



CITIZENS' BUDGET

(the budget at a glance)



A GUIDE TO THE FISCAL YEAR 2018 MUNICIPAL BUDGET

PURPOSE OF CITIZENS' BUDGET

This guide is a citizen-friendly budget document. The intent of the document is to provide a clear and concise overview of Brian Head Town's 2018 fiscal year budget in layman's terms. It explains how the Town is funded and how the funds are spent. Brian Head Town runs on a fiscal year (FY) budget for the time period from July 1 to June 30 each year. FY 2018 budget was adopted on June 13, 2017. You can find a more comprehensive and detailed budget online at www.brianheadtown.utah.gov. Click on the "Administration" tab, look on the bottom left-hand corner of the page, and there you will find a complete (237 page) copy. Read ahead for the condensed version of the budget.

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BUDGET PROCESS

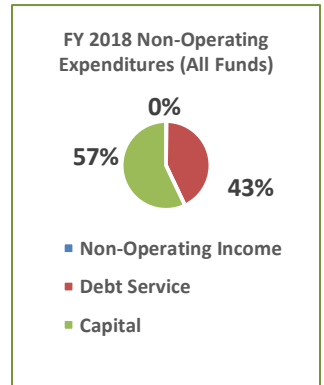
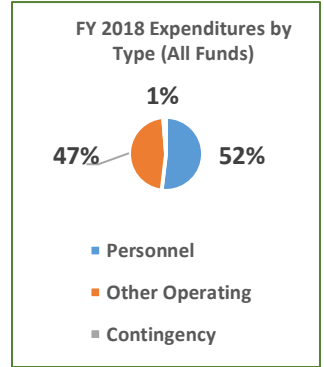
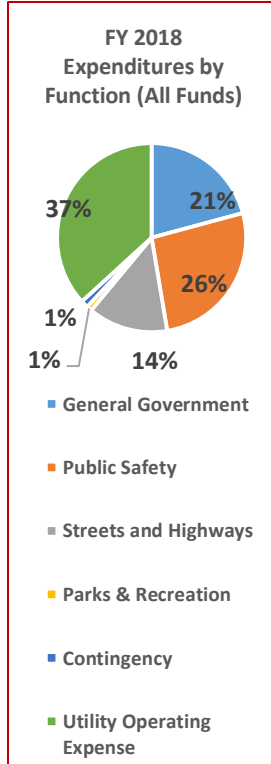
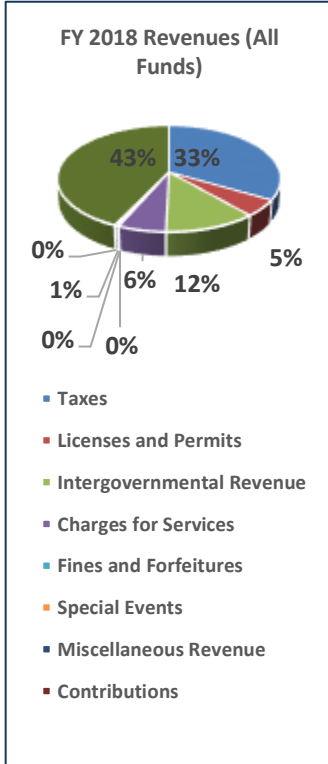
Brian Head Town prepares its budget by starting with a strategic planning process. It looks at the community vision and sets/adjusts Town goals based on this. Next, strategies are prepared for each category (i.e. economy, culture, and environment). Thereafter, action steps are prepared of how the goals are going to be met. Finally, the resource allocation (budgeting) takes place.

STRATEGIC PLANNING



BUDGET SUMMARY

Budgets are made up of Revenues (incoming funds) and Expenditures (outgoing funds). Per State law, the Town is required to balance all budgets to zero (the revenues and expenditures need to match each other), with the exception of the enterprise funds. The enterprise funds do not need to balance to zero. Following are charts of the revenues and expenditures for all funds combined for FY 2018:



Please refer to the complete budget document online for more detail.

REVENUES

For FY 2018 the Town has budgeted, and is expecting to receive, revenues in the amount of **\$6,015,644** (all funds). Revenues for the budget(s) are received from the following sources: Taxes, Licenses and Permits, Intergovernmental Revenue, Charges for Services, Fines and Forfeitures, Interest, Marketing & Events, Contributions, Miscellaneous, and Transfers from other funds. The majority of the revenue is received from taxes.

Taxes

Property taxes are the biggest revenue source for the Town of Brian Head. However, there are several other taxes that contribute to the General Fund as follows:

Breakdown of Brian Head Sales Tax Rate	
State of Utah	4.70%
Brian Head Town	
Local Option	1.00%
Resort Community Tax	1.60%
Highway Tax	0.30%
Parks, Art & Recreation (PAR)	0.10%
Iron County	
County Option Tax	0.25%
Sales Tax on General Purchases	7.95%
Other Sales Taxes	
State Transient Room Tax	4.25%
Municipal Transient Room Tax	1.00%
County Restaurant Tax	1.00%
Sales Tax on Nightly Room Rental	13.20%
Sales Tax on Restaurant Meals	8.95%

Utility Fees

Utility service fees are the largest revenue source for the enterprise funds (water, sewer, and solid waste). Following is an anticipated utility rate schedule for the next several years. Each year, this model is re-evaluated and rates will be proposed to take into account the changing landscape. Currently, the water fund has several debts it is paying off. As debts are paid off or added for important infrastructure projects, utility fees are adjusted.

Fiscal Yr	Residential					%	Commercial					
	Water	Sewer	Solid Waste		Monthly Bill		Water	Sewer	Solid Waste			Monthly Bill
			Waste	Change					Office	Retail	Restaurant	
Current	76.00	32.00	7.00	\$115	2%	150.00	90.00	7.00	47.00	64.00	\$279	
2018	76.00	36.00	7.00	\$119	3%	150.00	90.00	7.00	47.00	64.00	\$279	
2019	76.00	37.00	10.00	\$123	3%	150.00	90.00	10.00	67.14	91.43	\$296	
2020	76.00	39.00	12.00	\$127	3%	150.00	90.00	12.00	80.57	109.71	\$307	
2021	76.00	40.00	13.00	\$129	2%	150.00	90.00	13.00	87.29	118.86	\$313	
2022	76.00	41.00	13.00	\$130	1%	150.00	90.00	13.00	87.29	118.86	\$313	
2023	76.00	41.00	13.00	\$130	0%	150.00	90.00	13.00	87.29	118.86	\$313	
2024	76.00	42.00	14.00	\$132	2%	150.00	90.00	14.00	94.00	128.00	\$319	
2025	76.00	43.00	14.00	\$133	1%	150.00	90.00	14.00	94.00	128.00	\$319	
2026	76.00	44.00	14.00	\$134	1%	150.00	90.00	14.00	94.00	128.00	\$319	
2027	76.00	45.00	15.00	\$136	1%	150.00	90.00	15.00	100.71	137.14	\$324	

Grant Funding

Another possible (and important) revenue source is grant funding. There are grants and or low-interest or no-interest loans available to be awarded on Town projects. This helps out governmental entities – especially for expensive infrastructure projects. Brian Head Town has obtained funds from grants the past several years to help with Town project expenses. *Example: For FY 2018, Brian Head Town received 2 grants (from CIB and CDBG) totaling \$350,000 to help towards the purchase of a new fire pumper truck.*

Total cost of the truck is approximately \$400,000. The Town's contribution towards this will only be \$50,000 (which has been budgeted)!

EXPENDITURES

For FY 2018 the Town has budgeted, and is expecting to spend, expenditures in the amount of **\$5,890,710** (all funds). In the General Fund, expenditures are paid from the following departments: General Government (Council & Administrative), Legal, Building Department, Planning & Zoning, Marketing & Events, Public Safety (Police & Fire), Public Works (Highways, Shop & Garage, and Recreation), and Transfers to other funds. There are also expenses budgeted in the enterprise funds (water, sewer and solid waste departments).

Personnel Expenditures

Personnel expenditures are the biggest expense to the Town's budget. Brian Head Town has 14 full-time employees, some part-time Public Safety Officers, two part-time Guest Service Representatives, two part-time seasonal parks workers (who work for 1/3 of the year), and several volunteer fire fighters. The Town Council and Planning Commission members are paid a minimal fee for their services. The full-time employees have a benefit package with the Town that includes health, dental, and vision insurance and retirement benefits.

For fiscal year 2018, the Town has budgeted to pay \$932,633 in salaries & wages and \$582,983 in benefits and payroll taxes. Total planned personnel expenses total \$1,515,616.

Operating Expenses

Operating expenses include materials, supplies and service. There are also maintenance fees for the water, sewer, and solid waste systems. Depreciation is factored into the budget for infrastructure maintenance. The water fund also has debt service payments.

Capital Expenses

As stated under "budget funds", the Capital Projects fund budget is expended on projects such as street repairs, water and sewer line repairs, and vehicle purchases. Based on the strategic planning/budget process, the Town Manager has created a schedule to purchase and sell back vehicles every 3-5 years for the Public Safety Department and Public Works Department. This helps to alleviate vehicle maintenance costs. A Streets Master Plan was adopted by the Town Council in 2015. The Town is planning to spend \$3M on streets maintenance/paving projects, spread out over 15 years (through 2030). This is a cost from the Town of approximately \$200,000 each year on average. For the past 2 years, the Town has set aside \$200,000 for this project. This comes in the form of an annual transfer from the General Fund to the Capital Projects Fund and is included in the FY 2018 budget.

Long-Term Debt Schedule

General Obligation (GO) Bonds are loans voted on by the Town’s citizens at a general election. GO Bonds are paid with property taxes. A Refunding Bond is debt accumulated by the Town (usually for buildings or improvements to buildings). A CIB loan is a low interest loan obtained through the Community Impact Board. Following is a summary of the Town’s long-term debt schedule for FY 2018:

Loan Name	Principal	Interest	Pay-off date	Interest Rate
1980 GO Water	\$8,726	\$274	7/30/2018	5.00%
2005A GO Snowmaking	\$270,000	\$35,868	9/1/2019	4.50%
2005B GO Refunding	\$155,000	\$49,178	3/15/2024	3.95%
2007 GO Interconnect Bridge	\$65,000	\$15,130	9/1/2020	6.29%
2007 Lease Revenue Refunding	\$50,000	\$1,155	10/1/2017	4.08%
2009 USDA Water Revenue Bonds	\$88,521	\$173,439	10/10/2049	3.50%
2011 Public Safety Building CIB Loan	\$66,000	\$56,175	4/1/2042	2.50%
2013 GO Reservoir Bond	\$89,000	\$27,390	9/1/2034	1.50%
2016 GO Refunding	\$177,000	\$8,410	8/1/2019	1.87%
TOTALS	\$969,247	\$367,019		

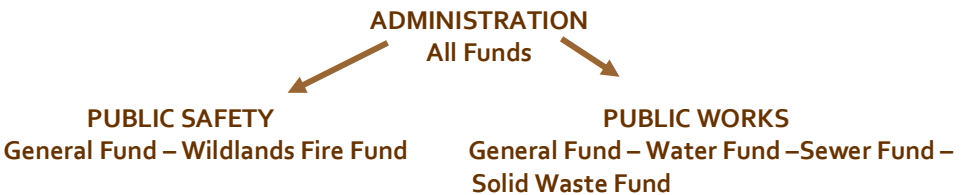
Principal and interest payments are rounded up to the nearest dollar

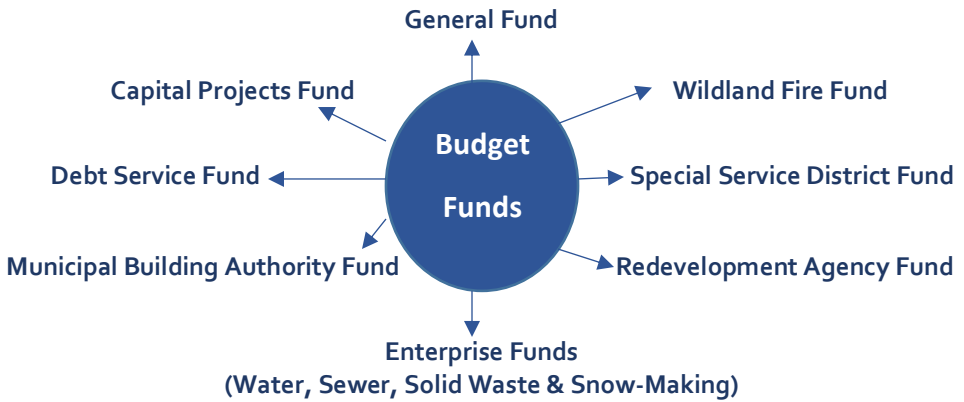
Total Principal/Interest Debt Payments for FY 2018: **\$1,336,266**

This is the condensed version of Brian Head Town’s long-term debt. To look at what General Ledger accounts the principal & interest payments are applied to and to see who the payments are paid to, please refer to the complete budget document found online.

TOWN DEPARTMENTS

Brian Head Town has 3 different departments: Administrative, Public Works, and Public Safety. The Administration Department manages **all** fund budgets. Each department is involved in the General Fund Budget. The Public Safety Department also oversees the Wildlands Fire Fund Budget and the Public Works Department oversees the Water, Sewer, and Solid Waste Fund Budgets. The Administration Department manages the Wildland Fire Fund, enterprise funds, and all other budget funds.





BUDGET FUNDS

There are several “funds” associated with the Budget. They are as follows:

- General Fund – this is the main fund for the Town and addresses operating revenues and expenditures for governmental activities.
- Wildlands Fire Fund – this fund is used for helping to fight wild fires in communities in Utah, along with other Western States areas. It is part of the General Fund but is kept separate to help monitor the funds more easily.
- Special Service District Fund – This fund was created to monitor purchase and lease of water.
- Redevelopment Agency Fund – This fund was created through an agreement with Iron County. Incremental tax revenues from the project area (properties along Highway 143) are received from the County and used for reinvestment and economic development improvements.
- Municipal Building Authority Fund – This fund is used for making debts payments on Town-owned buildings (Town Hall, Public Safety Building, and Town Public Works Shop).
- Debt Service Fund – This budget is used for monitoring our debt of citizen-voted general obligation bonds. All revenue is received from property taxes. Expenditures are for debts approved by the citizens.
- Capital Projects Fund – This fund addresses capital projects such as infrastructure improvements (i.e. streets, water and sewer lines) and vehicle purchases.
- Water, Sewer, and Solid Waste Funds – These funds are used to provide services to our citizens.
- Snow Making – This fund was created in partnership with Brian Head Resort for debt acquired for snow-making.

FINAL SUMMARY

There is a lot more to the budget process, however, this pamphlet touches on the highlights of the budget. If you have questions regarding the Town’s budget and/or budget process, please contact Cecilia Johnson, Town Treasurer at (435) 677-2029 or cajohnson@bhtown.utah.gov.

Compiled by Cecilia Johnson, Brian Head Town Treasurer