

AMERICAN FORK

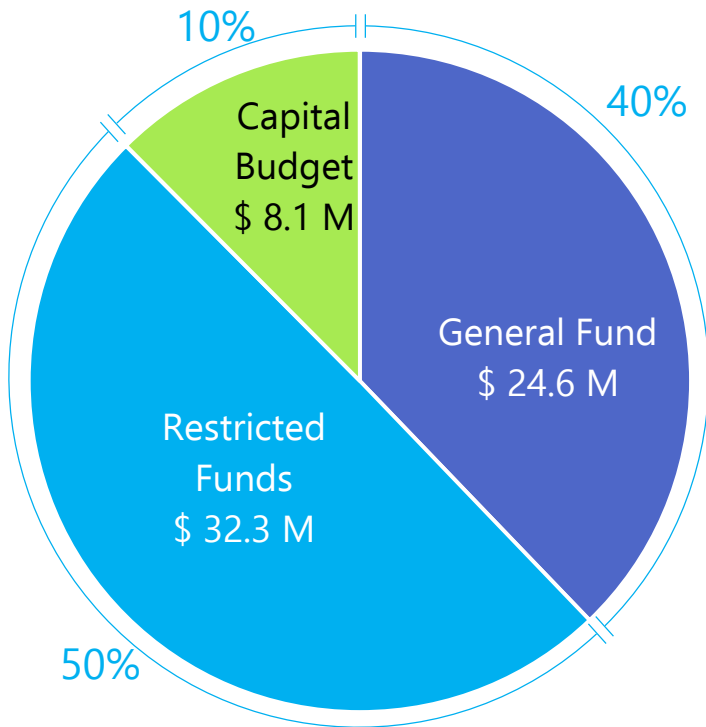
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FY 2017
CITIZEN'S BUDGET

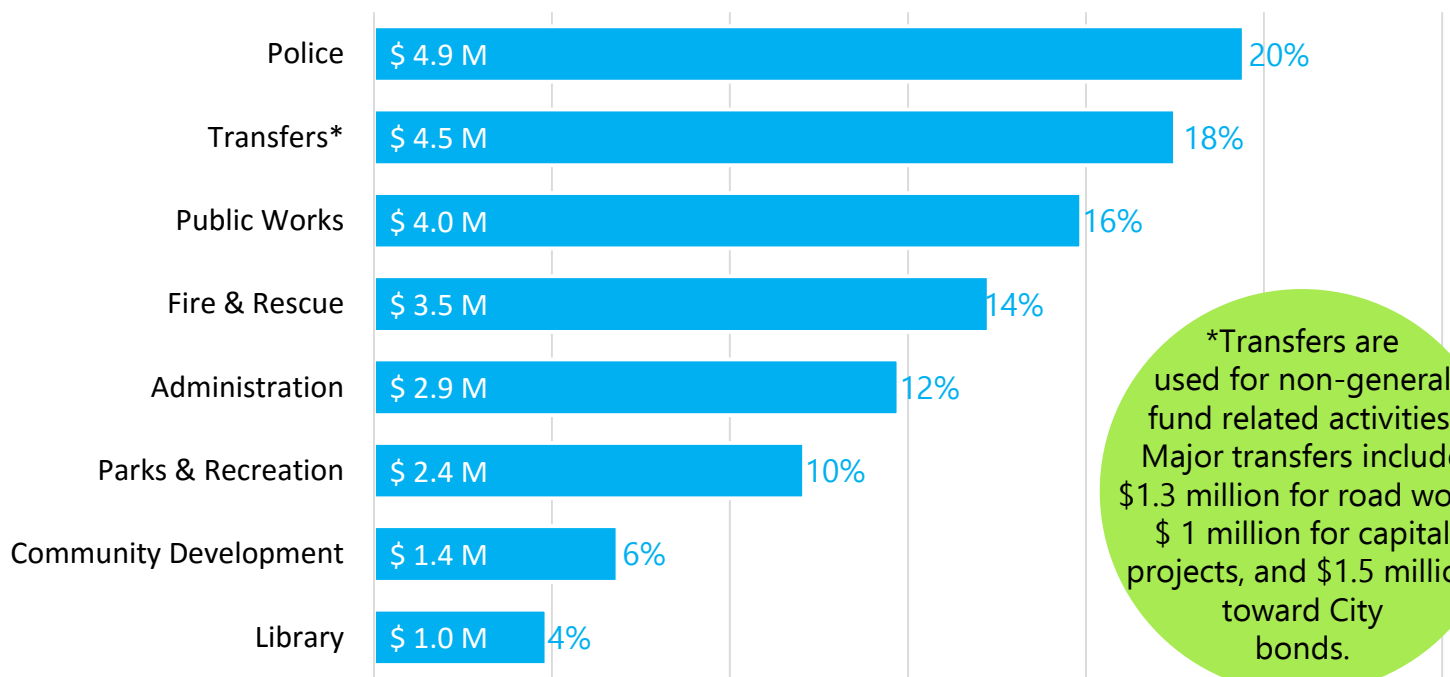
Expense Summary

Total Expenses: \$65 Million



The City budget is split into funds to help organize and track expenses and revenues. Restricted Funds operate more like a business in that the fees charged for a specific fund help pay for the service provided in that fund. The Water & Sewer Fund is the largest of these funds; citizens pay utility fees that are only used to provide the utilities. The General Fund pays for those functions typically associated with a municipal government (e.g., police, fire, streets, parks, recreation, and community development) and usually receives its revenues from taxes collected. A capital project is a large, expensive, one-time project where the total cost is greater than \$5,000 and its life expectancy is greater than 5 years.

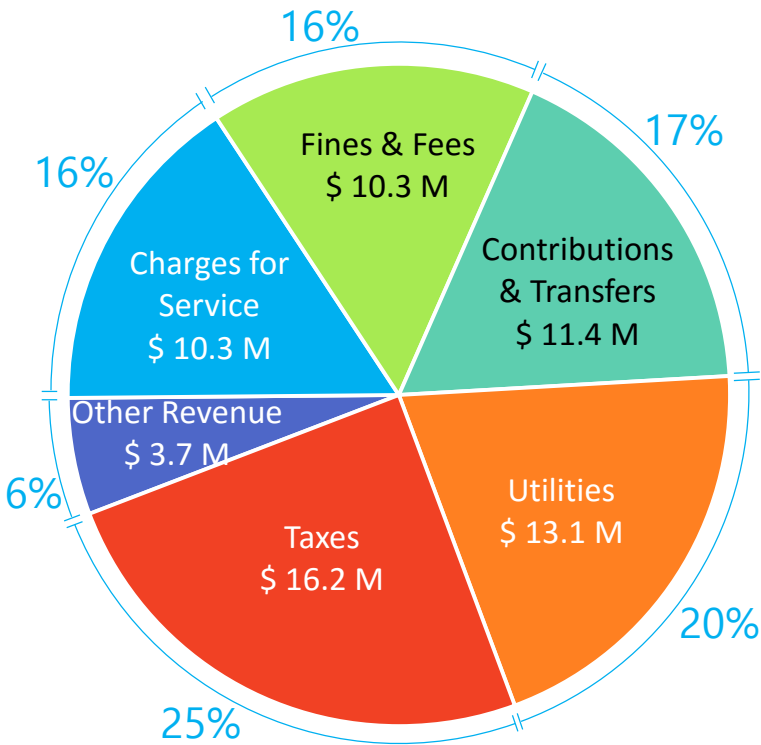
General Fund Expenses: \$24.6 Million



*Transfers are used for non-general fund related activities. Major transfers include \$1.3 million for road work, \$1 million for capital projects, and \$1.5 million toward City bonds.

Revenue Summary

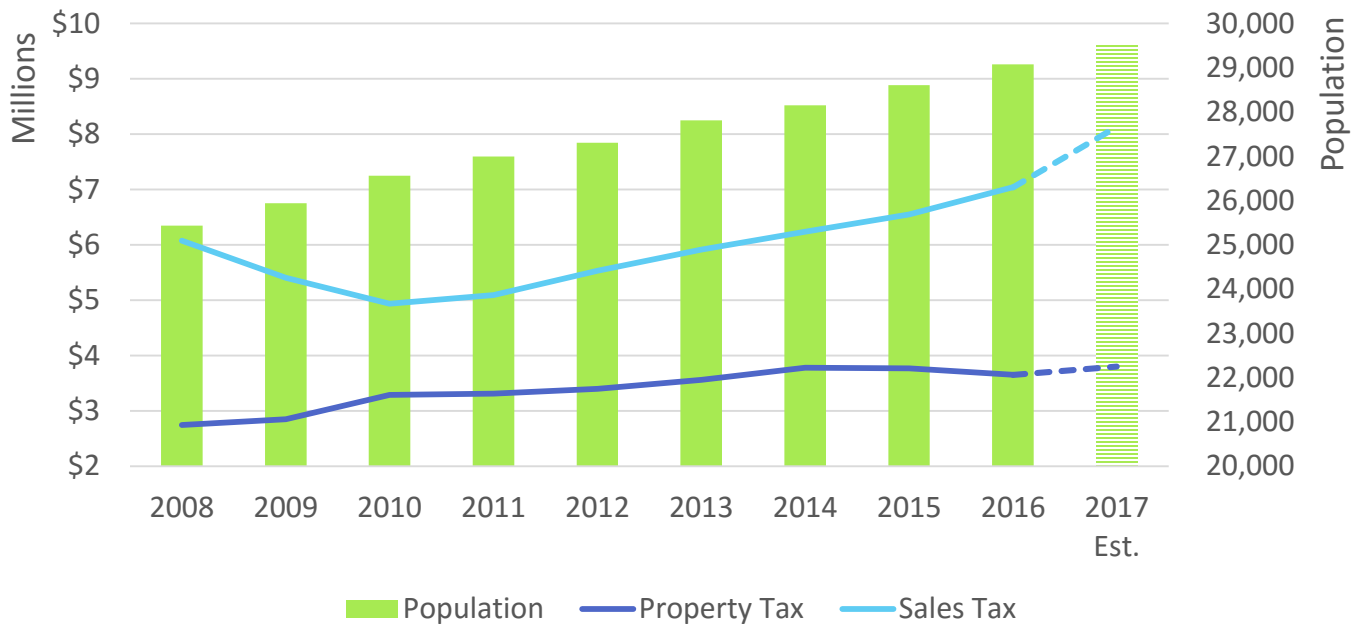
Total Revenues: \$65 Million



By law a city is required to only spend what it has money to pay for. The City of American Fork plans to collect \$65 million in revenue to pay for operations and capital purchases. Sales & Property tax make up about 25% of total revenue collected, though they make up about 45% of the General Fund revenue. Utilities solely fund the restricted Water & Sewers Funds.

The table below shows a 10 year history of Sales and Property Taxes as compared to population growth. While sales has grown in-line with population since the recession, property tax has grown at a slower rate in spite of new development and increased home values.

Sales & Property Taxes



Taxes

Sales Tax



Car Purchase	%	Amount
Assessed Value		\$25,000
Taxes Paid	%	Amount
State	4.70%	\$1,175
City*	1.00%	\$250
Mass Transit	0.55%	\$138
Infrastructure	0.25%	\$63
County	0.25%	\$63
Total	6.75%	\$1,689

*American Fork only receives about 0.79% of the 1.00% for Cities. That equates to \$198 a year, or **\$16/month**.

Property Tax



Home Purchase	%	Amount
Assessed Value		\$250,000
Taxable Value	55%	\$137,500
Taxes Paid	%	Amount
School	0.818%	\$1,124
City*	0.236%	\$325
County	0.087%	\$120
Water	0.043%	\$59
Fees	0.034%	\$46
Total	1.217%	\$1,674

*City portion equals **\$27/month**.

What can you get for \$43?

Monthly Sales (\$16) and Property tax (\$27) = \$43

4.50

Movies



or

5.38

Shirts



or

6.77

Meals



OR

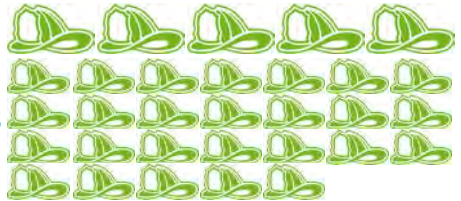
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Police Officers



31

Fire Fighters



28

Parks



1

Library



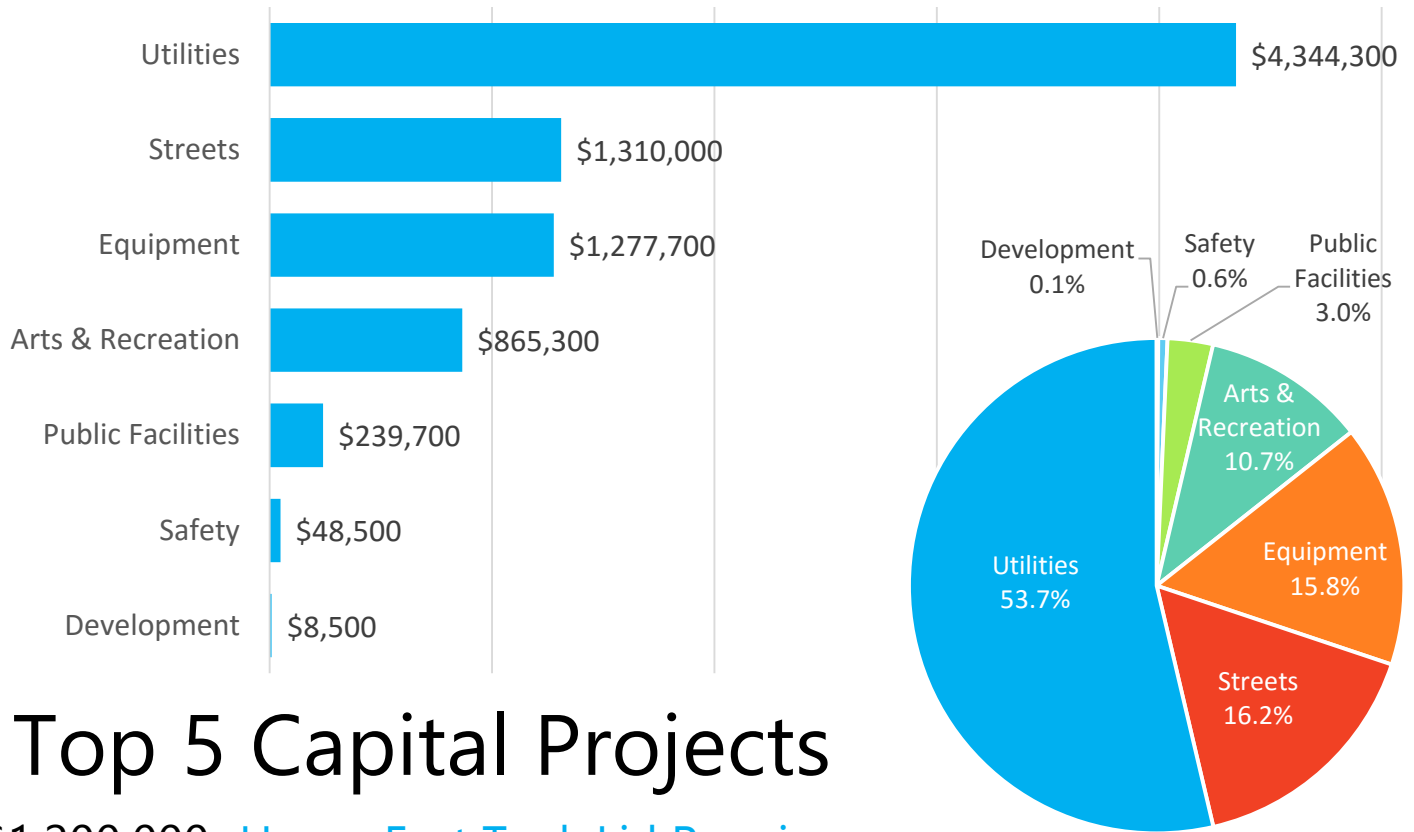
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112 miles of streets, 159 miles of culinary water lines, and more!

Capital Projects

FY 2017 Capital Projects: \$8 Million



Top 5 Capital Projects

\$1,200,000 [Upper East Tank Lid Repairs](#)

This project is funded from water and sewer user fees and will repair the lid to the culinary water tank located at the mouth of American Fork Canyon.

\$700,000 [Utah Valley Drive Overlay](#)

This project is funded from the road accrual fund and repair Utah Valley Drive by grinding off 1-3 inches of deteriorated road and laying down new asphalt.

\$589,000 [EMS Ambulances](#)

This project is funded the general fund and will fund the replacement of two outdated ambulances. This reduces repair costs and ensures safety for firefighters and citizens alike.

\$500,000 [Sewer Improvements & Rehabilitation](#)

This project is funded from water and sewer user fees and will repair sewer lines to prevent infiltration that would otherwise reduce effectiveness and raises costs.

\$420,000 [Detention Pond](#)

This project is funded from water and sewer user fees and will create a detention pond in SE American Fork to manage water runoff related to development.

Streets

Total Street Budget: \$2.8 Million

The City plans to spend \$2.8 million on street maintenance, improvements, and repairs. Most notable investments are an overlay on Utah Valley Drive, repair work done on 1120 N 70 E, and general mineral, crack seal, and sidewalk repair throughout the City.



120 Miles American Fork City maintains 120 miles of roads. That's as many miles as it would take to drive from American Fork to the Utah-Idaho border; a 1 hour and 50 minute commute (depending on traffic)!

The City implements a number of ways to repair or extend the life of a road. Below explains some methods American Fork uses:

Crack Seal Designed to seal up fractures and cracks that develop in asphalt due to the freeze and thaw cycle in our climate. Its purpose is to keep water out of the base & sub base. Water is the greatest threat to our roads.

Mineral Seal (HA5) Designed to restore the binder, a glue that holds the asphalt together. It's also used to water proof and keep the UV rays off. Direct sunlight will reduce the life span of asphalt. HA5 is to asphalt, what sun screen is to skin.

Slurry Seal Provides a new layer to be worn out without further damaging the existing road. It can be used to fix slight depressions and prevent water from pooling.

Chip Seal A cost effective way to get more years of life out of your road. Provides a new layer which includes asphalt and fine aggregate to be worn out without further damaging the existing road.

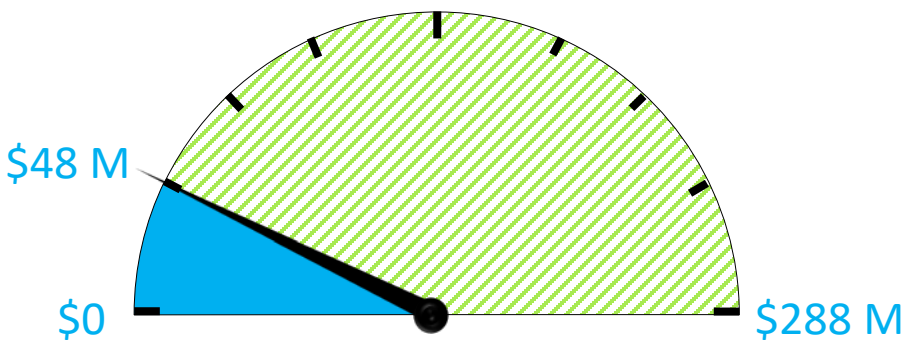
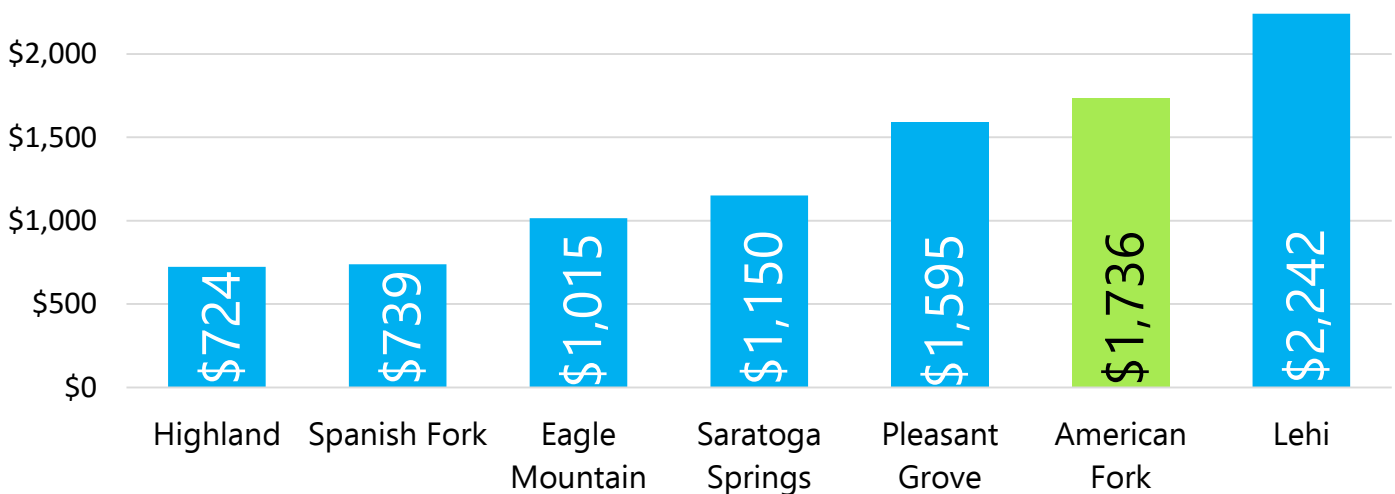
Asphalt Overlay Used when the road has reached the end of its life cycle and there are no more cost effective ways to treat the pavement. Grinds off 1-3 inches of road and lays new layer.

City Debt

Total City Debt: \$48 Million

As of July 1, 2016, the City has about \$48 million in outstanding (unpaid) debt in the form of bonds. Most of these bonds are for street and utility projects. While bonds can be useful for funding necessary projects, American Fork City is working to reduce its current debt and move toward a pay-as-you-go system. Recently, the City has refunded 2 bonds which is expected to provide a net savings of over \$4.5 million.

Debt Per Capita



Actual Debt vs. Debt Limit

Actual Debt is 17% of Limit

The State of Utah limits how much debt cities can have to 4% of its taxable property base for General Obligation Bonds (G.O. Bonds) and 8% for non-G.O. Bond debt. Together the total debt limit is 12% of a city's taxable property base. For FY 2017 American Fork's debt limit is \$288 million. Actual debt for the City is only \$48 million, or 17% of our allowable debt limit.

Data of other city's based on total debt fund balances provided in there respective FY 2015 budgets.



Budget Information



For the full [FY 2017 Budget](#) please visit [afccity.org](#) or stop by one of our offices.

Administration Building [51 E Main St.](#)
801-763-3000

Library [64 S 100 E](#)
801-763-3070

Recreation Center [454 N Center St.](#)
801-763-3080

Staff & Elected Officials

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Councilman [Brad Frost](#)
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Councilman [Robert Shelton](#)
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Councilman [Jeffrey Shorter](#)
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City Administrator [Craig Whitehead](#)
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