendations do you have to improve Syracuse Police Department?

**Demographics:**

22. Your age range:

18-29  30-39  40-49  50-59  60 and up

23. Your race:

African-American  Caucasian  Hispanic  Oriental  Other

24. Your gender:

female  male

25. If you would like to be contacted about your responses, please provide your name, phone number, and email address here:



## SYRACUSE CITY

**Syracuse City Special RDA Agenda  
November 13, 2012 – Immediately following the Regular  
Council Meeting, which begins at 7:00 p.m.**  
City Council Chambers  
Municipal Building, 1979 W. 1900 S.

1. Meeting called to order
2. Approval of Minutes:
  - a. Special Meeting of October 9, 2012.
  - b. Special Meeting of October 23, 2012.
3. Consideration of Joint Development Agreement between the Syracuse City RDA and U.S. Cold Storage.
4. Adjourn

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In compliance with the Americans Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the City Offices at 801-825-1477 at least 48 hours in advance of the meeting.

#### **CERTIFICATE OF POSTING**

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Syracuse City limits on this 9<sup>th</sup> day of November, 2012 at Syracuse City Hall on the City Hall Notice Board and at <http://www.syracuseut.com/>. A copy was also provided to the Standard-Examiner on November 9, 2012.

CASSIE Z. BROWN, CMC  
SYRACUSE CITY RECORDER



# RDA AGENDA

November 13, 2012

Agenda Item #2

Approval of Minutes.

***Factual Summation***

- Please see the attached draft minutes of the following meetings:
  - Special Meeting of October 9, 2012.
  - Special Meeting of October 23, 2012.
- Any question regarding this agenda item may be directed at Cassie Brown, City Recorder.

***Staff Recommendation***

***Approve the draft minutes of the October 9 and 23, 2012 special meetings.***



1 something when working with developers to try to get a trail on the south side of the road as identified in the City's Trail  
2 Master Plan. He stated that as the Board thinks about this issue it may be nice to add a note about that item for future  
3 consideration.

4 [9:49:00 PM](#)

5 There being no additional persons appearing to be heard, Mayor Nagle closed the public hearing.

6 [9:49:03 PM](#)

7 BOARDMEMBER PETERSON MADE A MOTION TO ADOPT PROPOSED RESOLUTION RDA12-04  
8 ADJUSTING THE ANNUAL BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2013. BOARDMEMBER  
9 LISONBEE SECONDED THE MOTION; ALL VOTED IN FAVOR.

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13 At [9:49:20 PM](#) p.m. BOARDMEMBER SHINGLETON MADE A MOTION TO ADJOURN.

14 BOARDMEMBER JOHNSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

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18 \_\_\_\_\_  
19 Jamie Nagle  
20 Mayor

\_\_\_\_\_

Cassie Z. Brown, CMC  
City Recorder

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21 Date approved:

Minutes of the Syracuse City Redevelopment Agency Special Meeting, October 23, 2012.

Minutes of the Special Meeting of the Syracuse City Redevelopment Agency held on October 23, 2012, at 6:09 p.m., in the Council Chambers, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Members: Brian Duncan  
Craig A. Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

Mayor Jamie Nagle  
City Manager Robert Rice  
City Recorder Cassie Z. Brown

City Employees Present:

City Attorney Will Carlson  
Finance Director Steve Marshall  
Community Development Director Michael Eggett  
Public Works Director Robert Whiteley  
Fire Chief Eric Froerer  
Police Chief Brian Wallace  
Police Lieutenant Tracy Jensen

Visitors Present: Bruce Baird Dina Adams Mason Adams  
Delaney Michie Alex Nay Susan Nay  
Thomas Ethington Allen Gehrke Caden Johnson  
Hydee Hartley Brady Wasnock Nick Rizer  
Logan Hoopes Ray Zaugg Pat Zaugg  
Justin Kilgore Cardon Malan Grant Patterson  
Bailee Anderson Justin Sisneros Oby Bennett  
Whitney Parker Sydnee Lawrence Jace Korn  
Morgan Hamblin Tavin Wiese Jackson Nuttall  
Jaryn Ashby Brody Minson Gavin Stybe  
Mark Christensen Mike Voshell Alejandra Alvarez  
Austin Smith

1. Meeting Called to Order/Adopt Agenda

6:09:32 PM

Mayor Nagle called the meeting to order at 6:09 p.m. as a special meeting, with notice of time, place, and agenda provided 24 hours in advance to the newspaper and each Boardmember.

2. Consideration of Joint Development Agreement between

Syracuse City RDA and Ninigret.

6:09:39 PM

BOARDMEMBER PETERSON MADE A MOTION TO AUTHORIZE MAYOR NAGLE TO EXECUTE JOINT DEVELOPMENT AGREEMENT BETWEEN SYRACUSE CITY RDA AND NINIGRET. COUNCILMEMBER DUNCAN SECONDED THE MOTION; ALL VOTED IN FAVOR.

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[6:10:08 PM](#)

Boardmember Shingleton asked that the Boardmembers be given the opportunity to make a few announcements prior to adjourning.

[6:10:17 PM](#)

Boardmember Peterson stated he had nothing to report.

[6:10:23 PM](#)

Boardmember Johnson provided a brief report regarding the upcoming Emergency Preparedness Fair.

[6:10:31 PM](#)

Boardmember Duncan stated he had nothing to report, but he will participate in an event on Veteran's Day to honor the Veterans.

[6:10:57 PM](#)

Boardmember Lisonbee made an announcement about an event that will be held at the American Legion in Clearfield on Veteran's Day; it will be held at 11:00 a.m. on November 12. She then added she talked with the Arts Council about some changes made in the Recreation Department and they plan to add a few more positions to their Board after they take a break for the holidays.

[6:12:32 PM](#)

Mayor Nagle commended staff again on a great job with fundraising for Chloe's Park. She added she is looking forward to the Pumpkin Days celebration.

At [6:12:42 PM](#) p.m. BOARDMEMBER SHINGLETON MADE A MOTION TO ADJOURN.

BOARDMEMBER PETERSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

\_\_\_\_\_  
Jamie Nagle  
Mayor

\_\_\_\_\_  
Cassie Z. Brown, CMC  
City Recorder

Date approved:



# RDA AGENDA

November 13, 2012

## Agenda Item #3

Consideration of Joint Development Agreement between the Syracuse City RDA and U.S. Cold Storage. (10 min.)

### *Factual Summation*

- Please see the attached documentation from City Attorney Will Carlson. Any questions regarding this item may be directed at him.



**Mayor**  
Jamie Nagle

**City Council**  
Brian Duncan  
Craig Johnson  
Karianne Lisonbee  
Douglas Peterson  
Larry D. Shingleton

## MEMORANDUM

**To:** Mayor and City Council  
**From:** City Attorney, William J. Carlson  
**Date:** November 8, 2012  
**Subject:** USCS Development Agreement

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On August 21, 2012 the RDA for Syracuse approved the Economic Development Project Area Plan for the SR-193 area. That plan included over 3.2 million dollars dedicated to tenant outreach.

United States Cold Storage (USCS) has purchased approximately half of the project area identified in the plan. Attached is the development agreement which has been negotiated between city staff and USCS. Substantively, it is an agreement to reimburse USCS approximately 24% of the property taxes it pays over the course of ten years, up to a maximum of \$1.2 million dollars. If 24% of the property taxes does not reach \$1.2 million within ten years, USCS will receive less. If 24% reaches \$1.2 million in less than ten years, the agreement will terminate sooner.

Although the USCS development will consist of half the project area property, this agreement uses less than 38% of the funds available for tenant outreach. Additionally, this agreement includes a penalty for USCS if its trucks use 700 South.

#####

AGREEMENT FOR THE DEVELOPMENT  
OF THE SYRACUSE U.S. COLD STORAGE SITE

This Agreement for the Development of the Syracuse U.S. Cold Storage Site (this “Agreement”) is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2012 (the “Effective Date”), by and between UNITED STATES COLD STORAGE, INC., a New Jersey corporation (the “Site Owner”) and the REDEVELOPMENT AGENCY OF SYRACUSE CITY, a body corporate and politic of the State of Utah (the “Agency”). The Developer and the Agency are sometimes referred to individually in this Agreement as a “Party” and together as the “Parties.”

RECITALS

A. In furtherance of the objectives of the Community Development and Renewal Agencies Act, Utah Code Ann. 17C-3-101, et. seq. (the “Act”), the Agency has undertaken the creation of an economic development area for the development of a certain geographic area known as the “Syracuse SR-193 Economic Development Project Area” (the “Project Area”), located in Syracuse City, Utah (the “City”); and

B. The Agency has approved and the City Council of the City has adopted an economic development plan which is attached hereto as Exhibit A (the “Economic Development Plan”) providing for the development of real property located in the Project Area and the future use of such land; and

C. The Syracuse SR-193 EDA Taxing Entity Committee (the “Taxing Committee”), formed in accordance with the Act, has approved the Economic Development Plan; and

D. The Site Owner desires to construct within the Project Area a public refrigerated warehouse which will include office space, industrial refrigeration equipment, dock equipment, racking, forklifts, and other typical warehouse equipment (the real and personal property comprising such warehouse are collectively referred to in this Agreement as the “Facility”); and

E. The Agency believes that the construction of the Facility is in the vital and best interests of the Agency, and in the best interests of the health, safety, and welfare of City residents, and in accord with the public purposes and provisions of the applicable laws of the State of Utah (the “State”) and requirements under which the Project Area and its development is undertaken and is being assisted by the Agency; and

F. On the basis of the foregoing and the undertakings of the Site Owner pursuant to this Agreement, and to enable the Agency to achieve the objectives of the Economic Development Plan, the Agency is willing, in the manner set forth herein, to assist the Site Owner in the development of the Facility for the purpose of accomplishing provisions of the Economic Development Plan, and the provisions of this Agreement.

NOW THEREFORE, in consideration of the covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## ARTICLE I

### PROPERTY ACQUISITIONS

Section 1.1 Acquisition of the Facility Property. Prior to the execution of this Agreement, the Site Owner acquired fee simple title in and to certain real property more particularly described in Exhibit B attached hereto and depicted on Exhibit C attached hereto (the “Facility Real Property”), and Site Owner has, to the extent necessary for the development and operation of the Facility, (i) right, title and interest in and to adjacent streets, alleys, easements and other rights-of-way appurtenant to the Facility (the “Facility Rights-of-Way”); and (ii) rights and interests appurtenant to the Facility Property, including, without limitation, easements for utilities over, across, under and upon other properties located near or adjacent to the Facility (collectively, the “Other Facility Site Rights”; and collectively with the Facility Real Property and the Facility Rights-of-Way, the “Subject Property”).

## ARTICLE II

### SITE OWNER’S OBLIGATIONS

Section 2.1 The Site Owner hereby agrees to the following:

(a) Development of Facility. The Site Owner shall construct and maintain the Facility for a minimum useful life of thirty [30] years on the Facility Real Property. Such construction shall be performed in accordance with all approvals, conditions, and terms required by law and outlined by the City building department through the issuance of the building permit and in accordance with the applicable zoning, subdivision, development, growth management, transportation, environmental, open space, and other land use requirements, ordinances, and regulations in existence and effective on the date of final approval of this Agreement (collectively, the “Construction Standards”).

(b) Truck Access to Facility. Throughout the construction and use of the Facility, the Site Owner, its subcontractors and tenants, shall refrain from accessing the Facility from 700 South using vehicles having greater than a single axle transmission. The Site Owner shall ensure that all construction contracts, subcontracts and tenant agreements contain a similar provision imposing on such individuals the same requirement, and Agency shall post and maintain “No Trucks” signs on 700 South. In the event of an alleged use of 700 South by the Site Owner, or any of its employees, agents, or contractors is found to be in violation of this subsection, the Site Owner shall pay the Agency a fee in the amount of one hundred dollars (\$100.00) per occurrence. When assessing a fee, and for each occurrence, the Agency shall provide the Site Owner with a description of the date, approximate time, license plate, and description of the truck on 700 South. The Agency shall provide such description to Site Owner within thirty (30) days of the occurrence. Upon receipt of such information, the Site Owner shall either pay the fee(s) to Agency or challenge the fee(s) within thirty (30) days. Site Owner may

challenge the fee(s) by (i) notifying the Agency within thirty (30) days of its intent to challenge the fee(s), and (ii) providing the Agency with clear evidence that any alleged violation was committed by a party other than the Site Owner, or any of its employees, agents, or contractors.

(c) Development Infrastructure/On-site Improvements. To the extent legally required and to the extent not required to be performed by other parties under separate agreements with the City, the Site Owner shall construct and develop on-site improvements including, but not limited to, storm water detention facilities, drainage facilities, sidewalks, curb and gutter, roads both ingress and egress as required to access the Facility, landscaping, trails, water systems, sanitary sewer, street lighting, fencing and/or walls, flood control and other improvements required by the City as part of the Site Plan approval process. All legally required on-site improvements shall be completed prior to the date the City issues an occupancy permit (the “Operational Date”).

(d) Payment of Fees. Except to the extent payable by third parties under separate agreements with the City, the Site Owner shall pay when due all building permit fees, site plan review fees and other fees legally required by the City and state as well as all other governmental agencies and subdivisions as part of the Site Plan approval process. In the event the fees are due but not paid prior to settlement of the Property Tax Rebate (as defined herein), the Agency shall be able to deduct the payment of said fees from the Property Tax Rebate.

(e) Payment of Ad Valorem Taxes and Supplemental Payments. The Site Owner shall pay all real and personal property taxes (the “Ad Valorem Taxes”) for the Facility and the Facility Real Property based on the taxable value of the Facility and the Facility Real Property (the “Assessed Taxable Value”). Subject to the Site Owner’s right to protest or appeal as provided below, for each tax increment year, all Ad Valorem Taxes and assessments levied or imposed on the Facility Property, any of the improvements, and any personal property on site shall be paid annually by the Site Owner on or before the applicable due date. The Site Owner shall have the right to protest or appeal the amount of Assessed Taxable Value and taxes levied against the Facility and the Facility Real Property by the County Assessor, State Tax Commission or any lawful entity authorized by law to determine the Ad Valorem Taxes against the Facility and the Facility Real Property, the improvements and personal property on the Facility Real Property, or any portion thereof in the same manner as any other taxpayer as provided by law. Site Owner acknowledges that any challenge to the Ad Valorem Taxes that affects funding amounts received by the Agency will similarly affect the Property Tax Rebate.

ARTICLE III

AGENCY AND DEVELOPER OBLIGATIONS AND UNDERTAKINGS

Section 3.1 Agency Participation.

The Agency has created the Project Area for improvements related to the Facility and surrounding area. Subject to the conditions, terms and limitations set forth in this Agreement, including those set forth in Article II, the Agency agrees to rebate to the Site Owner thirty percent (30%) of the Ad Valorem Taxes which are received by the Agency, which is eighty percent (80%) of the Ad Valorem Taxes (the “Agency Share of Taxes”), pursuant to the Economic Development Plan (the “Property Tax Rebate”) as follows:

(i) The Site Owner shall receive the Property Tax Rebate moneys beginning with Ad Valorem Taxes due for calendar year 2014, in a total amount which shall be thirty (30%) percent of the Agency Share of Taxes due for the ten years beginning in 2014 (the “Tax Rebate Period”) in connection with the Facility and the Facility Real Property. For avoidance of doubt, taxes are “due for” a year if taxes accrue during that year, regardless of when taxes are paid.

In no case shall the total Property Tax Rebate exceed One Million Two Hundred Thousand dollars (\$1,200,000.00), nor shall it extend beyond Ad Valorem Taxes due for calendar year 2023. The anticipated Property Tax Rebate schedule, attached hereto as Exhibit D, outlines the anticipated Property Tax Rebate. Exhibit D is provided exclusively for illustrative purposes and does not represent a binding obligation on the part of the Agency if the assumed facts do not exist.

(ii) The Agency acknowledges that the base taxable value of the Facility and the Facility Real Property are zero.

(iii) The Property Tax Rebate moneys received by the Site Owner shall be the property of the Site Owner and shall not be subject to any restrictions or requirements on the use thereof.

Section 3.2 Public Financing. The Agency, as an inducement to the Site Owner to acquire and construct the Facility in accordance with this Agreement, shall provide the Property Tax Rebate as described above. The Agency has determined that without public participation, land acquisition and infrastructure costs create a significant barrier to attracting private capital and investment.

Section 3.3 Private Financing: The total costs related to the Facility are estimated at \_\_\_\_\_ dollars (\$\_\_\_\_\_).

Section 3.4 Issuance of Permits/Approval of Site Plan. The Agency will reasonably cooperate with the Site Owner, as requested in obtaining necessary approval of the Site Plan, zoning approval, and the issuance of building permits, and other planning requirements necessary for the Site Owner to construct the improvements outlined in this Agreement. The conceptual and final plan and drawings for the Facility and Facility Real Property shall be subject to the ordinary municipal review process required of all similar development projects by the City.

Section 3.5 Sole Source of Agency's Funding. The Site Owner understands and agrees that the only source of monies available to the Agency to pay its obligations hereunder are tax increment monies actually received by the Agency from the Facility and Facility Real Property based upon the value of the improvements to be constructed by the Site Owner. Only the Agency Share of Taxes will be available to the Agency to meet said obligations.

Section 3.6 Payment of Ad Valorem Taxes and Property Tax Rebate. The Site Owner shall pay all Ad Valorem Taxes to the Davis County Treasurer by March of each year. Pursuant to the Economic Development Plan approved by the Taxing Entity Committee and in fulfillment of the County Treasurer's duties under Utah Code §59-2-1365, by March 31 of every year until 2024 the Davis County Treasurer will transfer eighty percent (80%) of each payment of Ad Valorem Taxes made by the Site Owner to the Agency. The Agency shall pay thirty percent of such funds received (the "Tax Rebate Installment") to the Site Owner by April 30 of every year until 2024. In the event that the County's tax calendar is changed during the Tax Rebate Period, the deadlines in this Section 3.6 shall be correspondingly adjusted.

## ARTICLE IV

### CONSTRUCTION REQUIREMENTS

Section 4.1 Issuance of Permits. The Site Owner shall have the sole responsibility of obtaining all necessary permits and approvals to construct the improvements and shall make application for such permits and approvals directly to the City, Agency and other appropriate agencies and departments.

Section 4.2 Times for Construction. The Site Owner acknowledges and agrees that unless and until the Facility is constructed and becomes part of Davis County's assessment tax roll, the available tax increment necessary to pay the Agency obligations will not materialize, and the Agency would be unable to receive and pay its obligations for that portion of the Tax Rebate Period for which the Facility is not on the tax rolls.

Section 4.3 Access to Site. The completion of the Project and the work of the Site Owner shall be subject to inspection by the City in the ordinary course of the City's development process.

## ARTICLE V

### REMEDIES

Section 5.1 General Remedies; Agency and Site Owner. Subject to the other provisions of this Article V, in the event of any default or breach of this Agreement or any of its terms, covenants or conditions by any Party hereto, such Party shall, upon written notice from the other Party, proceed immediately to cure or remedy such default or breach, and in any event, do so within thirty (30) calendar days after receipt of such notice, or, if such default or failure is of a type that cannot reasonably be cured within such thirty (30) day period, within sixty (60) days provided that such cure is commenced within a thirty (30) day period and diligently pursue to completion, unless a longer period of time is agreed to by the Parties pursuant to Section 5.2. In case such action is not taken, or diligently pursued, or the default or breach shall not be cured or remedied within the time periods provided above, the aggrieved Party may institute such proceedings as may be necessary or desirable, at its option, to cure or remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the Party in default which is not cured within the time limits contained in this Agreement, the non-defaulting Party may, at its option, take such action as allowed by law, in equity and/or provided for in this Agreement. Any delay by a Party in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article shall not operate as a waiver of such rights.

Section 5.2 Extensions by Agency. The Agency may in writing extend the time for the Site Owner's performance of any term, covenant or condition of this Agreement or permit the curing of any default upon such terms and conditions as may be mutually agreeable to the parties provided, however, that any such extension or permissive curing of any particular default shall not operate to release any of the Site Owner's obligations nor

constitute a waiver of the Agency's rights with respect to any other term, covenant or condition of this Agreement or any other default in, or breach of, this Agreement.

Section 5.3 Remedies Cumulative/Non-Waiver. The rights and remedies of the Parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other Party. No waiver made by any Party with respect to the performance, or manner or time thereof, or any obligation of the other Party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the Party making the waiver with respect to the particular obligation of the other Party or condition to its own obligation beyond those expressly waived and to the extent thereof, or a waiver in any respect in regard to any other rights of the Party making the waiver or any other obligations of the other Party.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

Section 6.1 Government Records Access and Management Act. This Agreement and all documents referenced in this Agreement or made a part of hereof, including without limitation, all documents, evaluations or assessments provided by the Site Owner and/or relied upon by the Agency in entering into or performing this Agreement, shall be subject to the provisions of the Utah Government Records Access and Management Act ("GRAMA").

Section 6.2 Party Representatives.

(a) The Agency hereby appoints the RDA Chair as the Agency representative to assist in the administrative management of this Agreement and to coordinate performance of obligations by the Site Owner and the Agency under this Agreement.

(b) The Site Owner hereby appoints its Chief Financial Officer to act as its representative in connection with its performance of this Agreement unless and until another representative is designated by written notice to the Agency. Said designated representative shall have the responsibility of working with the Agency to coordinate the performance of the Site Owner and obligations under this Agreement.

Section 6.3 Standard of Performance/Professionalism. The Site Owner agrees that it will not accept any fee or financial remuneration from any person or entity other than the Agency, which is receiving the Agency Share of Taxes from the members of the Taxing Committee, for its performance under this Agreement.

Section 6.4 Governmental Immunity. The Site Owner acknowledges that the Agency is a body Corporate and politic of the State of Utah, subject to the Utah Governmental Immunity Act, Utah Code Ann. Sections 63-30d-101, et. seq. (the “Act”). The Site Owner further acknowledges and agrees that nothing contained in this Agreement shall be construed in any way, to modify (whether to increase or decrease), the limits of liability set forth in that Act or the basis for liability as established in the Act.

Section 6.5 Intentionally omitted.

Section 6.6 No Agency. No agent, employee or servant of the Site Owner or the Agency is or shall be deemed to be an employee, agent or servant of the other Party. None of the benefits provided by any Party or by the Site Owner to its employees, including but not limited to worker’s compensation insurance, health insurance and unemployment insurance, are available to the employees, agents, contractors or servants of the other Party or the Site Owner. The Parties shall each be solely and entirely responsible for their respective acts and for the acts of their respective agents, employees, contractors and servants throughout the term of this Agreement. The Parties shall each make all commercially reasonable efforts to inform all persons and entities with whom they are involved in connection with this Agreement to be aware that the Site Owner is an independent contractor.

Section 6.7 Ethical Standards. The Site Owner represents that it has not: (a) provided an illegal gift or payoff to any officer or employee of the City or the Agency, or former officer or employee of the City or the Agency, or to any relative or business entity of a officer or employee of the City or the Agency, or relative or business entity of a former officer or employee of the City or the Agency; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies or private enterprises regularly engaged in the business of representing companies in incentive negotiations; (c) breached any of the ethical standards set forth in Utah Municipal Officers’ and Employees’ Ethics Act, [Section 10-3-1301 et seq.]; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any officer or employee of the City or the Agency or former officer or employee of the City or the Agency to breach any of the ethical standards set forth in State statute or the City ordinances.

Section 6.8 No Officer or Employee Interest. It is understood and agreed that no officer or employee of the Agency has or shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds resulting from the performance of this Agreement. No officer, manager, employee or member of the Site Owner or any member of any of such persons’ families shall serve on any City board or committee or hold any such position which either by rule, practice, or action nominates, recommends, or supervises the Site Owner’s operations, or authorizes funding or payments to the Site Owner.

Section 6.9 Public Funds and Public Monies.

(a) For purposes hereof, “Public Funds” and “Public Monies” mean monies, funds, and accounts, regardless of the source from which they are derived, that are owned, held, or administered by the state or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any county, city, school district, political subdivision, or other public body. The terms also include monies, funds or accounts that have been transferred by any of the aforementioned public entities to a private contract provider for public programs or services.

(b) The parties hereto agree that the Property Tax Rebate received by Site Owner is not, and shall not be deemed to be, “Public Funds” or “Public Monies,” and that this Agreement does not contemplate any “Public Funds” or “Public Monies” being held by the Site Owner.

Section 6.10 Compliance with Laws. Each Party agrees to comply with all federal, state and local laws, rules and regulations in the performance of its duties and obligations under this Agreement. Any violation by any Party of applicable law shall constitute an event of default under this Agreement. The Site Owner is solely responsible, at its expense and cost, to acquire, maintain and renew during the term of this Agreement, all necessary permits and licenses required for its lawful performance of its duties and obligations under this Agreement. For purposes of this Agreement, the term “applicable law” or any similar term shall not include an ordinance, resolution, regulation, rule or procedure adopted or enacted by the Agency after the satisfaction of the conditions set forth in Article III, above, which would prevent the Agency’s performance of its obligations under this Agreement.

Section 6.11 Non-Discrimination. The Site Owner, and all persons acting on its behalf, agree that they shall comply with all federal, state and City laws, rules and regulations governing discrimination and they shall not discriminate in the engagement or employment of any professional person or any other person qualified to perform the services required under this Agreement.

Section 6.12 Labor Regulations and Requirements. The Site Owner agrees to comply with all applicable provisions of Title 34 of the Utah Code, and with all applicable federal, state and local labor laws.

Section 6.13 Assignment. The Site Owner shall not assign or transfer its duties of performance nor its rights to compensation under this Agreement, without the prior written approval of the Agency, which shall not be unreasonably withheld, conditioned or delayed. In addition, if the assignment or transfer of the rights under this Agreement is to a person or entity which acquires title to the Facility Real Property substantially all of the assets of the Site Owner, the burden of proof shall be on the Agency to establish that its disapproval is reasonable. If the Agency withholds such approval, it shall specify in reasonable written detail the basis for the disapproval. The Agency reserves the right to assert any claim or defense it may have against the Site Owner and against any assignee or successor-in-interest of the Site Owner. Notwithstanding the foregoing, (i) an assignment to the surviving entity in any merger, consolidation or reorganization in which the Site



Section 6.16 Entire Agreement. The Agency and the Site Owner acknowledge and agree that this Agreement, and each of the other agreements referred to in this Agreement, constitutes the entire integrated understanding between the Agency and the Site Owner, and that there are no other terms, conditions, representations or understanding, whether written or oral, concerning the rights and obligations of the Parties to this Agreement, except as set forth in this Agreement. This Agreement may not be enlarged, modified or altered, except in writing, signed by the parties.

Section 6.17 Governing Law. It is understood and agreed by the Parties hereto that this Agreement shall be governed by the laws of the State of Utah and the Ordinances of the City, both as to interpretation and performance. All actions, including but not limited to court proceedings, administrative proceedings, arbitration and mediation proceedings, shall be commenced, maintained, adjudicated and resolved within the jurisdiction of the State of Utah.

Section 6.18 Estoppel Certificate. Within ten (10) business days after written request of the Site Owner or its lender, the Agency shall provide an estoppel certificate to the Site Owner, a prospective purchaser or an existing or prospective lender certifying that this Agreement is in full force and effect, that no defaults exist (or specifying any defaults which do exist) and providing such other factual information pertaining to this Agreement as the Site Owner, such lender or a prospective purchaser of part or all of the Project may reasonably request. The Site Owner shall pay any actual, out-of-pocket reasonable attorney's fees incurred by the Agency in connection with the foregoing.

Section 6.19 Miscellaneous. In addition to the foregoing, the parties to this Agreement agree as follows:

(a) No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed, in writing, by the party making the waiver.

(b) The recitals and the exhibits attached to this Agreement shall be and hereby are incorporated in and an integral part of this Agreement by this reference.

(c) This Agreement shall be binding upon, and shall inure to the benefit of the parties to it and their respective successors and assigns.

(d) In the event that any provision of this Agreement shall be held invalid and unenforceable, such provision shall be severable from, and such invalidity and unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

(e) The Parties agree to use reasonable diligence to fulfill their respective obligations under this Agreement at all times that this Agreement is in effect.

(f) Nothing in this Agreement is or shall be intended to provide or convey any actionable right or benefit to or upon any person or persons other than the Site Owner and the Agency. Except as otherwise specifically provided in this Agreement, each party shall bear its own costs and expenses (including legal and consulting fees) in connection with this Agreement and the negotiation of all agreements, including without limitation the Agreement, and preparation of documents contemplated by this Agreement.

(g) All obligations of the Parties set forth in this Agreement which are contemplated to be performed or satisfied after the Closing in accordance herewith shall survive the Closing and the delivery of any instrument of conveyance made in connection therewith.

(h) Except as otherwise provided in this Agreement, whenever a period of time is in this Agreement prescribed for action to be taken by a Party, said Party shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to a Force Majeure Event; for purposes of this Agreement, "Force Majeure Event" means any act or event, whether foreseen or unforeseen, that meets all three of the following tests:

(i) The act or event prevents a Party, in whole or in part, from:

(A) performing its obligations under this Agreement or another specified agreement; or

(B) satisfying any conditions to the obligations under this Agreement.

(ii) The act or event is beyond the reasonable control of and not primarily the fault of a Party.

(iii) A Party has been unable to avoid or overcome the act or event by the exercise of commercially reasonable due diligence.

(iv) In furtherance of such definition, and not in limitation of such definition, each of the following acts and events is deemed to be a Force Majeure Event: war, flood, lightning, drought, earthquake, fire, volcanic eruption, landslide, hurricane, cyclone, typhoon, tornado, explosion, civil disturbance, act of God or the public enemy, terrorist acts, military action, epidemic, famine or plague, shipwreck, action of a court or public authority, or strike, work-to-rule action, go-slow or similar labor difficulty, and such failure, standing alone, prevents Site Owner from fulfilling one or more of its obligations under this Agreement. The foregoing list of Force Majeure Events is not exhaustive, and the principle of ejusdem generis is not to be applied in determining whether a particular act or event qualifies as a Force Majeure Event. Notwithstanding the foregoing, a Force Majeure Event shall not mean or include economic hardship, changes in market conditions, insufficiency of revenues or funds,

or the financial condition of a Party, or the sale, transfer, liquidation, insolvency, failure, secession, disbandment, dissolution or termination of any person owning any interest in a Party.

(v) Notwithstanding the foregoing, no Force Majeure Event shall excuse or delay the Site Owner's obligation to pay Ad Valorem Taxes when due or the Agency's obligation to pay the Property Tax Rebate within the time period required by this Agreement.



AGENCY:

REDEVELOPMENT AGENCY OF  
SYRACUSE CITY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:

By: \_\_\_\_\_

STATE OF UTAH            )  
                                          ) ss.  
COUNTY OF DAVIS        )

On \_\_\_\_\_, 2012, personally appeared before me \_\_\_\_\_, who  
being by me duly sworn did say that he is the \_\_\_\_\_ of the  
REDEVELOPMENT AGENCY OF SYRACUSE CITY, and that said instrument was  
signed on behalf of the Redevelopment Agency of Syracuse City, by authority of law.

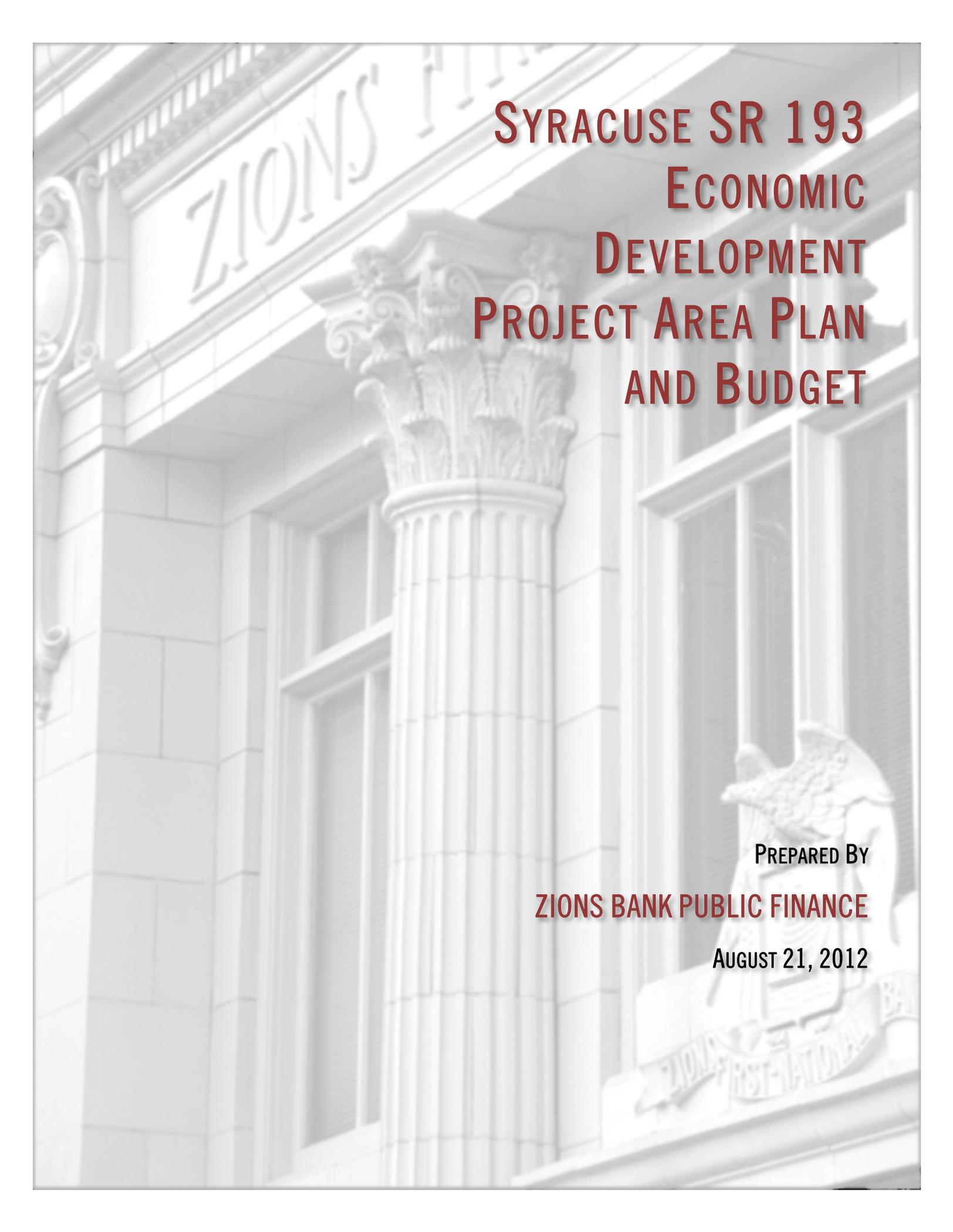
\_\_\_\_\_  
NOTARY PUBLIC

## LIST OF EXHIBITS

To Agreement for the Development of Land

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|-----------|----------------------------------------------------|
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| Exhibit C | Depiction of Facility Real Property                |
| Exhibit D | Anticipated Property Tax Rebate Repayment Schedule |





**SYRACUSE SR 193  
ECONOMIC  
DEVELOPMENT  
PROJECT AREA PLAN  
AND BUDGET**

**PREPARED BY  
ZIONS BANK PUBLIC FINANCE**

**AUGUST 21, 2012**

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## 1. INTRODUCTION

The Syracuse City Redevelopment Agency (the "Agency"), following thorough consideration of the needs and desires of Syracuse City (the "City") and its residents, regarding need of and capacity for new development, has prepared this Economic Development Project Area Plan (the "Plan") for the Syracuse SR-193 Economic Development Project Area (the "Project Area") described in more detail below. The Study Area covered 246.6 acres, of which it is recommended that 187.66 acres (the easternmost portion of the Study Area) be included in the Project Area. Within the Project Area, it is recommended that, at this time, only the easternmost portion (79.44 acres) be included in the tax increment collection area.

In accordance with the terms of this Plan, the Agency will encourage, promote and provide for the development of a new business park within the Project Area. The Syracuse SR-193 Economic Development Project Area will include nearly two million square feet of building space at buildout, located on 187.66 acres, for an average floor area ratio of 0.25.<sup>1</sup> The Tax Increment Collection Area will include approximately 865,000 square feet of building space at buildout.

It is anticipated that the project will generate significant economic activity in the City through the creation of both temporary construction and permanent employment, the generation of additional property tax revenue, and the creation of new business opportunities. Within the Tax Increment Collection Area, an estimated 350 to 1,100 good-paying jobs will be created at this site. Additional jobs will be created within the rest of the Project Area, depending on the type of development that takes place in the remainder of the Project Area. Construction jobs will also be generated as part of this project, with construction wages approximating \$13.8 million over the six-year absorption timeframe estimated for the projects currently identified in the Tax Increment Collection Area.<sup>2</sup>

This Plan will govern the development within the Project Area, including the capture and use of tax increment to promote and incentivize development. The purpose of this Plan clearly sets forth the aims and objectives of this development, its scope, available incentives and the mechanism for funding such incentives, and the value of the Plan to the residents, businesses and property owners of the City.

## 2. DEFINITIONS

As used in this Economic Development Project Area Plan:

1. The term "**Act**" shall mean and include the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act Title 17C, Chapters 1 through 4, Utah Code Annotated, , including such amendments or successor statutes as shall from time to time be enacted.
2. The term "**Agency**" shall mean the Syracuse City Redevelopment Agency, a separate body corporate and politic.
3. The term "**base taxable value**" shall mean the base taxable value of the property within the Project Area, as shown upon the assessment roll last equalized, before: the date the taxing entity committee adopts the first project area budget.
4. The term "**City**" shall mean Syracuse City, Utah.

<sup>1</sup> The floor area ratio is the ratio of total building square feet to total land square feet.

<sup>2</sup> Based on anticipated construction jobs and average construction wages as discussed in detail in this report.

5. The term "**community**" shall mean the community of Syracuse City, Utah.
6. The term "**Developer**" shall mean any person or entity undertaking development activities in the Project Area including, initially, Ninigret Construction Company North, L.C. (sometimes also referred to as the "Ninigret Group").
7. The term "**economic development**" shall mean to promote the creation or retention of public or private jobs within the State through planning, design, development, construction, rehabilitation, business relocation, or any combination of these within a community; and the provision of office, industrial, manufacturing, warehousing, distribution, parking, public, or other facilities, or other improvements that benefit the state or a community.
8. The term "**Plan Hearing**" means the public hearing on the draft Project Area Plan required under Subsection 17C-3-102 of the Act.
9. The term "**planning commission**" shall mean the planning commission of the City.
10. The term "**Project**" means the activities associated with this Project Area Plan.
11. The term "**Project Area**" or "**SR-193 Economic Development Project Area**" shall mean the geographic area described in this Project Area Plan or Draft Project Area Plan where the economic development set forth in this Project Area Plan or Draft Project Area Plan takes place or is proposed to take place.
12. The term "**Project Area Plan**" or "**Plan**" shall mean the SR-103 Economic Development Area Project Area Plan that was adopted pursuant to the Act to guide and control economic development activities within the project area.
13. The term "**Project Area Budget**" shall mean a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to the project area that includes:
  - (a) the base taxable value of property in the project area;
  - (b) the projected tax increment expected to be generated within the project area;
  - (c) the amount of tax increment expected to be shared with other taxing entities;
  - (d) the amount of tax increment expected to be used to implement the project area plan, including the estimated amount of tax increment to be used for land acquisition, public improvements, infrastructure improvements, and loans, grants, or other incentives to private and public entities;
  - (e) the tax increment expected to be used to cover the cost of administering the project area plan;
  - (f) if the area from which tax increment is to be collected is less than the entire project area:
  - (i) the tax identification numbers of the parcels from which tax increment will be collected; or
  - (ii) a legal description of the portion of the project area from which tax increment will be collected;
  - (g) for an economic development project area, the information required under Subsection 17C-3-201(1)(b).
14. The terms "**tax**," "**taxes**," "**property tax**" or "**property taxes**" includes privilege tax and each levy on an ad valorem basis on tangible or intangible personal or real property.
15. The term "**taxing entity**" shall mean each public entity that levies a property tax on property situated within the Project Area.

16. The term "tax increment" shall mean the difference between (i) the amount of property tax revenues generated each tax year by all taxing entities from the area designated in the Project Area Plan as the area from which tax increment is to be collected, using the current assessed value of the property, and (ii) the amount of property tax revenues that would be generated from that same area using the base taxable value of the property. Tax increment does not include taxes levied and collected under Section 59-6-1602 Utah Code Annotated, on or after January 1, 1994.
17. The term "Tax Increment Collection Area" shall mean the area from which tax increment is collected for the timeframe of this Plan.
18. All other terms shall have the same meaning set forth in the Act unless the context clearly indicates otherwise.

### 3. PRECONDITIONS FOR DESIGNATING AN ECONOMIC DEVELOPMENT PROJECT AREA

- a) Pursuant to the provisions of the Act, the Agency Board (the "Board"), on November 15, 2011, adopted a resolution designating an economic development survey area ("Survey Area") and containing a map of the boundaries of the Survey Area; and
- b) Pursuant to the provisions of §17C-3-102(2)(a) and (b) of the Act, the City has a planning commission and general plan as required by law; and
- c) Pursuant to the provisions of §17C-3-102(1)(b) and (c) of the Act, the Agency made a draft Project Area Plan available to the public at the Agency's offices during normal business hours, provided notice of the plan hearing and held a public hearing on the draft plan on August 14, 2012; and
- d) Pursuant to the provisions of §17C-3-102(1)(d) of the Act, the Agency has conducted one or more public hearings for the purpose of informing the public about the proposed Project Area, allowing public comment on the draft Project Area Plan and whether the plan should be revised, approved or rejected. The purpose of the hearing(s) was to inform the public about the Plan, to allow public comment on the draft Plan and to solicit input on whether the Plan should be revised, approved or rejected.

### 4. PROJECT AREA BOUNDARIES [17C-3-103(1)(a)]

The area identified for study (see map in Appendix A) consists of approximately 246.6 acres. Based on a study of the entire Survey Area, it was determined by the Board that a project area for the 187.66 acres (easternmost portion) is the most viable and beneficial at this point in time for a project area, and that the easternmost portion of the project area (79.44 acres) is most viable for a tax increment collection area. It was determined that the westernmost portion of the study area has significant uncertainty as to the type of development and zoning that will take place in the area. Until these issues are resolved, a project area is best suited for the eastern portion of the study area. The proposed project area of 187.66 acres will be located west of 1000 West, north of 700 South, south of 200 South and east of approximately 1700 West. This area is identified on the map shown in Appendix A. The tax increment collection area will consist of 79.44 acres, located at the easternmost portion of the project area. A legal description is included in Appendix B.

## 5. GENERAL STATEMENT OF LAND USES, LAYOUT OF PRINCIPAL STREETS, POPULATION DENSITIES, BUILDING INTENSITIES AND HOW THEY WILL BE AFFECTED BY THE ECONOMIC DEVELOPMENT [17C-3-103(1)(b)]

### A. LAND USES IN THE PROJECT AREA

The permitted land uses within the Project Area shall be those uses permitted by the officially adopted zoning ordinances of the City, as those ordinances may be amended from time to time. At present, all of the real property in the Project Area is unimproved, is in agricultural use and is partially zoned industrial. With this Plan in place, it is expected that land will be developed as a business park – mainly office, warehousing, commercial and manufacturing which are all permitted uses under the current zoning designations.

### B. LAYOUT OF PRINCIPAL STREETS IN THE PROJECT AREA

The Project Area is currently bordered on the north by 200 South Street, on the east by 1000 West Street, on the south by a private unimproved road, and on the west by roughly 1700 West. There are currently no improved interior streets within the Project Area. Appendix A shows the new streets planned as part of this Project Area. In addition, 1000 West Street will be widened as part of this project. It is anticipated that the east-west street extending west from 1000 West Street may initially terminate in a cul-de-sac somewhat east of the power corridor during the first phase of the project. The cul-de-sac would be removed and the street extended to connect to a second new street that would be built in connection with later phases.

### C. POPULATION DENSITIES IN THE PROJECT AREA

Currently, no one lives within the Project Area. The Plan does not currently propose any residential development. Existing and proposed residential densities within the Project Area will therefore remain at zero persons per square mile.

### D. BUILDING INTENSITIES IN THE PROJECT AREA

Currently there are no buildings within the Project Area. The Plan proposes an estimated 865,000 square feet of office/business park space on 79.44 acres within the Tax Increment Collection Area. This results in a floor area ratio of 0.25, calculated as follows:

$$865,000 \div (79.44 \text{ acres} \times 43,560^3) = 0.25$$

While there are no specific plans for the remainder of the Project Area, it is anticipated that it will develop with similar densities, resulting in a total of approximately two million square feet in the entire Project Area.

## 6. STANDARDS THAT WILL GUIDE THE ECONOMIC DEVELOPMENT [17C-3-103(1)(c)]

The general standards that will guide the economic development are as follows:

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<sup>3</sup> Number of square feet per acre

## A. GENERAL DESIGN OBJECTIVES

Development within the Project Area will be held to quality design and construction standards, suitable for a business park and will be subject to: (1) appropriate elements of the City's General Plan; (2) applicable City building codes and ordinances; (3) planning commission review and recommendation; and (4) the City's land use code.

Developers will be allowed flexibility of design in developing land located within the Project Area. The development shall be of a design and shall use materials that are subject to design review and approval by the City pursuant to a development agreement with the Developer specifically addressing design issues.

Coordinated and attractive landscaping shall also be provided as appropriate for the character of the Project Area. Materials and design paving, retaining walls, fences, curbs, benches, and other items shall have an attractive appearance and be easily maintained.,

All development will be based on site plans, development data, and other appropriate submittals and materials clearly describing the development, including land coverage, setbacks, heights, and any other data dictated by the City's land use code, and applicable City practice or procedure.

The general principles guiding development within the Project Area are as follows:

1. Encourage and assist economic development with the creation of a well-planned business park that will attract top-quality companies and job opportunities to the area.
2. Provide for the strengthening of the tax base and economic health of the entire community and the State of Utah.
3. Implement the tax increment financing provisions of the Act which are incorporated herein by reference and made a part of this Plan.
4. Encourage economic use of and new construction upon the real property located within the Project Area.
5. Promote and market the Project Area for economic development that would enhance the economic base of the City through diversification.
6. Provide for compatible relationships among land uses and quality standards for development, such that the area functions as a unified and viable center of economic activity for the City.
7. Remove any impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels served by adequate public utilities, streets and other infrastructure improvements.
8. Achieve an environment that reflects an appropriate level of concern for architectural, landscape and design principles, developed through encouragement, guidance, appropriate controls, and financial and professional assistance to the Developers.
9. Provide for construction of public streets, utilities, curbs and sidewalks, other public rights-of-way, street lights, landscaped areas, parking, water utilities, sewer utilities, storm drainage, recreational trails and other public improvements.

10. Facilitate better traffic circulation and reduce traffic hazards through improved public street access and design.

## **B. SPECIFIC DESIGN OBJECTIVES AND CONTROLS**

In addition to the general City design objectives and standards described above, the developer has adopted specific design guidelines that will govern the development of the Project Area. These guidelines focus on the development of a business park atmosphere that will benefit the community.

### **1. BUILDING DESIGN OBJECTIVES**

All new buildings shall be of design and materials that will be in harmony with adjoining areas and other new development and shall be subject to design review and approval by the City.

The design of buildings shall take advantage of available views and topography and shall provide, where appropriate, separate levels of access.

### **2. OPEN SPACE PEDESTRIAN WALKS AND INTERIOR DRIVE DESIGN OBJECTIVES**

All open spaces, pedestrian walks and interior drives shall be designed as an integral part of an overall site design, properly related to existing and proposed buildings.

Comfortably graded pedestrian walks should be provided in areas of the most intense use, particularly from building entrances to parking areas, and adjacent buildings on the same site.

The location and design of pedestrian walks should afford adequate safety and separation from vehicular traffic.

Materials and design of paving, retaining walls, fences, curbs, and other accouterments, shall be of good appearance and easily maintained.

### **3. PARKING DESIGN OBJECTIVES**

Parking areas shall be designed with regard to orderly arrangement, topography and ease of use and access.

### **4. PROJECT IMPROVEMENT DESIGN OBJECTIVES**

Public Rights-of-Way. All streets and walkways within public rights-of-way will be designed or approved by the City and will be consistent with all design objectives.

Street Lighting and Signs. Lighting standards and signs of pleasant appearance and modern illumination standards shall be provided as necessary as approved by the City.

Grading. The applicable portions of the Project Area will be graded in conformance with the final project design as approved by the City for each specific project in accordance with City Code.

## **C. TECHNIQUES TO ACHIEVE THE ECONOMIC DEVELOPMENT PLAN OBJECTIVES**

Activities contemplated in carrying out the Plan in the Project Area may include the acquisition and development of properties in the Project Area.

### 1. ACQUISITION AND CLEARANCE

Parcels of real property located in the Project Area may be acquired by the Agency by purchase, but may not be acquired by condemnation unless from an Agency board member or officer with their consent [§17C-1-206 (1) and (2)(b)].

### 2. IMPLEMENTATION OF ECONOMIC DEVELOPMENT PROJECTS

The Agency shall have the right to approve the design and construction documents of all economic development within the Project Area to ensure that all economic development within the Project Area is consistent with this Plan. The City shall notify the Agency of all requests for: (1) zoning changes; (2) conditional use permits; (3) site plan approval; and (4) building permits within the Project Area, and all proposed amendments thereof. Economic development projects within the Project Area shall be implemented as approved by the Agency and the City.

### D. APPROVALS

Development within the Project Area shall be implemented by the Agency in accordance with this Plan, and as approved by the City in accordance with applicable land use and building code provisions. The City shall notify the Agency of all requests for (1) zoning changes; (2) design approval; (3) site plan approval; and (4) building permits within the Project Area.

## 7. HOW THE PURPOSES OF THE ACT WILL BE ATTAINED BY THE ECONOMIC DEVELOPMENT [17C-3-103(1)(d)]

It is the intent of the Agency, with the assistance and participation of the Developer, to facilitate and promote the development of office, industrial, light manufacturing, commercial and other business park related activities that will result in the creation of jobs in the Project Area. Further, the project will strengthen the tax base of the community, which will also serve to accomplish economic development objectives and create a well-planned business center.

The purposes of the Act will be achieved by the following:

### A. ESTABLISHMENT OF NEW BUSINESS AND INCREASED TAX BASE

The proposed Project envisions business park development that will benefit the State and the City through increased job creation, increased property tax base, increased income taxes paid (both corporate and individual) and increased energy usage (and the accompanying municipal energy “franchise” tax). Multiplier (indirect and induced) impacts will result from the initial job creation and expenditures for construction and supplies.

### B. PUBLIC INFRASTRUCTURE IMPROVEMENTS

The construction of the public infrastructure improvements as provided by this Plan will support the development contemplated herein and provide for future development in surrounding areas. The associated public infrastructure improvements will make the land within the Project Area more accessible to and from other parts of the City. Thus, the components of the Project provided in this Plan will encourage, promote and provide for economic development within the Project Area and the City generally for years to come.

## 8. THE PLAN IS CONSISTENT WITH AND WILL CONFORM TO THE COMMUNITY'S GENERAL PLAN [17C-3-103(1)(e)]

This Plan is consistent with the City's General Plan that was updated and approved May 26, 2009. Specifically, the City's mission statement states a desire to "provide quality, affordable services for its citizens, while promoting community pride, fostering economic development and managing growth." This Project Area Plan will help accomplish all of these purposes.

The General Plan (pp. 13-14) also specifically refers to development along 200 South and 1000 West as follows:

*The corridor along 200 South in Syracuse between 1000 West and the future North Legacy Parkway (approximately Bluff Road) represents an area with the highest future potential for commercial development within the City. In a first phase, UDOT plans to widen (to 100') 200 South between I-15 and 2000 West sometime around 2011. As the time of completion of this roadway project draws near, the land along the south side of 200 South between 1000 West and 2000 West will become increasingly attractive to commercial developers. The City should maintain its current plan for a C-2 Commercial land use along most of this corridor. This land use will allow the greatest flexibility of development. A key focal point for retail locations along this corridor should be the corner of 2000 West and 200 south. UDOT is also planning for the widening of 2000 West from 1700 South all the way to Weber County, thus making this intersection a highly attractive location for future commercial activity.*

*Commercial development is also proposed along the city's shared boundary with Clearfield City along 1000 West between 200 South and 700 South. This location represents yet another commercial opportunity to Syracuse as this area is located adjacent to the Freeport Center. The opportunities in this area are commercial developments that are compatible or would support the large industrial enterprises that are typical of the Freeport Center.*

The development proposed in this Project Area Plan is consistent with what is specified in the General Plan and is compatible with that Plan.

## 9. DESCRIBE HOW THE ECONOMIC DEVELOPMENT WILL CREATE ADDITIONAL JOBS [17C-3-103(1)(f)]

Located proximate to the North Legacy Parkway, the Project Area is one of the premiere business park sites in Davis County. This means that the site will be attractive to major tenants – tenants that could invest significant amounts in both real and personal property and that would be likely to offer skilled jobs and above average wages. The number of jobs created at the site will vary depending on the type of business park development that takes place. Generally speaking, the average number of square feet per worker in commercial buildings is 766.<sup>4</sup> The ratio in industrial buildings varies widely depending on the type of usage but could be as high as 2,500 square feet per employee. Assuming there will be over 865,000 square feet of building space at buildout in the Tax Increment Collection Area alone, there would be a range of roughly 350 to 1,100 employees (FTE's). The remaining Project Area would include additional employees, the number of which would depend on the type of development that takes place in that area.

<sup>4</sup> Source: [http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebiste/retailserv/retserv\\_howmanyempl.htm](http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebiste/retailserv/retserv_howmanyempl.htm) and <http://www.cyburbia.org/forums/showthread.php?25827-Square-feet-per-employee>.

## 10. DESCRIPTION OF ANY SPECIFIC PROJECT OR PROJECTS THAT ARE THE OBJECT OF THE PROPOSED ECONOMIC DEVELOPMENT [17C-3-103(1)(g)]

The Plan specifically proposes over 865,000 square feet of business park related building space located on 79.44 acres in the Tax Increment Collection Area and potentially two million square feet of building space in the Project Area (187.66 acres). . However, there will need to be some flexibility in the type and amount of square footage developed in order for the Developer to respond to changing market conditions in the future. There may also be a minimal amount of support retail located within the Project Area.

## 11. HOW PRIVATE DEVELOPERS WILL BE SELECTED AND IDENTIFICATION OF CURRENT DEVELOPERS IN THE PROJECT AREA [17C-3-103(1)(h)]

### A. SELECTION OF PRIVATE DEVELOPERS

The Agency contemplates that owners of real property within the Project Area will take advantage of the opportunity to develop their property, or sell their property to developers for the development of facilities within the Project Area. In the event that owners do not wish to participate in the economic development in compliance with the Plan, or in a manner acceptable to the Agency, or are unable or unwilling to appropriately participate, the Agency may, consistent with the Act, encourage other owners to acquire property within the Project Area, or to select non-owner developers by private negotiation, public advertisement, bidding or the solicitation of written proposals, or a combination of one or more of the above methods.

### B. IDENTIFICATION OF DEVELOPERS WHO ARE CURRENTLY INVOLVED IN THE PROPOSED ECONOMIC DEVELOPMENT

The Ninigret Group currently has the 79.44 acres of property in the Tax Increment Collection Area under contract. Upon approval of this Plan, the Agency and the City intend to enter into a Development Agreement with the Ninigret Group. The Agency and the City will work with the Ninigret Group to implement this Project Area Plan as provided in the Development Agreement.

## 12. REASONS FOR THE SELECTION OF THE PROJECT AREA [17C-3-103(1)(i)]

The Project Area was selected by the Agency as that area within the City having an immediate opportunity to strengthen the community through a major developer who is willing to invest private capital into a business park that will allow for significant job creation, bring new businesses and services into the community, and provide for public infrastructure which will support the development and provide for future development in surrounding areas.

The Project Area contains a portion of the City that is desirable for business park development because of: (1) its accessible location to the North Legacy Parkway; (2) the opportunity to commence a public-private partnership to develop this area of the City; and (3) the current proposal of the Ninigret Group to construct a large master planned development within the Project Area.

Specific boundaries of the Project Area were arrived at by the Agency after a review of the area by members of the Agency, City staff, economic development consultants, and other technical and legal consultants. Planned treatment of this area is intended to stimulate development to the degree necessary for sound long-term growth in the Project

Area and to encourage the development of real property located within the Project Area. Finally, development of the Project Area as a business center is an important element in the City's General Plan.

### 13. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS EXISTING IN THE AREA [17C-3-103(1)(j)]

#### A. PHYSICAL CONDITIONS

The proposed Project Area consists of approximately 187.66 acres of privately owned land as shown on the Project Area map in Appendix A, located south of 200 South, west of 1000 West, north of 700 South and east of approximately 1700 West that is currently dedicated to agricultural use. The Tax Increment Collection Area consists of approximately 79.44 acres. The site contains a 22-foot drop with steep grades which will contribute to significant site grading challenges and development costs.

#### B. SOCIAL CONDITIONS

There are currently no buildings and no residents within the Project Area. No unusual social conditions were found to exist. Because of the shifting of land uses from agricultural land to active business park or commercial in the Project Area, consistent with the General Plan of the City, this area will take on a new social character that will enhance existing development in the City. The Project Area Plan will bring workers from the surrounding region to the Project Area for employment purposes. It is anticipated, therefore, that the proposed Project Area will add to the community's economy, quality of life, and reputation.

#### C. ECONOMIC CONDITIONS

There is currently no development in the Project Area. All of the land is currently publicly owned by a charitable 501(c)(3) organization and is therefore exempt from property taxation. The current taxable value of the area is \$0.00; therefore, no property tax revenues are currently generated from this area.

### 14. TAX INCENTIVES OFFERED TO PRIVATE ENTITIES FOR FACILITIES LOCATED WITHIN THE PROJECT AREA [17C-3-103(1)(k)]

The Agency intends to use 80 percent of the property tax increment generated within the Tax Increment Collection Area over a period of 15 years to pay part of the costs associated with development of the Project Area. The Agency intends to negotiate and enter into one or more inter-local agreements with the Davis County School District (the "School District"), Davis County (the "County"), the City, water districts, sewer district, and possibly other smaller taxing entities to secure receipt of a portion of the property tax increment generated within the Project Area that would otherwise be paid to those taxing entities.

The Project Area Budget (attached as Appendix C) shows anticipated tax increment receipts, and the estimated eligible development costs to be reimbursed. Detailed expenditures are shown in the table below.

| DETAILED EXPENDITURES                   |           |
|-----------------------------------------|-----------|
| <i>Syracuse City</i>                    |           |
| 3 water vaults at \$60,000 each         | \$180,000 |
| Water lines                             | \$125,000 |
| Secondary water - booster pump and line | \$150,000 |

| DETAILED EXPENDITURES                                      |                    |
|------------------------------------------------------------|--------------------|
| <i>Weber Basin Water Conservancy</i>                       |                    |
| Pipeline portion and portion of meter vault                | \$173,000          |
| <i>Developer</i>                                           |                    |
| Roads Construction                                         | \$681,131          |
| Culinary Water                                             | \$394,220          |
| Storm Drain                                                | \$386,918          |
| Sewer                                                      | \$207,558          |
| Secondary Water                                            | \$145,475          |
| Electrical                                                 | \$62,178           |
| RMP                                                        | \$94,973           |
| Landscaping (along roadways)                               | \$672,249          |
| Value of Land Required for Roads & Easements               | \$565,336          |
| Admin, Engineering , Survey and Testing                    | \$229,974          |
| Bonding                                                    | \$63,744           |
| City Engineering & Review Fee                              | \$25,497           |
| Soil Imbalance Cut/Fill                                    | \$1,065,800        |
| Transmission Line Relocation                               | \$190,000          |
| Rail                                                       | \$350,000          |
| <i>Tenant Outreach</i>                                     |                    |
| Tenant Outreach at 30%                                     | \$3,289,891        |
| <b>TOTAL EXPENDITURES (not incl. administrative costs)</b> | <b>\$9,052,944</b> |

**15. ANALYSIS OF WHETHER THE ADOPTION OF THE PROJECT AREA PLAN IS BENEFICIAL UNDER A BENEFIT ANALYSIS [17C-3-103(1)(I)]**

The public will realize significant benefits from the development of the Economic Development Project Area as proposed by this Plan. The Agency's long-term objective in developing the Project Area is to create a high quality, business center that will diversify the City's economic and tax base, and offer good-paying employment opportunities. The Agency adopted a resolution for the preparation of this Plan because of the opportunity to "jump start" the proposed business park development.

**A. EVALUATION OF THE REASONABLENESS OF THE COSTS OF ECONOMIC DEVELOPMENT [17C-3-103(2)(a)(i)]**

The Project Area has higher than normal development costs for several reasons: 1) the lack of any utilities currently serving the Project Area which is an agricultural field; 2) the steep grade and 22-foot drop of the property; and 3) the addition of a rail spur that will attract a wider variety of businesses who can make significant investment in the area and establish a good taxable base. The proposed costs of development for site preparation, railroad, infrastructure, economic incentives, or any assistance with building construction, are nearly \$9.1 million. The purpose of the tenant outreach is to attract top-quality businesses through assistance with fees, training, relocation costs, and other activities for businesses that will significantly improve the property tax base and provide higher-than-average paying jobs.



| SUMMARY OF EXPENDITURES  |                    |
|--------------------------|--------------------|
| Syracuse City            | \$455,000          |
| Weber Basin Water        | \$173,000          |
| Developer Infrastructure | \$4,785,053        |
| Rail Spur                | \$350,000          |
| Tenant Outreach          | \$3,289,891        |
| <b>TOTAL</b>             | <b>\$9,052,944</b> |

Total costs necessary to facilitate the development of this Project Area, including tenant outreach, are therefore estimated at \$9,052,944. This is a cost of \$113,960 per acre in the Tax Increment Collection Area (where all of the improvements are currently planned). In comparison, the value per acre in the Tax Increment Collection Area at buildout is estimated to be nearly \$892,980.<sup>5</sup> The ratio of value to public investment is roughly 7.8 to 1.0.

The issuance of bonds to the full extent now or hereafter permitted by law is authorized as part of this Plan.

### **B. EFFORTS THE AGENCY OR DEVELOPER HAS MADE OR WILL MAKE TO MAXIMIZE PRIVATE INVESTMENT [17C-3-103(2)(a)(ii)]**

The public investment of approximately \$9.1 million represents only 12.8 percent of the estimated private investment of \$70.1 million in the Tax Increment Collection Area for land, buildings and personal property (equipment).

### **C. RATIONALE FOR USE OF TAX INCREMENT, INCLUDING AN ANALYSIS OF WHETHER THE PROPOSED DEVELOPMENT MIGHT REASONABLY BE EXPECTED TO OCCUR IN THE FORESEEABLE FUTURE SOLELY THROUGH PRIVATE INVESTMENT [17C-3-103(2)(a)(iii)]**

This development is unlikely to happen solely through private investment for several reasons. First, the addition of a rail spur to the site adds an extra cost of development that cannot be recovered through rents that can be achieved in the area. However, the rail spur will greatly expand opportunities to attract a wider range of end users with good-paying jobs and significant investment in equipment (and therefore taxable value) at the site.

Second, many of the business opportunities that can be pursued for this site will be highly sought after by other communities. Therefore, in order to be on a level playing field with surrounding areas, tax increment must be available to offset incentives provided in other areas. Also, several of the opportunities that the Developer is pursuing are businesses that are also looking at sites located outside of the State of Utah. In order to be eligible for EDTIF funds provided by the State (that will attract these businesses to Utah), the Governor's Office of Economic Development (GOED) requires local areas to come up with local funds to show their commitment and partnership in the Project.

<sup>5</sup> The value at buildout is based on an average value per building square foot as follows: building (\$50); and personal property (\$32). Total taxable value at buildout in the tax increment collection area is projected to be \$70,938,331. The total number of acres in the Tax Increment Collection Area is 79.44. Therefore, the value per acre is \$892,980.

Third, this site has higher than normal development costs because of the steep grade and 22-foot elevation change on the site. These costs, if added to tenant costs, would make the site less competitive with other areas. And, there are currently no utilities at this site, which must be extended to this agricultural field.

The rationale for the use of tax increment is twofold: 1) tax increment funds must be available from local sources if the statewide EDTIF funds are to be available for the site; and 2) tax increment funds are necessary to offset the extraordinary costs of development associated with the site.

**D. ESTIMATE OF THE TOTAL AMOUNT OF TAX INCREMENT THAT WILL BE EXPENDED IN UNDERTAKING ECONOMIC DEVELOPMENT AND THE LENGTH OF TIME FOR WHICH IT WILL BE EXPENDED [17C-3-103(2)(a)(iv)]**

The total amount of tax increment necessary for this project is nearly \$9.1 million (\$2012). The Project Area Budget suggests a 15-year timeframe in order to account for the variability in development and economic conditions that will occur over the 15-year period.

**E. BENEFICIAL INFLUENCES UPON THE TAX BASE OF THE COMMUNITY [17C-3-103(2)(b)(i)]**

The City and taxing entities will see an increase in taxable value of an estimated \$70,938,331 when the Tax Increment Collection Area is fully built out. If construction begins in 2013 and the Project Area commences in 2014 and runs for a period of 15 years, each of the taxing entities will receive increased taxes over the next 15 years from the increased investment in the area. If the taxing entities receive 20 percent of the increment, with the remaining 80 percent of the increment flowing to the Agency, the taxing entities will receive over \$2.7 million more over the 15-year period than they are currently receiving.

| TAX BENEFIT TO TAXING ENTITIES<br>2014-2028 |                 |                    |                             |
|---------------------------------------------|-----------------|--------------------|-----------------------------|
| Taxing Entities                             | Tax Rate        | % to Entity/Agency | Total Tax Benefit 2014-2025 |
| Davis County                                | 0.002383        | 20%                | \$444,252                   |
| Davis County School District                | 0.008861        | 20%                | \$1,651,918                 |
| Syracuse City                               | 0.001821        | 20%                | \$339,481                   |
| Weber Basin Water Conservancy District      | 0.000217        | 20%                | \$40,454                    |
| Davis County Mosquito Abatement District    | 0.000104        | 20%                | \$19,388                    |
| County Library                              | 0.000392        | 20%                | \$73,079                    |
| North Davis Sewer District                  | 0.000928        | 20%                | \$173,003                   |
| <b>TOTAL</b>                                | <b>0.014706</b> |                    | <b>\$2,741,576</b>          |

At the end of the 15-year period, the taxing entities will receive the entire (100%) tax increment which would amount to an estimated \$1 million per year more than what they are currently receiving.

| ANNUAL TAX BENEFIT TO TAXING ENTITIES<br>End of Project Area Plan |          |                    |                      |
|-------------------------------------------------------------------|----------|--------------------|----------------------|
| Taxing Entities                                                   | Tax Rate | % to Entity/Agency | Annual Tax Increment |

| ANNUAL TAX BENEFIT TO TAXING ENTITIES<br>End of Project Area Plan |                 |      |                    |
|-------------------------------------------------------------------|-----------------|------|--------------------|
| Davis County                                                      | 0.002383        | 100% | \$169,046          |
| Davis County School District                                      | 0.008861        | 100% | \$628,585          |
| Syracuse City                                                     | 0.001821        | 100% | \$129,179          |
| Weber Basin Water Conservancy District                            | 0.000217        | 100% | \$15,394           |
| Davis County Mosquito Abatement District                          | 0.000104        | 100% | \$7,378            |
| County Library                                                    | 0.000392        | 100% | \$27,808           |
| North Davis Sewer District                                        | 0.000928        | 100% | \$65,831           |
| <b>TOTAL</b>                                                      | <b>0.014706</b> |      | <b>\$1,043,219</b> |

**F. ASSOCIATED BUSINESS AND ECONOMIC ACTIVITY LIKELY TO BE STIMULATED [17C-3-103(2)(b)(ii)]**

Other business and economic activity likely to be stimulated includes business, employee and construction expenditures.

**1. BUSINESS AND EMPLOYEE EXPENDITURES**

Between 350 and 1,100 jobs will be created and located within the Tax Increment Collection Area. If these jobs pay, on average, 120 percent of the average wage in Davis County, this will result in approximately \$15 million to \$50 million annually in increased wages.<sup>6</sup> The increased buying power will result in increased sales tax revenues to the State, the County and the City and increased economic activity generally. Additional jobs and wages will be created in the remainder of the Project Area.

It is anticipated that the business owners and employees of the Project Area facilities will directly or indirectly purchase local goods and services related to their operations from local or regional suppliers. These purchases will likely increase employment opportunities in the related businesses of office equipment, furniture and furnishings, office supplies, computer equipment, communication, security, transportation and delivery services, maintenance, repair and janitorial services, packaging supplies, office and printing services, transportation and delivery services.

Employees will make many of their purchases near their workplace, assuming that goods and services are available. These will most likely include purchases for: lunchtime eating, gasoline and convenience store, personal services such as dry cleaning and haircuts, and auto repair. In addition, there may be limited purchases for gifts, hobbies, etc., if such goods are available.

The following summarizes the benefits to the community:

- Provide an increase in direct purchases in the community.
- Provide economic diversification within the City and the County.

<sup>6</sup> Source: Workforce Services. <http://www.bls.gov/ro7/qcewut.htm>. The average weekly wage in Davis County is \$704, or \$36,308 annually. A job that pays 120 percent of the average wage would reach \$43,930 yearly.



- Complement existing businesses and industries located within the City by adding new employees who may live and shop and pay taxes in the City and the region.
- Provide an increase in indirect and induced (“multiplier”) impacts for business purchases, as well as purchases by employees and their households.
  - The types of expenditures by employees in the area will likely include convenience shopping for personal and household goods, lunches at area restaurants, convenience purchases and personal services (haircuts, banking, dry cleaning, etc.). The employees will not make all of their convenience or personal services purchases near their workplace, and each employee's purchasing patterns will be different. However, it is reasonable to assume that a percentage of these annual purchases will occur within close proximity to the workplace (assuming the services are available).

## 2. CONSTRUCTION EXPENDITURES

Economic activity associated with the development will include construction activity. Construction costs for projects within the Tax Increment Collection Area are expected to reach approximately \$34.6 million, of which 40 percent (\$13.8 million) approximates labor costs, another 40 percent (nearly \$14 million) represents materials and supplies and the remaining 20 percent represents overhead and profit. A portion of the labor costs will be re-spent in the community – to the extent that convenience goods and services, such as fast food for lunch, personal services, etc., are available. A large portion of the costs for construction supplies will likely be spent in the community as the County has several large-scale construction suppliers.

## G. NUMBER OF JOBS OR EMPLOYMENT ANTICIPATED TO BE GENERATED OR PRESERVED [17C-3-103(2)(b)(iii)]

Business Center Jobs. The number of jobs created within the Tax Increment Collection Area will vary depending on the type of business park development that takes place. Generally speaking, the average number of square feet per worker in commercial buildings is 766.<sup>7</sup> The ratio in industrial buildings varies widely depending on the type of usage, but could be as high as 2,500 square feet per employee. Assuming that there will be roughly 865,000 square feet of building space developed at buildout within the Tax Increment Collection Area, there will be between 350 and 1,100 (FTE's). Additional jobs will be created in the remainder of the Project Area.

Construction Jobs. Construction costs are expected to reach approximately \$34.6 million within the Tax Increment Collection Area, of which 40 percent (\$13.8 million) approximates labor costs. Assuming an average construction wage of \$27,070,<sup>8</sup> results in the creation of approximately 500 one-year job equivalents in the construction industry.

To summarize, the creation of the Project Area and adoption of the Project Area Plan is beneficial to the community for the following reasons:

- Increased tax base that will provide additional tax revenues to the various taxing entities;
- Creation of between 350 and 1,100 full-time jobs in the Tax Increment Collection Area;

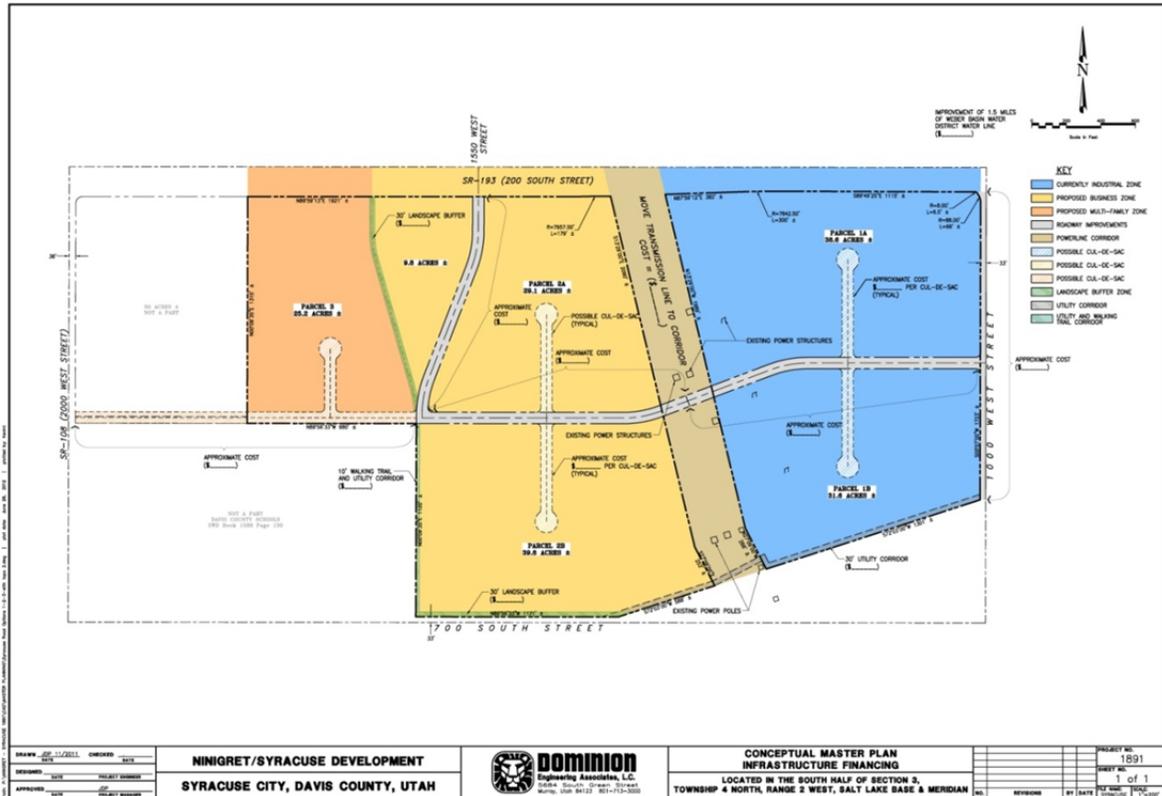
<sup>7</sup> Source: [http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebiste/retailserv/retserv\\_howmanyempl.htm](http://www.eia.gov/emeu/consumptionbriefs/cbecs/pbawebiste/retailserv/retserv_howmanyempl.htm)

<sup>8</sup> <http://jobs.utah.gov/jsp/wi/utalmis/oidoreport.do#wage>

- Creation of approximately 500 construction jobs (one-year job equivalents) in the Tax Increment Collection Area;
- Increased spending in the local area for construction supplies and for convenience purchases by full-time employees at the business park; and
- Added economic diversification to the community.

## APPENDIX A: PROJECT AREA MAP

The entire Study Area is represented on the map below. The westernmost area, shaded in salmon color, is not included in the Project Area. The rest of the map is included in the Project Area. Only the easternmost portion of the map, shaded in blue, represents the Tax Increment Collection Area.



## APPENDIX B: LEGAL DESCRIPTION

A parcel of land located in the South Half of Section 3, Township 4 North, Range 2 West, Salt Lake Base and Meridian, Davis County, Utah, described as follows:

BEGINNING at the East Quarter Corner of Section 3, Township 4 North, Range 2 West, Salt Lake Base and Meridian, and thence along the east line of said Section and the easterly line of the Syracuse City boundary South 00°06'46" West 1,921.36 feet to the northeast corner of property described in that certain Correction Quit Claim Deed recorded October 29, 2001 as Entry No. 1699015 in Book 2914 at Page 910 of the Davis County records; thence along the north line of said property and the southerly line of the Syracuse City boundary the following two courses: 1) South 72°12'57" West 2,191.75 feet and 2) South 72°12'01" West 45.02 feet to the north line of the 700 South Street right-of-way; thence South 00°03'43" West 66.00 feet to the south line of said right-of-way; thence along said south line the following two courses: 1) North 89°56'17" West 526.87 feet and 2) North 89°56'56" West 642.32 feet to the southerly extension of the east line of property described in that certain Special Warranty Deed recorded March 9, 1993 as Entry No. 1021678 in Book 1588 at Page 130 of said records; thence along said line and the northerly extension thereof North 00°09'58" East 1,236.48 feet to a point of tangency of a 567.00 feet radius curve to the left; thence Northerly 159.68 feet along said curve through a central angle of 16°08'10" and a long chord of North 07°54'07" West 159.16 feet; thence North 15°58'12" West 760.62 feet to a point of tangency of a 633.00 feet radius curve to the right; thence Northerly 178.27 feet along said curve through a central angle of 16°08'10" and a long chord of North 07°54'07" West 177.68 feet; thence North 00°09'58" East 371.18 feet to the north line of the South Half of said Section 3; thence along said line South 89°56'57" East 3,553.84 feet to the POINT OF BEGINNING. Said parcel contains 8,174,635 square feet or 187.66 acres, more or less.

The parcels to be included in the Tax Increment Collection Area are as follows:

| Parcel    | Owner                                      | Acres | Taxable Value |
|-----------|--------------------------------------------|-------|---------------|
| 120260017 | CORP OF THE PRESIDING BISHOP OF THE CHURCH | 73.23 | \$0.00        |
| 120260018 | UTAH DEPARTMENT OF TRANSPORTATION          | 6.21  | \$0.00        |

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## APPENDIX C: PROJECT AREA BUDGET



SR 193 Project Area Budget

Zions Bank Public Finance - Municipal Consulting Group

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|    |                                                            |                    |
|----|------------------------------------------------------------|--------------------|
| 64 | <b>Detailed Expenditures:</b>                              |                    |
| 65 | <i>Syracuse City</i>                                       |                    |
| 66 | 3 water vaults at \$60,000 each                            | \$180,000          |
| 67 | Water lines                                                | \$125,000          |
| 68 | Secondary water - booster pump and line                    | \$150,000          |
| 69 | <i>Weber Basin Water Conservancy</i>                       |                    |
| 70 | Pipeline portion and portion of meter vault                | \$173,000          |
| 71 | <i>Developer</i>                                           |                    |
| 72 | Roads Construction                                         | \$681,131          |
| 73 | Culinary Water                                             | \$394,220          |
| 74 | Storm Drain                                                | \$386,918          |
| 75 | Sewer                                                      | \$207,558          |
| 76 | Secondary Water                                            | \$145,475          |
| 77 | Electrical                                                 | \$62,178           |
| 78 | RMP                                                        | \$94,973           |
| 79 | Landscaping (along roadways)                               | \$672,249          |
| 80 | Value of Land Required for Roads & Easements               | \$565,336          |
| 81 | Admin, Engineering , Survey and Testing                    | \$229,974          |
| 82 | Bonding                                                    | \$63,744           |
| 83 | City Engineering & Review Fee                              | \$25,497           |
| 84 | Soil Imbalance Cut/Fill                                    | \$1,065,800        |
| 85 | Transmission Line Relocation                               | \$190,000          |
| 86 | Rail                                                       | \$350,000          |
| 87 | <i>Tenant Outreach</i>                                     |                    |
| 88 | Tenant Outreach at 30%                                     | \$3,289,891        |
| 89 | <b>TOTAL EXPENDITURES (not incl. administrative costs)</b> | <b>\$9,052,944</b> |

# Exhibits B and C

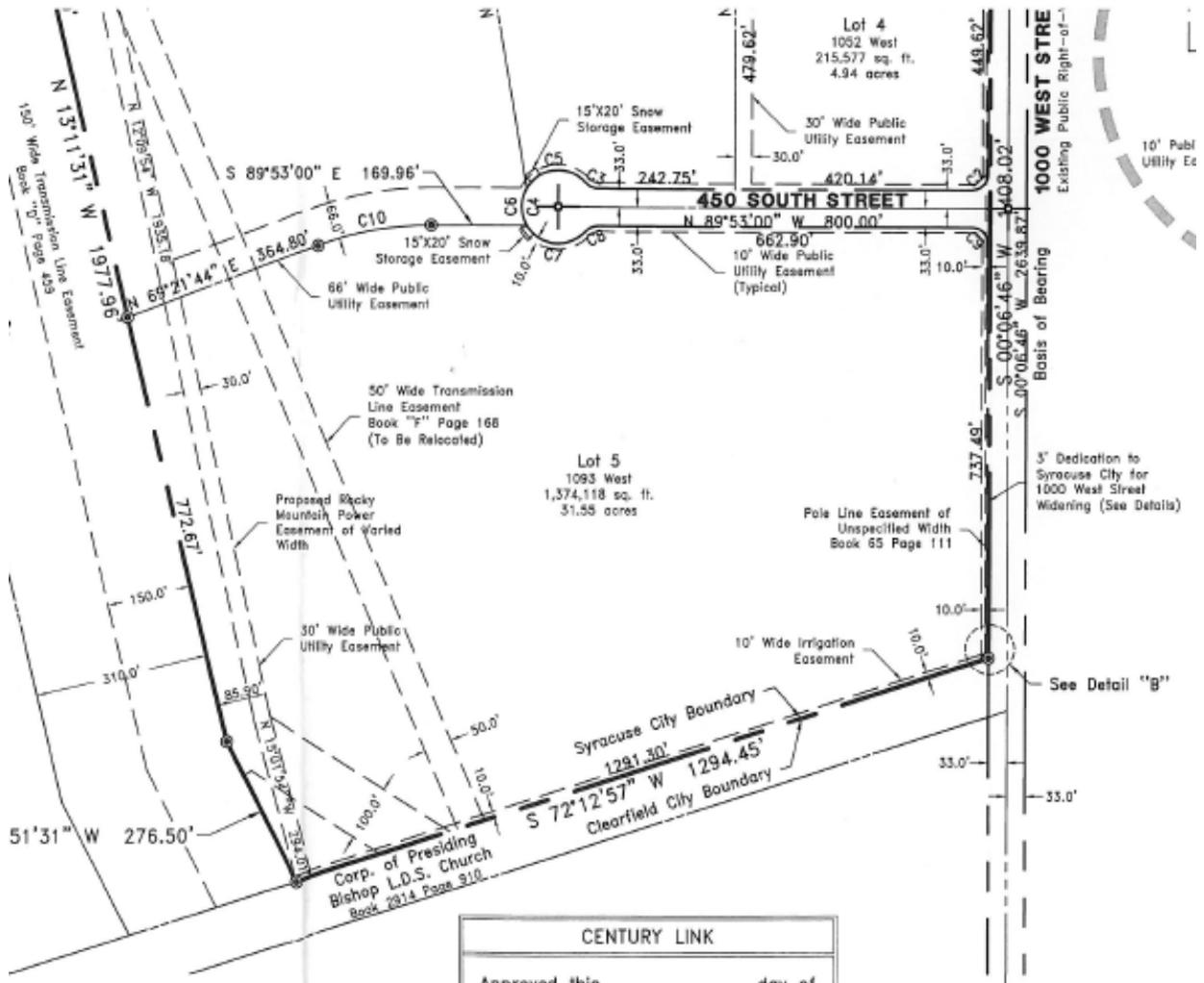
## Exhibit B - Legal Description of Facility Property

Site Serial Number: 12-761-0005

Site Address: 1093 West 450 South, SYRACUSE 84075

Legal Description: ALL OF LOT 5, NINIGRET NORTH I SUBDIVISION. CONT. 31.55000 ACRES.

## Exhibit C - Depiction of Facility Real Property



## EXHIBIT D

### SYRACUSE CITY REDEVELOPMENT AGENCY SR-193 ECONOMIC DEVELOPMENT PROJECT AREA ESTIMATED PROPERTY TAX REBATE REPAYMENT SCHEDULE

| <u>TAX YEAR</u> | <u>PAYMENT<br/>DATE</u> | PROJECTED USCS                                    |                         | <u>ESTIMATED<br/>REBATE<br/>PAYMENT</u> |
|-----------------|-------------------------|---------------------------------------------------|-------------------------|-----------------------------------------|
|                 |                         | <u>PROPERTY TAX<br/>COLLECTIONS<br/>TO AGENCY</u> | <u>AGENCY<br/>SHARE</u> |                                         |
| 2014            | 4/30/2015               | \$367,700                                         | 30%                     | \$110,310                               |
| 2015            | 4/30/2016               | \$367,700                                         | 30%                     | \$110,310                               |
| 2016            | 4/30/2017               | \$525,287                                         | 30%                     | \$157,586                               |
| 2017            | 4/30/2018               | \$525,287                                         | 30%                     | \$157,586                               |
| 2018            | 4/30/2019               | \$525,287                                         | 30%                     | \$157,586                               |
| 2019            | 4/30/2020               | \$525,287                                         | 30%                     | \$157,586                               |
| 2020            | 4/30/2021               | \$525,287                                         | 30%                     | \$157,586                               |
| 2021            | 4/30/2022               | \$525,287                                         | 30%                     | \$157,586                               |
| 2022            | 4/30/2023               | \$525,287                                         | 30%                     | \$33,863                                |
| 2023            | 4/30/2024               | \$525,287                                         | 30%                     | \$0                                     |

**Total Rebate to USCS: \$1,200,000**