

Ordinance 09-2026

AN ORDINANCE APPROVING THE FYE 2027 FINAL BUDGETS FOR ALL FUNDS (GENERAL, CAPITAL PROJECT, WATER, SEWER, STORM WATER, SECONDARY WATER, GARBAGE AND FIBER.) & SALARIES.

WHEREAS UCA § 10-7-717 Purpose of resolutions, states, "Unless otherwise required by law, the governing body may exercise all administrative powers by resolution . . ."

WHEREAS Providence City desires to provide for the health, safety, and welfare, and promote the prosperity, peace and good order, comfort, convenience, and aesthetics of the City and its present and future inhabitants and businesses.

WHEREAS Providence City will consider the impact the proposed ordinance may have on family health, stability and formation.

WHEREAS the Providence City Council held a City Council meeting on May 20th, 2026, prior to taking action on adopting the tentative budgets and approved by motion of Council the 2027 Tentative Budgets for all funds (General, Capital Project, Water, Sewer, Storm Water, Secondary Water, Garbage and Fiber).

WHEREAS Utah Code 10-6-118(1) states: Before June 30 of each fiscal period . . . the governing body shall . . . adopt a budget for the ensuring fiscal period for each fund.

WHEREAS the attached FYE 2027 Budget for all funds and salaries is being submitted by the Budget Officer for City Council consideration: and

WHEREAS the Providence City Council held a public hearing on June 17th, 2026, prior to taking action on the 2027 Final Budget for all funds (General, Capital Project, Water, Sewer, Garbage, Storm Water, Secondary Water and Fiber), as well as for the salaries of the city's Government Officers and Supervisors/Directors.

THEREFORE, be it resolved by the Providence City Council:

- The attached 2027 Final Budgets for all funds (General, Capital Project, Water, Sewer, Garbage, Storm Water, Secondary Water and Fiber) as well as stated salaries shall be approved.
- This resolution shall become effective immediately upon passage.

Passed by vote of the Providence City Council this 17th day of June 2026.
Council Vote:

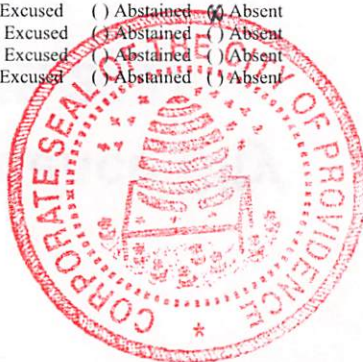
Campbell, Scot	☒ Yes	☐ No	☐ Excused	☐ Abstained	☐ Absent
Kirk, Carrie	☐ Yes	☐ No	☐ Excused	☐ Abstained	☒ Absent
Kunz, David	☒ Yes	☐ No	☐ Excused	☐ Abstained	☐ Absent
Sealy, Jeanell	☒ Yes	☐ No	☐ Excused	☐ Abstained	☐ Absent
Speth, Brent	☒ Yes	☐ No	☐ Excused	☐ Abstained	☐ Absent

Providence City

Kathleen W Alder, Mayor

Attest:

Ty Cameron, City Recorder



Providence City FYE 2027



Tentative Budget

Table of Contents	3
City Manager's Message	6
History of the City	7
Strategic Goals and Strategies	9
Providence City General and Master Plans links	10
Budget Overview	13
Accomplishments for FYE 2025	14
Accomplishments for the Last 5 Years	17
Compensation Schedule	18
Organizational Chart	19
Funds Subject to Appropriation and Fund Structure	21
City-Wide Fund Organizational Chart	22
Basis of Budgeting	23
Financial Policies	27
Budget Preparation and Adoption Process	30
Fund Balance / Net Position Projections	32
Revenue Sources and Trends	35
Capital Improvement Plan for the Coming Year	37
Long-Range Operating Financial Plans	39
Debt Summary	42
Personnel and Position Summary	43
Departmental and Program Descriptions	46
Departmental Goals and Performance Measures	48
Glossary	56
Transparency and Accessibility	58
Appendix A – Capital Project Summary	60
Appendix B – SB 165 – Report	61
Appendix C – CPI for All Urban Consumers (CPI-U)	62
Appendix D – Demographic Information	

City Manager's Message

Dear Mayor, City Council Members, and Residents of Providence,

I am pleased to present the budget for Providence City for the Fiscal Year 2026-2027. This budget is scheduled for a public hearing on May 21st, with final adoption set for June 18th, and will be effective from July 1st, 2025, through June 30th, 2026. In accordance with state guidelines, this budget is balanced, ensuring that revenues and expenditures align appropriately.

The development of this budget has been a comprehensive process, involving close collaboration with city staff, discussions with the City Council, and alignment with Providence City's Master Plans, including the Capital Improvement Plans (CIP). Each department's needs and potential improvements have been carefully assessed, and the strategies for addressing key community priorities are reflected in the proposed budget.

Overview of Significant Budgetary Items and Trends

This year's budget reflects a continued commitment to maintaining high-quality services, investing in community infrastructure, and supporting economic development. Below is a summary of significant budgetary items and trends:

1. Revenue Trends

- **Property Taxes:** There will be no increase in property taxes for the upcoming year. The property tax rate remains stable, with increased revenues anticipated through new development and property value growth.
- **Sales Tax:** Sales tax revenues are projected to increase modestly this fiscal year due to expected growth in retail, particularly with the new Chick-Fil-A planned to open in June. Additionally, population growth is contributing to an increase in sales tax. There are also some demands from the surrounding community for sales tax revenue. As a significant part of the city's revenue stream, sales tax is essential for funding services and infrastructure projects. The city will continue to monitor trends to ensure sustainable economic growth and optimize revenue allocation.
- **Grants and External Funding:** Providence City will continue to pursue various state and federal grants, with several capital projects funded through these external sources, including the expansion of recreational facilities and water infrastructure.

2. Expenditure Trends

- **Public Works and Infrastructure:** A significant portion of the budget is allocated to maintaining and upgrading the city's infrastructure, including road improvements, sidewalk/curb/gutter development, and sewer system expansions. The city's focus remains on enhancing transportation and utility infrastructure to meet the demands of growing development.
- **Parks and Recreation:** Investments in parks and recreational facilities will continue, including the acquisition of land for a new park and upgrades to Hillcrest Park (pavilion, sports court, playground, and/or restroom facilities).

3. Capital Investments

- **Water System:** Major capital investments include the construction of a new water ~~tank~~ well house and upgrades to the city's SCADA system at the PRV stations. These investments ensure that the city's water infrastructure can support continued growth.
- **Fiber Expansion:** The fiber network expansion continues, with funding allocated for increased service coverage and enhanced broadband infrastructure for residents and businesses.
- **Sewer System:** A sewer outfall line extension on 1200 South and collar manhole upgrades are part of the ongoing investment in Providence's sewer infrastructure, which will serve the needs of new and existing residents.

Strategic Goals and Priorities for the Upcoming Year

The budget for Fiscal Year 2025-2026 reflects the city's strategic goals and priorities, as outlined in Providence City's General Plan, [ProvidenceCity.com/land-use/page/master-plan-maps](https://providencecity.com/land-use/page/master-plan-maps). The budget supports the following key initiatives:

1. **Infrastructure Maintenance and Expansion:** Continuing investment in road maintenance, water systems, and sewer expansion is a top priority to ensure the city can accommodate growing demands.
2. **Public Recreation and Community Spaces:** Expanding park facilities and enhancing recreational opportunities to foster community engagement and quality of life.
3. **Fiscal Responsibility:** Ensuring that the city maintains fiscal health by carefully balancing revenue and expenditures, with a focus on sustainable growth and resource management.
4. **Economic Development:** Supporting long-term economic vitality through strategic infrastructure investments and fostering business growth.

Significant Changes from the Current Year

Several notable changes have been made to this year's budget based on both current challenges and future needs:

- **Increased Investment in Water and Sewer Infrastructure:** To meet the needs of new development, there is a significant increase in funding for water system upgrades, including a new water lark-well house and sewer system expansions.
- **Water Meter Replacement:** To improve efficiency and accuracy, efforts are underway to replace outdated water meters with modern, advanced technologies. This initiative will enhance water usage tracking, reduce waste, and ensure fair billing practices for all residents.
- **Enhanced Focus on Parks and Recreation:** Given the importance of community spaces, more resources have been allocated to the development of new parks and the upgrade of existing recreational facilities, including Hillcrest Park.
- **Utility Fee Adjustments:** Water and sewer impact fees have been adjusted to better support infrastructure improvements and manage growing demand from new development.

Conclusion

This budget is designed to reflect the city's priorities and address the challenges and opportunities for Providence City in the upcoming year. The strategic initiatives outlined above will ensure continued growth while maintaining the city's core services and quality of life for residents. We are committed to overcoming the challenges of rising inflation, housing shortages, and labor scarcity, and we remain confident that Providence will continue to thrive through collaborative efforts and prudent financial planning.

I would like to express my sincere thanks to the City Council, staff, and residents for their ongoing support. Your dedication helps make our continued progress possible.

Respectfully,
Ryan Snow, MBA, CPA, ICMA-CM
City Manager

History of the City

From a stopping point for the Shoshoni tribes to the early settlement by pioneers of The Church of Jesus Christ of Latter-Day Saints (Mormons), Providence has played a significant role in the history of Cache Valley. The region, rich in natural resources and beauty, provided an ideal location for the Shoshoni, who utilized the land for hunting and gathering. With the arrival of Mormon settlers in the mid-19th century, the area began to transform from a wilderness into a thriving community. These settlers, driven by a vision of building a self-sustaining community, established Providence in 1859, marking the official beginning of its development as a city.

In its early years, Providence evolved into a close-knit farming community, where agriculture became the backbone of the local economy. The fertile soil of Cache Valley supported a variety of crops and livestock, and the town quickly became known for its agricultural productivity. This rural character, deeply rooted in hard work and communal effort, has remained a defining feature of Providence, even as the city has grown and changed over time.

Over the past forty years, Providence has experienced rapid growth, bringing both opportunities and challenges. The influx of new residents and businesses has spurred economic development and increased the availability of services and amenities. However, this growth has also presented challenges, such as the need to manage land use, preserve open spaces, and maintain the small-town atmosphere that residents cherish. Despite these challenges, Providence has managed to retain its identity as a rural community with a unique charm and character that sets it apart from other cities in the region.

Providence recognizes that growth is not only inevitable but also necessary for the continued prosperity of the community. However, the city remains committed to ensuring that this growth is carefully managed in a way that preserves the quality of life, character, and uniqueness that have long been associated with Providence. This commitment is reflected in the city's vision and planning efforts, which are designed to guide future development in a way that respects the past while embracing the future.

Having a clear vision of the city, coupled with appropriate goals and strategies, provides Providence with the tools necessary to ensure that future growth enhances rather than diminishes the community's character. The current budget seeks to complement these city plans by providing the financial framework needed to implement the guiding principles that have been established. Through proactive planning and management, Providence aims to anticipate and guide future changes, ensuring that the city continues to thrive while maintaining the values and traditions that have made it what it is today.

For a more detailed history of Providence City, visit ProvidenceCity.com/providence-history

Strategic Goals and Strategies

Providence City aims to achieve sustainable, strategic growth that focuses on the community, environment, and economy. This vision is guided by six key initiatives outlined in the city's General Plan. These initiatives provide a comprehensive framework for future development, ensuring long-term success, community engagement, and environmental responsibility. Below is a summary of the strategic goals and corresponding strategies for achieving these objectives:

1. Sense of Place

- **Goal:** Preserve and enhance Providence's unique character and identity.
- **Strategy:** Guide future development toward interconnected activity centers, public spaces, historic sites, parks, and civic destinations, ensuring a cohesive and attractive community layout that reflects Providence's heritage.
- **Action Plan:** Ongoing design reviews and zoning regulations will ensure that all new developments align with the community's vision and preserve its character.

2. Green Infrastructure

- **Goal:** Promote sustainable development and environmental stewardship.
- **Strategy:** Protect water resources, preserve scenic views, and open spaces, and implement stormwater management and conservation practices to maintain the natural environment.
- **Action Plan:** The city will adopt policies that encourage green building practices, protect floodplains, and utilize low-impact development strategies in both public and private projects.

3. Fiscal Responsibility

- **Goal:** Maintain prudent financial management.
- **Strategy:** Ensure growth is financially sustainable, infrastructure investments are sound, public services are adequately funded, and fiscal resources are wisely managed.
- **Action Plan:** The city will continue to develop a balanced budget, seek out new sources of revenue, and monitor expenditures to ensure fiscal health. Additionally, grants and partnerships will be explored to reduce costs.

4. Economic Development

- **Goal:** Support long-term economic vitality.

- **Strategy:** Enhance infrastructure efficiency, increase local employment opportunities, foster compatible transitions between residential and commercial zones, and sustain economic growth.
- **Action Plan:** Providence will prioritize investments in infrastructure projects that support business development and create local jobs, including the construction of business parks, improved transportation links, and utilities infrastructure.

5. Multi-modal Connectivity

- **Goal:** Develop a comprehensive transportation system.
- **Strategy:** Ensure safe, accessible transportation for all modes, including walking, cycling, and public transit, with a focus on regional coordination and comprehensive planning for future improvements.
- **Action Plan:** The city will continue to expand its sidewalk and bike lane networks, improve public transit routes, and integrate pedestrian-friendly designs into new developments.

6. Diverse Housing Opportunities

- **Goal:** Offer diverse and inclusive housing solutions.
- **Strategy:** Provide housing for all life stages and income levels, emphasizing fair housing practices and the development of affordable and accessible housing.
- **Action Plan:** Providence may revise zoning codes to promote mixed-use development and affordable housing, implement affordable housing programs, and ensure that developments meet the needs of a diverse community.

Process for Creating Strategic Goals

These goals were derived through a comprehensive process that involved input from community members, local stakeholders, and city staff. The city's General Plan, which was updated with public input and expert guidance, forms the foundation for these goals. Regular consultations with the City Council, Planning Commission, and residents have ensured that the goals reflect the community's priorities and long-term vision for growth and development.

Linking Budget Initiatives to Strategic Goals

The city's budget initiatives are directly aligned with these strategic goals. Each initiative has corresponding budget allocations to ensure that the strategies are effectively implemented. For example, funding for infrastructure improvements directly supports the Multi-modal Connectivity and Economic Development goals, while investments in environmental conservation help achieve the Green Infrastructure initiative.

By focusing on these strategic initiatives, Providence City will continue to grow responsibly, preserving its unique character while ensuring economic vitality, environmental sustainability, and community well-being for future generations.

Providence City General and Master Plans links

Providence City General Plan

- <https://www.providencecity.com/media/51>

Parks, Trails and Recreation Master Plan

- <https://www.providencecity.com/media/2406>

Transportation Master Plan

- <https://www.providencecity.com/media/2421>

Wastewater Master Plan

- <https://www.providencecity.com/media/2471>

40-Year Water Rights Plan

- <https://www.providencecity.com/media/2426>

Storm Water Master Plan

- <https://www.providencecity.com/media/2476>

Culinary Water Master Plan

- <https://www.providencecity.com/media/2481>

Budget Overview

Fund	Type	Department	FYE 2024 Actual	FYE 2025 Budget	YTD FY2025 (5/27/25)	FYE 2026 Budget	FYE 2027 Budget	FYE 2028 Forecast	FYE 2029 Forecast	FYE 2030 Forecast	
General (10)	Revenue	Charges for services	283,905	337,300	400,300	262,177	270,100	278,200	286,500	295,100	
		Contributions and transfers	800	-	425	-	-	-	-	-	-
		Fees and forfeitures	63,814	67,700	85,475	73,500	75,700	77,900	82,200	82,500	
		Interest	694,864	465,600	505,052	509,600	524,900	540,600	556,800	573,500	
		Licenses and permits	191,857	197,200	158,247	340,900	165,700	170,500	175,600	180,500	
		Taxes	4,354,408	4,541,100	3,962,953	4,454,253	4,634,200	4,769,800	4,909,800	5,054,200	
		Intergovernmental revenue	931,864	588,100	626,919	605,800	624,000	642,800	662,200	682,200	
		Miscellaneous revenue	196,952	165,400	163,329	138,605	142,800	147,100	151,500	156,000	
	Revenue Total	6,617,184	6,362,400	5,908,724	6,204,935	6,437,400	6,626,900	6,822,600	7,024,500		
	Expense	Administrative	(996,904)	(1,170,800)	(966,694)	(1,127,200)	(1,164,100)	(1,210,900)	(1,255,700)	(1,302,400)	
		Public Health and Safety	(815,482)	(868,700)	(844,617)	(882,355)	(909,800)	(959,700)	(950,700)	(972,000)	
		Public Works Administration	(184,713)	(257,800)	(150,085)	(182,300)	(190,600)	(199,300)	(208,400)	(218,000)	
		Transfers	(3,400,000)	(1,645,200)	(1,630,000)	(1,172,580)	(1,509,200)	(1,498,380)	(1,538,300)	(1,522,850)	
		Comm Dev - Administration	(218,741)	(234,800)	(245,196)	(248,200)	(260,300)	(272,900)	(284,300)	(300,500)	
		PW Dept - Streets Division	(720,951)	(907,400)	(497,267)	(1,175,300)	(958,200)	(988,300)	(1,020,000)	(1,053,000)	
		Fleet Purchase and Maintenance	(96,057)	(113,200)	(90,080)	(117,300)	(120,300)	(123,500)	(126,700)	(130,200)	
		PW Dept - Prop Maint Parks	(125,972)	(160,800)	(100,538)	(184,400)	(178,500)	(193,300)	(182,700)	(184,800)	
Capital Projects (45)	Revenue	Interest	116,311	92,100	54,415	47,450	48,400	49,400	50,400	51,400	
		Transfers	3,400,000	1,645,200	1,630,000	1,172,580	1,509,200	1,498,380	1,538,300	1,522,850	
		Intergovernmental revenue	416,895	450,000	517,800	481,000	494,700	504,600	514,700	525,000	
		Non-Operating Income	-	-	-	-	-	-	-	-	-
		Miscellaneous revenue	-	-	54,921	833,000	-	-	-	-	-
	Revenue Total	3,953,206	2,187,300	2,897,136	2,530,030	2,052,300	2,052,380	2,103,400	2,099,250		
	Expense	Administrative	(14,849)	(161,700)	(148,033)	(40,400)	(15,900)	(48,400)	(36,900)	(52,400)	
		Public Works Administration	(169,993)	(20,000)	(119,971)	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	
Miscellaneous		-	-	-	-	-	-	-	-	-	
PW Dept - Streets Division		(1,696,091)	(742,200)	(29,793)	(2,181,500)	(1,310,300)	(1,269,000)	(1,658,000)	(777,300)		

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	944	943	942	941	940	939	938	937	936	935	934	933	932	931	930	929	928	927	926	925	924	923	922	921	920	919	918	917	916	915	914	913	912	911	910	909	908	907	906	905	904	903	902	901	900	899	898	897	896	895	894	893	892	891	890	889	888	887	886	885	884	883	882	881	880	879	878	877	876	875	874	873	872	871	870	869	868	867	866	865	864	863	862	861	860	859	858	857	856	855	854	853	852	851	850	849	848	847	846	845	844	843	842	841	840	839	838	837	836	835	834	833	832	831	830	829	828	827	826	825	824	823	822	821	820	819	818	817	816	815	814	813	812	811	810	809	808	807	806	805	804	803	802	801	800	799	798	797	796	795	794	793	792	791	790	789	788	787	786	785	784	783	782	781	780	779	778	777	776	775	774	773	772	771	770	769	768	767	766	765	764	763	762	761	760	759	758	757	756	755	754	753	752	751	750	749	748	747	746	745	744	743	742	741	740	739	738	737	736	735	734	733	732	731	730	729	728	727	726	725	724	723	722	721	720	719	718	717	716	715	714	713	712	711	710	709	708	707	706	705	704	703	702	701	700	699	698	697	696	695	694	693	692	691	690	689	688	687	686	685	684	683	682	681	680	679	678	677	676	675	674	673	672	671	670	669	668	667	666	665	664	663	662	661	660	659	658	657	656	655	654	653	652	651	650	649	648	647	646	645	644	643	642	641	640	639	638	637	636	635	634	633	632	631	630	629	628	627	626	625	624	623	622	621	620	619	618	617	616	615	614	613	612	611	610	609	608	607	606	605
--	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

Accomplishments for FYE 2025

Providence City has made significant strides this year in improving infrastructure, community engagement, and public services. Notable accomplishments include:

- **Zollinger Park:** Completed grading and installed an EV charging station, enhancing park accessibility and sustainability.
- **Uptown Park Pavilion:** Upgrades to the pavilion have improved this central gathering space, fostering community events.
- **Alma Leonhardt Park:** West field improvements have increased the park's recreational capacity.
- **Braegger Park Playground:** The playground was upgraded, offering a modern, safe environment for children.
- **Skate Park:** This exciting project, which required inclusion in a master plan and significant community support, was almost fully funded through grants. Its completion has positively impacted community morale and engagement.
- **Code Compliance Officer:** The hiring of this new position has contributed to increased enforcement of parking regulations, particularly during the winter months, improving street safety for plowing and overall traffic management.
- **Waste Management:** Providence City celebrated one year successfully managing its own garbage collection, ensuring reliable service and cost control.
- **Fiber Network:** The community-owned fiber network is performing well, covering its costs, and providing high-speed internet access to residents.
- **Water Meter Upgrade:** The upgrade to tower-reading water meters allows for real-time data collection, improving leak detection and water system management.
- **CCTV Cameras:** City-wide surveillance installation has improved public safety, with cameras placed at key locations throughout the city, and with live access available to city staff 24/7.
- **New Vac Truck:** A new vacuum truck has bolstered the city's ability to maintain clean streets and efficient stormwater management.
- **Sewer Lift Station:** Construction of a new sewer lift station on the west side of the highway has begun, supporting growth in this area.

Providence City also proudly maintained no property tax increases for the fifth consecutive year, demonstrating a commitment to fiscal responsibility and sustainable growth.

Accomplishments for the Last 5 Years

Over the past five years, Providence City has made significant strides in multiple areas, including infrastructure, community engagement, fiscal responsibility, and sustainable development. The following highlights capture some of the key achievements:

- **Justice Court Continuation:** Despite its financial challenges, the decision to continue with the Justice Court demonstrates the city's commitment to community safety and convenient legal accessibility. While it may not generate profit, the court offers intangible benefits that enhance the city's public service offering and contribute to overall community well-being.
- **Upgraded Transparency and Information Availability:** Providence has worked towards improving transparency through multiple initiatives, including:
 - Website updates to enhance public access.
 - Video recordings and live access to council and commission meetings
 - The use of AI software for better service delivery
 - GIS mapping improvements to inform planning and decision-making.
 - Upgraded video systems in council chambers for enhanced public participation.
- **Staff Efficiency:** Despite recent staff reductions, Providence City has maintained high productivity without relying on part-time hires or additional budget allocation, ensuring efficient service delivery across departments.
- **Road and Infrastructure Improvements:** The city has made noticeable improvements to local roadways, contributing to safer and more efficient transportation routes. Notably, the 2022–2024 citywide road improvements, including new striping and bike lanes, making Providence more pedestrian and cyclist-friendly.
- **Fiscal Responsibility:** Providence City has demonstrated exemplary fiscal responsibility, particularly through the successful acquisition of grants. The sheer volume of grants obtained has allowed for crucial infrastructure improvements, including road upgrades, park enhancements, and green infrastructure projects.
- **Economic Development:** The city has taken steps toward expanding services to the west side of Highway 165, including extending sewer lines and other necessary infrastructure to support new development and attract business growth.
- **Creating a Sense of Place:** Providence City has embraced its identity by hosting and involving citizens in community events such as the Sauerkraut Days, bringing people together and fostering a keen sense of pride and connection among residents.

- **Multimodal Connectivity:** The city has worked to expand its network of bike and walking trails. The addition of bike lanes, especially in the citywide road improvements, and the development of trails in Zollinger Park and surrounding areas have contributed to a more active and connected community.
- **Housing Opportunities:** Changes to zoning codes in the past five years have better reflected the community's needs, making it easier for developers to meet the city's demand for housing options. The reclassification of zones to more accurately describe each district's function has enabled a more streamlined development process.
- **Green Infrastructure:** The city received recognition from the Rural Water Association of Utah for outstanding water service, highlighting achievements such as:
 - The installation of tower-read water meters
 - Drilling a new well and constructing a new water tank
 - Expanding water service to include fiber connections
 - The city's continued commitment to water quality and service excellence has contributed to better sustainability.
- **Electric Vehicle Charging Stations – Supporting Sustainability and Community Access** Providence City continues to support environmentally responsible transportation through the installation and operation of electric vehicle (EV) charging stations at Providence City Hall and Zollinger Park. These stations are part of the City's broader commitment to green infrastructure, clean air initiatives, and community accessibility.
 - **Usage and Impact Overview (2022 – YTD 2025):**
 - **Total Charging Sessions: Over 2,500 sessions provided**
 - **Total Energy Delivered: 58.9 MWh of electricity supplied**
 - **Greenhouse Gas Emissions Reduced: 43,412 kilograms**
 - **Comparable to planting 1,127 trees and allowing them to grow for 10 years**
- **Key Park Developments:**
 - **Zollinger Park** has seen several major upgrades, including a new playground (2020), pickleball courts (2021–2023), and a state-of-the-art skate park (2023–2024). The addition of EV charging stations (2024) further promotes sustainability and environmental responsibility.

- **Uptown Park** has undergone improvements with the addition of a softball diamond upgrade, new bleachers, pavilion enhancements, and building upgrades, making it a more functional and inviting space for community gatherings.
- **Alma Leonhardt Park** saw the completion of fencing and sound panel installations in 2021, and in 2024, the west field was improved, further enhancing the park's recreational offerings.
- **Property Acquisitions:** Strategic property acquisitions have played a key role in shaping the city's development and future growth. Notable acquisitions include:
 - **Zollinger Park Thompson Field** (2021)
 - **100 East 450-500 S Property** (2023)
 - **Zollinger Park Dunkley/Kohler** (2024)
- **Community Engagement:** The completion of these projects has been made possible with strong community engagement, bolstered by ongoing dialogue and public involvement in the planning process.

Noteworthy Projects and Initiatives:

1. **Skate Park:** The skate park stands as one of the most exciting and impactful projects completed in the last five years. It has not only contributed to the city's recreational offerings but has also fostered a sense of community and pride. The successful grant funding for this project highlights the city's ability to secure external funding for significant initiatives.
2. **Fiber Network:** One of the most transformative accomplishments has been the establishment of the city-owned fiber network. Providing fast and reliable internet service to residents has improved connectivity and positioned Providence as a leader in technological infrastructure in the region. Additionally, our ability to connect water and sewer utility monitoring through this fiber network has significantly enhanced the efficiency and reliability of utility services.
3. **Sewer and Water Upgrades:** The new well and water reservoir, alongside sewer system enhancements, have ensured that Providence is well-prepared to meet the needs of its growing population, supporting long-term sustainability.

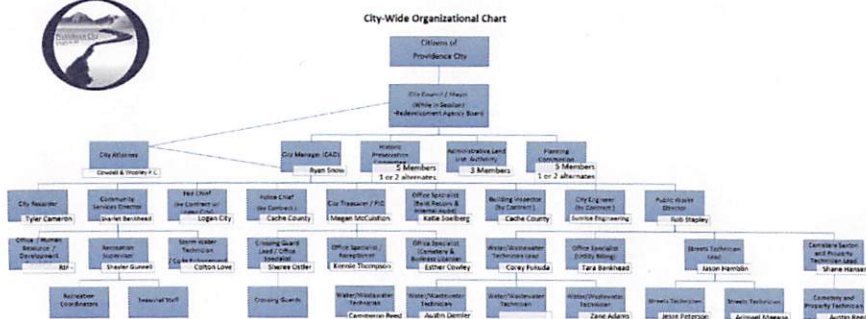
Key Themes for Future Success:

- **Sustainability:** Continued focus on green infrastructure and environmental stewardship.

- 4

		Effective										2024 Salary Survey / Salary Range				Benefits/Changes	
Elect	Expected Hrs.	FYt 2024	FYt 2023	7/1/2023	COLA	Change	Min	Avg	Max	Budgeted Bonus	Vehicle Allowance	Deferred Salary					
Mayor Salary	1680	13,850	13,096	13,141	1.3%	1	3,600	28,788	37,771	N/A	Mileage	50%					
Council Salary	930	9,550	9,860	9,102	1.3%	210	2,400	17,775	29,750	N/A	Mileage	N/A					
			Total Change	\$4,773													
Appointed/ Reappointment members																	
PC - Chair / meeting	100.00		118.00	130.00	4%	\$				N/A	Mileage						
PC - Member / meeting	70.00		100.00	100.00		\$				N/A	Mileage						
Appointed																	
	Hrs. worked		Effective	7/1/2023	COLA/ Merit	Change	Min	Mid	Max								
City Manager	2,674	130,151	155,166	162,926	5%	7,750	133,276	166,991	206,656	Up to 5%	No Change						
Community Development Director	2,680	103,684	116,418	122,218	5%	5,871	94,982	108,862	117,772	Up to 2%	Mileage						
Deputy Parks Director	2,696	102,627	114,818	120,557	5%	5,741	89,249	111,723	118,336	Up to 2%	Vehicle provided			UPS			
Recorder	2,642	64,168	74,152	77,660	5%	3,708	54,641	66,670	69,697	Up to 2%	Mileage						
Treasurer/PIO	2,383	60,000	71,287	74,846	5%	3,561	53,671	65,961	68,290	Up to 2%	Mileage						
Justice Court Judge Lora	1793	18,517		22,013	5%	1,048	Scale Standard Increases for judges										
City Attorney - hourly contract with firm																	
City Engineer - hourly by contract with firm																	

		Effective						2024 Salary Survey / Salary Range					Benefits Changes	
Elected	Expected Hrs.	FYE 2023	FYE 2023	7/1/2025	COLA	Change	%	Avg	Min	Max	Bonus	Vehicle allowance	Deferred salary	
Mayor Salary	1040	13,850	15,076	\$15,417	2.3%	215	3,600	23.8%	171,777	N/A	N/A	Mileage	N/A	
Council Salary	320	9,530	10,293	\$10,493	2.3%	215	2,400	17.2%	29,750	N/A	N/A	Mileage	N/A	
			Total Change	\$4,773										
Appointed/Commissioned members														
PC - Chair / meeting		100.00	113.00	\$120.00	4%	\$					N/A	Mileage		
PC - Member / meeting		100.00	100.00	\$100.00	0%	\$					N/A	Mileage		
2024 Salary Survey / Salary Range														
Appointed	Hrs. worked		Effective	7/1/2025	COLA / Merit	Change	Min	Mid	Max					
City Manager	2,674	118,575	135,160	162,926	5%	7,750	133,296	169,991	206,656	Up to 5%	No change			
Community Development Director	2,480	103,934	116,413	123,234	5%	5,621	108,966	130,352	171,772	Up to 5%	Mileage		URS	
Public Works Director	2,540	102,420	114,818	121,557	5%	5,746	109,517	131,316	174,515	Up to 5%	Mileage provided			
Recorder	2,642	64,163	74,153	77,260	5%	3,708	54,641	65,670	84,697	Up to 2%	Mileage			
Treasurer/FMO	1,773	63,600	72,283	74,846	5%	3,564	53,671	65,290	85,290	Up to 2%	Mileage			
Judice Court Judge Lora		18,517	20,965	22,023	5%	1,048				State mandated increase for judges				
City Attorney - hourly contract with firm City Clerk - hourly fee contract with firm														



Providence City employs fund accounting to effectively manage its finances and ensure compliance with financial legal requirements. This method emphasizes accountability by categorizing revenues from taxes, grants, and other sources into designated funds, clearly specifying their intended uses and preventing inappropriate expenditures. The funds are organized into two main categories: Governmental Funds and Proprietary or Enterprise Funds.

1. Governmental Funds:

- **General Fund:** This is the primary operating fund of Providence City, it is used to account for all financial resources except those required to be accounted for in other funds. It includes revenues from property taxes, sales taxes, and service fees that support general government functions such as public safety, parks, and administration.
- 2. **Proprietary or Enterprise Funds:** Providence City operates several enterprise funds to account for business-type activities. These funds are self-sustaining and rely on user fees to cover expenses. Enterprise funds include services such as:
 - **Water Fund:** Accounts for the city's culinary water services.
 - **Sewer Fund:** Manages the wastewater (sewer) services.
 - **Storm Water Fund:** Used to account for the city's stormwater management services.
 - **Secondary Water Fund:** Manages the secondary water system.
 - **Garbage Fund:** Accounts for the city's garbage collection services.
 - **Fiber Network Fund:** Manages the community-owned fiber optics network.
- 3. **Capital Project Funds:** These funds are used for financing major capital projects, such as infrastructure improvements, road expansions, park development, and building construction. They often rely on bond proceeds, grants, and other external sources of funding.

Major Funds

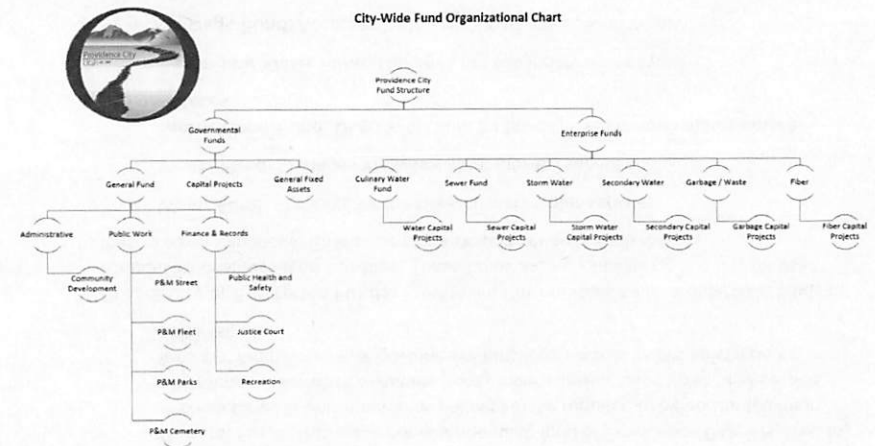
The funds that make up more than 10% of the city's appropriated budget are considered major funds. For Providence City, the **General Fund** and **Enterprise Funds** (including water, sewer, and fiber) are identified as major funds. These funds receive substantial revenue and expenditure allocations, and their financial activities are closely monitored.

Appropriated Funds

All funds within the budget are appropriated annually to ensure that resources are allocated in alignment with the city's priorities. Each fund is subject to review and approval by the City Council during the budget adoption process, and all expenditures within these funds must adhere to the approved budget.

This fund structure ensures transparency, fiscal responsibility, and effective management of city resources, while supporting Providence's growing needs and maintaining compliance with financial regulations.

City-Wide Fund Organizational Chart



Basis of Budgeting

Providence City prepares its budget using different bases of accounting depending on the fund type. The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, while governmental funds use the modified accrual basis of accounting. Below is a detailed explanation of how these bases are applied:

Government-Wide Financial Statements (Accrual Basis)

The government-wide financial statements use the accrual basis of accounting and the economic resources measurement focus.

- **Revenues** are recognized when earned, regardless of when cash is received.
- **Expenses** are recognized when liabilities are incurred, regardless of cash flow timing.

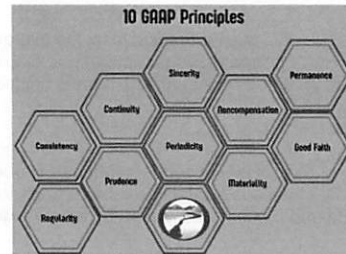
This approach includes internal activities, except for utilities provided to City departments or administrative fees paid by other funds. Proprietary funds also adopt the accrual basis of accounting without eliminating internal activity between funds.

Governmental Funds (Modified Accrual Basis)

For governmental funds, including the General Fund and Capital Project Funds, Providence City uses the modified accrual basis of accounting, consistent with the current financial resources measurement focus.

- **Revenues** are recognized when they are measurable and available, typically within 60 days after the fiscal year-end.
- **Expenditures** are recognized when liabilities are due, meaning they are typically recorded when the obligation is incurred.

Revenue sources such as property taxes, sales taxes, intergovernmental revenues, and interest revenues are susceptible to accrual. This ensures that the budget reflects the resources available for the current year, even if they are received or spent in the subsequent year.



Proprietary Funds (Accrual Basis)

Proprietary funds, including the Water Fund, Sewer Fund, Storm Water Fund, Secondary Water Fund, Garbage Fund, and the Fiber Network Fund, adopt the accrual basis of accounting for both budgeting and financial reporting.

- **Revenues** are recognized when earned, regardless of when cash is received.
- **Expenses** are recognized when incurred, regardless of when cash is paid.

These funds are used to account for the city's business-type activities and are primarily funded by user fees, which are recognized in the period they are earned, ensuring an accurate reflection of the resources available for operational needs.

Consistency Between Budgeting and Accounting

The basis of budgeting aligns with the basis of accounting for each fund type:

- **Governmental funds** follow the modified accrual basis for both budgeting and accounting.
- **Proprietary funds** follow the accrual basis for both budgeting and accounting.

This consistency ensures transparency and clarity in how revenues and expenditures are recognized, facilitating effective financial management and decision-making.

Summary

Providence City's approach to budgeting aligns with the best practices by clearly defining the basis of budgeting for each type of fund:

- **Modified Accrual** for governmental funds, ensuring proper recognition of revenues and expenditures within the current financial period.
- **Accrual** for proprietary funds, accurately reflecting the long-term financial status of business-type activities.

These methods ensure that Providence City's financial reporting is both accurate and consistent, providing a clear view of the city's financial health and facilitating better decision-making.

Financial Policies

Providence City adopts several key financial policies that ensure responsible fiscal management, long-term sustainability, and compliance with applicable regulations. Below is an overview of the City's financial policies, which guide the budgeting and financial management process for both current and future periods.

1. Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed. Restricted assets and liabilities payable from restricted assets, current in nature, are reported with current assets and current liabilities. Restricted assets and non-current assets are restricted for acquisition or construction of non-current assets or for the liquidation of long-term debt.

2. Audit Committee

The City Council has established an Audit Committee to provide independent advice, assistance, and recommendations on the oversight of internal and external audit functions, ensuring that Providence City maintains proper internal controls and financial integrity.

3. Cash Receipting and Deposit

All funds received are logged into the accounting system at the time of the transaction. For transactions that occur at locations without access to the system, the funds are logged into a pre-numbered receipt book, ensuring a detailed record of the transaction. The Treasurer will compile all receipts at the end of each day and create a detailed deposit slip, allowing for accurate reconciliation with bank records.

4. Credit/Purchase Card

Cardholders may make only authorized purchases as prescribed by the Purchasing Policy and approved departmental budgets. Receipts for all transactions must be retained, and missing receipts require a signed Missing Receipt Form by both the cardholder and supervisor.

5. Separation of Duties over Cash Accounts

As an internal control, duties are separated between the Treasurer and Clerk to prevent potential financial fraud and abuse. This separation is a required control, ensuring accountability and reducing the risk of errors or mismanagement of city resources.

6. Commitment to Ethical Behavior

The city maintains an ethical environment by setting clear expectations for behavior at every level of the organization. Continuous training and reinforcement of ethical standards ensure that all employees uphold the highest level of integrity and professionalism.

7. Adopt and Implement Written Policies

Providence City adopts written policies to guide operations and ensure proper oversight. Key policies address financial planning, revenue diversification, and expenditure management. These policies are regularly evaluated and revised as necessary to align with current best practices and legal requirements.

8. Hire and Train Qualified Staff

Providence City prioritizes the hiring and training of qualified professionals to oversee financial operations. The City seeks individuals with appropriate certifications, such as Certified Public Accountants (CPAs), to ensure that financial management is conducted at the highest level of proficiency.

9. Internal Audit Function

An internal audit function monitors and analyzes the City's operations, ensuring compliance with laws, policies, and best practices. Internal auditors are independent but knowledgeable about the City's operations, allowing them to assess compliance effectively.

10. Balanced Budget

Definition of a Balanced Budget: Providence City adopts a balanced budget policy for all governmental funds, ensuring that total revenues equal total expenditures. If revenues fall short, the budget may balance through contributions from the fund balance, ensuring that the City can meet its obligations without incurring debt beyond its capacity.

- **Balanced Budget Examples:**

- Total revenues equal total expenditures.
- Total revenues plus contributions from the fund balance equal total expenditures.
- Total revenues equal total expenditures plus a contribution to the fund balance.

11. Personnel Policy

- **Professionalism:** Employees are required to perform their duties efficiently and maintain positive relationships with fellow employees, supervisors, and the public.
- **Privileged Information:** Employees must comply with the Government Records Access and Management Act, ensuring that information is shared only as permitted by law.
- **Confidentiality:** Employees are expected to respect and maintain the confidentiality of personal information.

- **Gifts and Gratuities:** Employees must not accept gifts, favors, or loans from individuals or organizations conducting business with the city, except under circumstances allowed by the Utah Employee Ethics Act.
- **Attendance and Appearance:** Regular attendance and professional appearance are essential for maintaining a high-quality service and a positive image of the City.
- **Social Media and Political Activity:** Employees must refrain from using City resources for political activities and are encouraged to clearly distinguish their personal views from those of the City when expressing opinions online.

12. Financial Planning and Policies

Providence City's financial policies include long-term financial planning and the assessment of the condition of major capital assets. The City adheres to the following key financial planning principles:

- **Revenue Diversification:** The city aims to diversify its revenue streams to minimize reliance on any sole source, including fees, taxes, and external grants.
- **Debt Management:** The City establishes clear policies regarding debt issuance, debt capacity, and the management of debt obligations to ensure fiscal responsibility and sustainability.
- **Fund Balance Reserves:** The City maintains an appropriate level of unrestricted fund balance to meet unforeseen financial needs, ensuring the City can maintain operations during revenue shortfalls.
- **Expenditure Policies:** Expenditures are carefully planned and monitored, with regular reviews to ensure alignment with the budget and long-term strategic goals.

13. Compliance and Strategy for Non-Compliance

Providence City ensures compliance with all adopted financial policies. If any policy is not fully compliant, the City will take corrective actions to bring the budget and financial practices into alignment. Strategies include revising policies, reallocating resources, or exploring new funding sources to address any gaps.

Budget Preparation and Adoption Process

Providence City follows the State of Utah budget timeline as outlined in Utah Code 17b-1-6 and in the Utah State Auditor's Adopting an Annual Budget checklist. This process ensures compliance with state law and provides the structure for a transparent and well-organized budget. Below is a description of the key steps involved in preparing, reviewing, and adopting the budget for the coming fiscal year, as well as the procedures for amending the budget after adoption.

Budget Preparation Process

1. Budget Officer Requests Budget Proposals:

The Budget Officer begins the process by requesting and gathering budget proposals from each department. These proposals include estimated revenues, expenditures, and capital project needs for the coming year.

2. Budget Officer Determines Preliminary Budget for Non-Departmental Line Items:

The Budget Officer reviews all non-departmental line items (such as insurance, utilities, and other fixed costs) and determines a preliminary budget for these categories.

3. Capital Project Estimates:

The Budget Officer estimates capital projects for the upcoming fiscal year and three succeeding years. These estimates include projected costs for infrastructure improvements, park developments, and other large-scale projects.

4. Drafting of the Tentative Budget:

The Budget Officer drafts a tentative budget, which includes all revenue and expenditure estimates, as well as proposed capital project expenditures. This tentative budget is a working document that will be reviewed and adjusted by the governing body.

5. Submission to Governing Body:

The Budget Officer submits the tentative budget to the governing body for review. This document includes detailed financial information and supports the decision-making process.

Review and Adoption Process

1. Governing Body Adopts the Tentative Budget:

The governing body reviews the tentative budget and adopts it prior to the first meeting in May. This adoption is a preliminary step in the budgeting process, allowing the governing body to consider the budget in more detail.

2. Review and Work Session:

After adopting the tentative budget, governing body members review the budget in detail. The governing body may consider holding a work meeting to discuss any potential adjustments or revisions based on departmental feedback or new financial information.

3. Public Hearing Notice:

A notice of the public hearing concerning the adoption of the budget is published at least 7 days prior to the scheduled hearing. Additionally, the proposed budget is made available to the public for review during this time.

4. Public Hearing:

The public hearing is held on the appointed date. During the hearing, residents and stakeholders can provide feedback and comment on the proposed budget. This process ensures public involvement and transparency in the budgeting process.

5. Final Adjustments:

After the public hearing, the governing body may consider making final adjustments to the budget based on public input or further review. Any changes made must be reflected in the final adopted budget.

6. Adoption of the Final Budget:

The governing body adopts the final budget prior to July 1, unless a tax rate greater than the certified tax rate is being proposed, in which case the final adoption must occur prior to August 17. Once adopted, the budget becomes the official financial plan for the upcoming fiscal year.

7. Certification of Tax Rate:

The governing body sets the tax rate and certifies it to the county auditor by June 15. This is required to ensure that the property tax rate is in place for the start of the new fiscal year.

8. Making the Adopted Budget Available:

The adopted budget is made available to the public for review, ensuring continued transparency in the City's financial planning.

Budget Amendment Process

After the budget has been adopted, amendments may be necessary due to changes in revenue, unanticipated expenditures, or other unforeseen circumstances. Amendments are made through the following process:

- The Budget Officer prepares a proposed amendment, outlining the changes and their impact on the budget.
- The governing body reviews the proposed amendment during a public meeting, providing an opportunity for public input.
- If the governing body approves the amendment, it is incorporated into the final budget, and a revised budget document is made available to the public.

Budget Calendar

The following is a high-level overview of the key dates in the budget preparation and adoption process:

Action	Date
Budget Officer Requests Proposals	February
Budget Officer Drafts Tentative Budget	March
Tentative Budget Submitted to Governing Body	April
Governing Body Adopts Tentative Budget	Prior to May 1
Public Hearing Notice Published	At least 7 days before the hearing
Public Hearing	May 21
Final Adoption of Budget	June 18
Tax Rate Certified	By June 15
Adopted Budget Made Available to Public	After Adoption, by June 30

Legal Level of Control

The City's budget is legally required to balance, with total revenues equaling total expenditures. The following methods are used to balance the budget:

- Total revenues equal total expenditures.
- Total revenues plus contributions from the fund balance equal total expenditures.
- Total revenues equal total expenditures plus a contribution to the fund balance.

All transfers to or from other funds must net to zero, ensuring that no funds are over-allocated or under-allocated.

Public Involvement

Providence City encourages public participation throughout the budget process. This includes the publication of budget documents for review, the public hearing to allow resident feedback, and the opportunity to make final comments before the budget is formally adopted. Public involvement ensures that the City's financial decisions reflect the needs and priorities of its residents.

Fund Balance / Net Position Projections

Providence City is committed to ensuring fiscal sustainability by maintaining adequate fund balances in accordance with its financial policies. Below is a projection of the changes in fund

balance and net position for appropriated funds included in the budget for the fiscal year. This includes beginning and ending balances, as well as the causes of significant changes in fund balances.

Projected Changes in Fund Balance/Net Position

The following schedule summarizes the projected changes in fund balance for the major governmental and proprietary funds for the upcoming fiscal year:

	FYE 2024	FYE 2025	FYE 2025	FYE 2026	FYE 2026
Fund	Actual Fund Balance	Budget Net Change	Expected Fund balance	Budget Net Change	Expected Fund balance
General	\$ 4,277,780	\$ -	\$ 4,277,780	\$ (45)	\$ 4,277,735
Capital Projects	\$ 2,695,822	\$ 58,400	\$ 2,754,222	\$ 30,766	\$ 2,784,988
Enterprise Funds					
Water	\$ 14,064,762	\$ 264,350	\$ 14,329,112	\$ 176,300	\$ 14,505,412
Sewer	\$ 8,070,687	\$ 344,600	\$ 8,415,287	\$ 422,400	\$ 8,837,687
Stormwater	\$ 1,172,458	\$ 109,000	\$ 1,281,458	\$ 100,100	\$ 1,381,558
Secondary Water	\$ -	\$ 100	\$ 100	\$ 200	\$ 300
Waste & Recycle	\$ 15,665	\$ 65,400	\$ 81,065	\$ 321,030	\$ 402,094
Fiber Utility	\$ 1,225,056	\$ 207,100	\$ 1,432,156	\$ 230,254	\$ 1,662,411

Explanation of Projected Changes

1. General Fund:

- **Projected Ending Fund Balance:** The ending fund balance for the General Fund is expected to increase by X% compared to the previous fiscal year. This is due to anticipated growth in property and sales tax revenues, coupled with cost-saving measures across various departments.
- **Impact:** A larger fund balance will enhance the City's ability to respond to unforeseen expenditures and provide a financial cushion for the next fiscal year.

2. Water Fund:

- **Projected Ending Fund Balance:** The Water Fund is projected to experience a decrease in fund balance due to significant capital expenditures planned for infrastructure upgrades, including the construction of a new well house and near the recently constructed water tank.
- **Impact:** While there will be a temporary decline in fund balance, these investments will improve system reliability and ensure capacity for future growth, with a return to higher fund balances anticipated in the coming years as new developments increase user fees.

3. Sewer Fund:

- **Projected Ending Fund Balance:** The Sewer Fund is projected to have a stable fund balance, with modest changes expected due to planned capital projects and sewer system improvements.

- **Impact:** The Sewer Fund will continue to maintain sufficient reserves for system repairs and future expansions, aligning with the City's long-term infrastructure goals.

4. Fiber Fund:

- **Projected Ending Fund Balance:** The Fiber Fund is expected to show an increase in fund balance due to higher subscriber revenues from the fiber-to-the-premise network, which will support ongoing capital investments in infrastructure.
- **Impact:** Increased revenues will allow for continued expansion and maintenance of the fiber network, ensuring it remains a competitive and sustainable service for the community.

5. Capital Project Fund:

- **Projected Ending Fund Balance:** The Capital Project Fund is projected to experience a decrease in fund balance due to significant capital improvements, such as road construction, park development, and water infrastructure projects.
- **Impact:** While there will be a temporary decrease in fund balance, these capital investments will enhance the City's infrastructure and service offerings, setting the foundation for future growth and operational efficiency.

6. Garbage Fund:

- **Projected Ending Fund Balance:** The Garbage Fund is projected to show a slight increase in fund balance, driven by higher revenues from service fees.
- **Impact:** The increased fund balance will ensure the continued sustainability of the City's garbage collection services, allowing for the purchase of necessary equipment and maintenance of service levels.

Major Fund and Nonmajor Fund Changes

- **General Fund:** The expected increase in the General Fund balance is a result of higher-than-anticipated property and sales tax revenues. The growth in the local economy, including new businesses and residential developments, is a contributing factor.
- **Proprietary Funds (Water, Sewer, Fiber, Garbage):** The projected declines in fund balances for the Water and Sewer Funds are primarily due to significant capital investments needed for system upgrades. These investments are expected to result in long-term savings and improvements in service delivery, with the fund balances returning to more stable levels as these projects are completed and revenues increase.
- **Capital Project Fund:** The Capital Project Fund is expected to see a decrease in its fund balance due to large infrastructure expenditures. These improvements, however, are critical for supporting future growth and enhancing the City's operational capacity.

Impact of Fund Balance Changes on Operations

The City's fiscal policies require maintaining adequate reserves in both governmental and proprietary funds. While there will be some declines in fund balance for the Water and Sewer Funds due to capital improvements, the General Fund will see an increase, which will provide greater flexibility in funding future citywide needs without requiring new debt issuance.

The increase in fund balances for the General Fund will allow Providence City to maintain high service levels, while the investment in capital projects for the Water and Sewer Funds will ensure the City's infrastructure is ready to meet the demands of a growing population

Revenue Sources and Trends

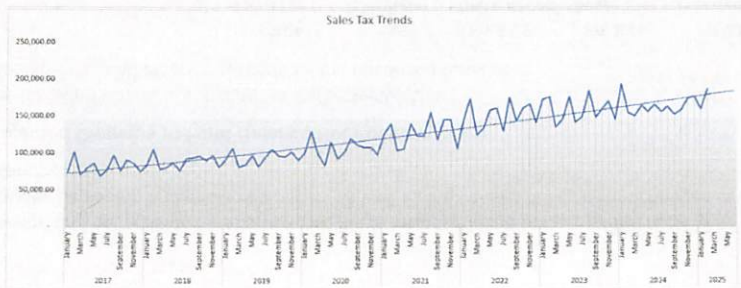
Major Revenue Sources and Assumptions for Revenue Estimates

Providence City's revenue projections for the upcoming fiscal year are based on a combination of historical trends, anticipated economic conditions, and specific policy decisions. The City relies on several major revenue sources, each of which plays a crucial role in supporting the services and operations funded in the budget. Below is a description of the City's major revenue sources, the methods used to estimate these revenues, and the underlying assumptions for the revenue projections.

1. Major Revenue Sources

The following are the primary revenue sources for Providence City, which represent over 75% of total revenues across all appropriated funds:

- **Property Taxes:** Property taxes are the **second-** largest source of revenue for the General Fund and provide significant funding for general government services, including public safety, parks, and infrastructure maintenance.
 - **Estimate Method:** Revenue estimates for property taxes are based on the projected increase in property values within the City. The estimates also factor in the tax rate set by the City Council.
- **Sales Taxes:** Sales taxes are the **second-** largest source of revenue and are primarily used to fund general government services.
 - **Estimate Method:** Sales tax revenue estimates are derived from historical trends and adjusted for expected growth in the local economy. This includes projected increases due to new businesses opening and the overall growth in consumer spending.



- **Utility Fees (Water, Sewer, Fiber, and Garbage):** Utility fees are collected through enterprise funds and provide funding for the City's water, sewer, fiber, and garbage services.
 - **Estimate Method:** These revenues are estimated based on the number of residential and commercial customers, expected usage, and rate changes. Projections for water and sewer revenues also consider population growth and development, which contribute to higher demand for these services. Rates for water and sewer services are reviewed and adjusted annually based on inflationary factors and system maintenance costs.
- **Licenses, Permits, and Fees:** This includes building permits, business licenses, and other service-related fees.
 - **Estimate Method:** These revenues are projected based on historical data and expected growth in construction and business development. As the City continues to grow, these fees are expected to increase proportionally with new developments and commercial activity.

2. Underlying Assumptions for Revenue Estimates

The revenue estimates for the upcoming fiscal year are based on several key assumptions:

- **Population Growth:** The City's projected growth, both in terms of residential and commercial development, will lead to increased demand for services and utilities. This growth is reflected in the estimated increases in utility fees and building permits.
- **Economic Conditions:** The local economy is expected to continue growing, with retail and business activity contributing to an increase in sales tax revenues. However, external factors such as inflation and national economic conditions may impact consumer spending and overall growth rates.
- **Policy Decisions:** The City has adjusted certain fees, including water and sewer rates, to ensure that revenues keep pace with rising costs for utilities and infrastructure improvements. These rate adjustments are included in the revenue projections for the enterprise funds.

3. Trends and Projections

Revenue projections are based on historical trends, as well as assumptions about the local economy and development. Here are the key trends and factors affecting the projections:

- **Property Tax Growth:** Property taxes are expected to increase as the City continues to grow and property values rise. However, the rate of growth may be tempered by broader economic conditions, including any changes in the housing market.
- **Sales Tax Trends:** Sales tax revenues are projected to grow moderately, reflecting the opening of new businesses and increased consumer spending. However, sales tax growth may be impacted by shifts in consumer behavior or economic downturns.
- **Utility Fee Growth:** As Providence City grows, the demand for water, sewer, and garbage services will increase. This trend is expected to continue as new residential and commercial developments are built. However, rate adjustments will be necessary to ensure that revenues keep pace with rising costs for infrastructure maintenance and system upgrades.

4. Revenue Estimation Methods

The revenue estimates for each category are prepared using a combination of trend analysis, historical data, and input from relevant government agencies or consultants. For example:

- **Trend Analysis:** Sales tax revenues are estimated based on historical growth rates and expected future growth in the retail sector.
- **Consulting and State Estimates:** Property tax estimates are based on assessments from the County Assessor and anticipated property value increases.
- **Growth Projections:** Utility fee estimates consider population growth and development activity, which influence demand for services.

5. Summary of Revenue Trends

Overall, Providence City expects steady growth in its revenue streams, driven by population growth, economic expansion, and strategic development initiatives. The City's diversified revenue base, which includes property taxes, sales taxes, utility fees, and intergovernmental funding, ensures a stable financial foundation for the upcoming fiscal year.

Capital Improvement Plan for the Coming Year

Providence City has outlined a series of significant capital projects planned for the upcoming fiscal year, aimed at enhancing the city's infrastructure, public safety, and recreational offerings. These projects reflect the City's ongoing commitment to responsible growth, improving community services, and maintaining fiscal sustainability. Below is a summary of the capital expenditures planned for the coming year, including both operating budget and capital budget items.

Definition of Capital Expenditures

Capital expenditures are defined as expenditures for acquiring or upgrading physical assets, including property, equipment, and infrastructure that provide long-term benefits. These expenditures involve assets that are expected to have a useful life of more than one year and are intended to improve the City's infrastructure and public services. Capital expenditures typically include land acquisition, major construction projects, significant equipment purchases, and upgrades to existing facilities.

Total Capital Expenditures for the Budget Year

For the fiscal year 2025-2026, the total amount allocated for capital expenditures across all projects is **\$3.8 million**. The sources of funding for these expenditures include:

- **General Fund:** \$1.5 million for various public works and recreational infrastructure projects.
- **Enterprise Funds (Water, Sewer, and Fiber):** \$2.3 million to fund water system upgrades, sewer system improvements, and fiber network expansion.

Significant Nonrecurring Capital Expenditures

The budget includes several nonrecurring capital expenditures, which are substantial, one-time investments aimed at long-term improvements:

1. **New Park Acquisition:** Acquisition of property for a new park located on 1,000 S.
2. **Hillcrest Park Improvements:** Major upgrades to Hillcrest Park, including the addition of a pavilion, sport court, restrooms, and playground.
3. **Culinary Water Fund:** Construction of a new well house and upgrades to the PRV Station SCADA system.
4. **Sewer Fund:** Installation of a new sewer outfall line and collaring of manholes on 1200 South.

These nonrecurring projects are a critical part of the City's long-term infrastructure and service improvement goals.

Process for Identifying Funded Projects

Capital projects are identified through a comprehensive planning process that includes input from city staff, community stakeholders, and the City Council. The projects are evaluated based on several criteria:

- **Community Need:** Projects that address immediate service gaps, safety concerns, or capacity issues are prioritized.
- **Strategic Alignment:** Projects that align with the City's strategic goals, as outlined in the General Plan and related Master Plans, are given preference.
- **Cost-Benefit Analysis:** Projects are assessed for their long-term benefits, including improved service delivery, economic impact, and sustainability.

- **Availability of Funding:** Projects are selected based on the availability of funding sources, including grants, bonds, or earmarked reserves.

Impact of Nonrecurring Capital Projects on the Operating Budget

While capital projects do not have direct ongoing operating costs, certain projects will impact the operating budget in the following ways:

- **Hillcrest Park Improvements:** The addition of a pavilion, sport court, and other amenities will require additional maintenance staff, utilities, and operational costs.
- **Water System Upgrades:** New well and infrastructure improvements will result in increased water system capacity and efficiency, with anticipated savings on maintenance costs due to upgraded equipment and systems.
- **Sewer System Improvements:** Expanding the sewer outfall line and upgrading manholes will improve operational efficiency, though ongoing monitoring and maintenance will require an increase in service contracts.

Conclusion

Providence City's capital improvement plan for the upcoming fiscal year is focused on enhancing the City's infrastructure, improving public spaces, and ensuring long-term sustainability. The projects outlined above will have a lasting impact on the community and will be financed through a combination of general revenues, enterprise funds, grants, and bonds. The long-term planning and funding of these projects ensure that Providence City is well-positioned to support future growth and continue providing high-quality services to its residents.

Long-Range Operating Financial Plans

Providence City is committed to long-term financial sustainability and fiscal responsibility. To achieve this, the City has developed comprehensive long-range operating financial plans that extend beyond the current budget year, addressing major funds such as the General Fund, Enterprise Funds (including water, sewer, and fiber), and Capital Project Funds. These plans provide a framework for the City's future financial health and align with the strategic goals outlined in the General Plan.

1. Long-Range Financial Planning for Major Funds

Providence City's long-range operating financial plans extend at least two years beyond the current fiscal year, providing projections and strategies for the next three to five years. These plans help guide the City's decisions on revenue generation, expenditure management, and capital investments, ensuring alignment with the City's growth and sustainability goals.

- **General Fund:** Projections for the General Fund are based on anticipated growth in property and sales tax revenues, as well as expected increases in public services.

Long-term plans include managing inflationary pressures and increasing operational costs while maintaining service levels.

- **Enterprise Funds:** For the water, sewer, and fiber funds, long-term projections focus on infrastructure expansion, capital investments ~~(e.g., new wells, water tanks, fiber network expansion)~~, and rate adjustments necessary to meet growing demand. These funds are designed to be self-sustaining, with revenues tied to user fees.
- **Capital Project Funds:** Capital projects such as road repairs, park improvements, and sewer system expansions are projected for the next three to five years. Funding for these projects is expected to come from a combination of general revenues, bonds, and grants, with long-term planning to ensure sufficient capital resources.

2. Assumptions in Long-Range Operating Financial Plans

The long-range financial plans are based on several key assumptions:

- **Revenue Growth:** Revenues for the General Fund are expected to grow at a moderate pace, primarily driven by increases in property taxes, sales taxes, and intergovernmental funding. Enterprise Fund revenues are expected to rise as the City grows and new developments increase the demand for utilities and services.
- **Expenditure Growth:** Operational costs, particularly in public safety, utilities, and infrastructure maintenance, are expected to rise with inflation and increased demand from a growing population. This includes ongoing investments in capital improvements, maintenance of existing infrastructure, and enhanced public services.
- **Economic Conditions:** Assumptions about the local economy are based on historical growth patterns, projected increases in population and commercial development, and potential shifts in consumer behavior and market conditions.
- **Capital Improvement Needs:** Long-term projections account for necessary capital improvements to support the city's growth, including water and sewer infrastructure upgrades, road expansions, and recreational facility development.
- **Pension and Other Liabilities:** Pension obligations and other long-term unfunded liabilities, such as post-retirement health benefits, are considered in the long-range financial plans. These liabilities will be addressed through appropriate funding strategies and careful management of pension funds to ensure the City remains compliant with financial and legal requirements.

3. Significance of Long-Range Operating Financial Plans

The long-range operating financial plans play a critical role in achieving the City's **strategic goals**, ensuring that future budgets are aligned with Providence's vision for growth,

infrastructure, and community well-being. These plans provide a roadmap for maintaining fiscal health, allowing the City to balance current needs with future requirements.

Key impacts include:

- **Infrastructure Sustainability:** The long-range financial plans ensure that the City's infrastructure can support future growth, including the expansion of water, sewer, and fiber networks, as well as improvements to roads, parks, and public facilities.
- **Fiscal Responsibility:** The long-range plans help identify future revenue sources, manage expenditures, and allocate funds efficiently. This ensures that the City remains financially solvent and can meet its obligations without incurring unsustainable debt.
- **Strategic Growth:** By projecting revenues and expenditures over the long term, the City can make informed decisions about land use, development priorities, and capital investments, ensuring that growth is balanced with fiscal sustainability.
- **Pension and Liability Management:** Addressing long-term liabilities such as pensions and other post-retirement obligations is a critical component of the financial plan. The City's plans include strategies to manage and reduce these liabilities over time, ensuring the City's fiscal future remains stable.

Conclusion

Providence City's long-range operating financial plans provide a clear and structured approach to managing the City's finances beyond the current fiscal year. These plans ensure that the City is prepared for future challenges, including infrastructure expansion, service demands, and long-term liabilities, while also aligning with the broader strategic goals of sustainability and community well-being. By planning, Providence City can maintain fiscal health, provide essential services, and achieve its vision for long-term growth and prosperity.

Debt Summary

Debt Obligations Overview

Providence City currently holds two active loans that support vital infrastructure projects and contribute to the long-term sustainability and growth of the City. Below is a detailed description of the City's debt obligations, including the relationship between current debt levels, legal debt limits, and the impact of existing debt on current operations.

1. Debt Limits and Coverage Requirements

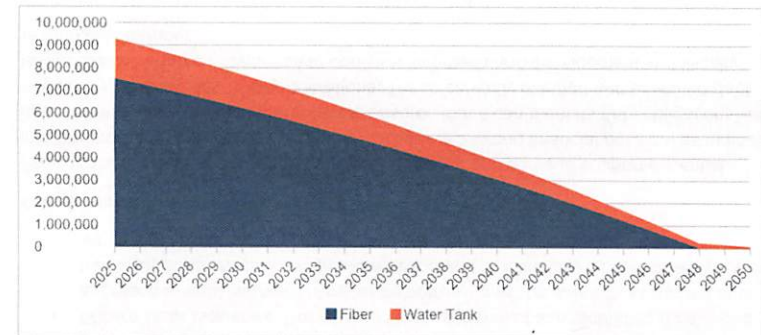
Providence City operates under legal debt limits as established by state law. The city's legal debt limit is calculated as a percentage of the city's total assessed property value, as specified in [Utah Constitution Article XIV, Section 4](#). The legal debt limit for Providence City is 4% of the

assessed value of taxable property. This ensures that the city remains within its capacity to meet future debt obligations while maintaining fiscal responsibility.

- **Debt Coverage Requirements:** For revenue-backed debt, the city is required to maintain a coverage ratio that ensures sufficient revenues are available to cover debt service payments. This is typically calculated by comparing annual revenue from the associated service (e.g., water or sewer fees) to the required annual debt service (principal and interest). The City meets and exceeds these coverage requirements, ensuring that revenues from the fiber network and utility services provide adequate coverage for the debt obligations.

2. Debt Payment Schedules

Providence City's current debt obligations consist of two primary loans: the fiber-to-the-premise loan and the water tank loan. The debt service schedules for these loans, including principal and interest payments are available on request. Below is a representation of principle payment through the life of the loan.



A full debt schedule, including the principal and interest payments for each year through maturity, is available in the appendix of this budget document.

3. Bond Ratings

Providence City has worked to maintain a strong credit rating to ensure access to favorable borrowing terms. The City has received a bond rating of A- from S&P Global. This rating reflects the City's strong financial management, steady revenue streams, and prudent approach to debt issuance. The bond rating plays a crucial role in securing financing for capital projects at competitive interest rates, thereby reducing long-term costs.

4. Purpose of Debt Obligations

Each debt obligation serves a distinct purpose that supports Providence City’s long-term infrastructure and service delivery goals:

- **Fiber-to-the-Premise Loan:** This loan was taken to finance the development of the City’s fiber optic network, which provides high-speed broadband service to residents and businesses. The purpose of this debt is to ensure that the city and citizens remains competitive in terms of technological infrastructure, which supports economic development, education, and quality of life for residents.
- **Water Tank Loan:** The loan for the water tank was secured to finance the construction of a new water storage tank. This infrastructure improvement is essential for ensuring that Providence City can meet the growing demands for culinary water, particularly with the increase in population and new development. The water tank enhances the reliability and capacity of the City’s water system, supporting both current and future residents.

5. Effect of Existing Debt on Current Operations

The City’s debt obligations, while significant, are manageable and strategically aligned with long-term growth and service improvements. The current debt levels have minimal impact on the City’s operational flexibility, as the debt is backed by dedicated revenue streams, such as utility fees for the water tank loan and fiber network subscription revenues for the fiber-to-the-premise loan.

- **Revenue-Backed Debt:** The City’s enterprise funds, such as the water and fiber funds, are expected to generate sufficient revenue to cover the debt service payments, ensuring that these funds remain self-sustaining and that the City’s general operations are not impacted by debt obligations.
- **Future Debt Issuance:** Providence City is committed to maintaining a balanced approach to debt issuance. Any future borrowing will be carefully evaluated to ensure that it supports critical infrastructure needs and that the City’s debt capacity remains within legal limits.

Conclusion

Providence City’s debt obligations are well-managed and serve to support essential infrastructure that benefits the community. The City’s strong financial position, as indicated by its bond rating and debt coverage ratios, ensures that it can meet its debt obligations without negatively affecting day-to-day operations. These carefully planned and executed debt issuances will enable Providence to continue its growth and development in a fiscally responsible manner.

Personnel and Position Summary

S Personnel and Staffing Levels Summary

The following table summarizes the staffing levels for Providence City for the prior year (FY 2024), current year (FY 2025), and the budgeted positions for the upcoming fiscal year (FY 2026), with an reduction in force for one position in the Community Development area due to a decline in workload this year.

Staffing Levels Summary Table

Department	FY 2024	FY 2025	FY 2026 Expected
Administrative Services - Full Time	8	7	7

Administrative Services - Part Time	2	2	2
Public Works - Full Time	11	12	13
Public Works - Part Time	2	1	1
Total	23	21	22

Explanation of Changes in Staffing Levels

- **Administrative Services:** The Administrative Services department remains consistent in terms of part-time staffing, but there was an unplanned reduction of one full-time position in FY 2025. This reduction reflects a strategic shift in staffing needs due to operational efficiencies and adjustments within the department.
- **Public Works:** The Public Works department has experienced a slight increase in full-time staffing from 11 in FY 2024 to 12 in FY 2025, with an expected increase of one in FY 2026.
- **Community Development:** The reduction of one full-time position in the Community Development area (from eight full-time positions in FY 2025 to 7 full-time positions in FY 2026) is a direct response to a decline in workload. This reduction is aligned with the City's efforts to optimize resources and ensure staff levels remain appropriate for the current demand for development services.

Conclusion

This staffing summary ensures that Providence City is managing its human resources efficiently while addressing changes in service demand. The reduction in force in the Community Development area was a strategic adjustment, aligning staffing with workload projections, while continued investments in Public Works reflect the City's growth and commitment to infrastructure maintenance. The total number of full-time equivalent (FTE) positions for the City will decrease by two positions from FY 2024 to FY 2026, resulting in a more streamlined, efficient staffing structure.

Departmental and Program Descriptions

Providence City operates under a structured organization that ensures efficient service delivery to its residents. The City's departments and programs are designed to focus on specific areas of service, each with distinct functions and priorities. Below is a description of the major departments, their services, and their key priorities for the upcoming fiscal year.

1. Administration Department

The Administration Department is responsible for overseeing the fiscal health of the City, including budgeting, financial reporting, cash management, and providing strategic oversight of all City operations.

• Key Functions:

- **City Management:** Providing overall leadership and direction for all City operations, ensuring alignment with the City's goals and objectives.
- **Budget Preparation:** Developing and maintaining the City's budget, ensuring it aligns with priorities and financial policies.
- **Financial Reporting:** Preparing financial statements and reports to ensure transparency and accountability.
- **Cash Management:** Managing the City's cash flow, investments, and financial resources.
- **Administrative Oversight:** Supporting all departments with the necessary resources and guidance to ensure effective service delivery.

• Major Priorities:

- Continuing improvements in financial management and budget transparency.
- Ensuring fiscal sustainability by balancing revenue and expenditures.
- Strengthening internal controls and financial oversight.
- Providing strategic direction for the efficient operation of all City departments.

2. Public Works Department

The Public Works Department is responsible for maintaining and improving the City's infrastructure, including streets, water and wastewater systems, stormwater management, parks, cemetery services, garbage collection, and the fiber optics network.

• Key Functions:

- **Streets:** Maintenance, repair, and expansion of roadways and related infrastructure.
- **Water/Wastewater:** Management of the City's culinary water and wastewater systems.
- **Stormwater:** Maintenance of the stormwater system to prevent flooding and ensure water quality.
- **Parks:** Maintenance and development of public parks and recreational areas.

- **Cemetery:** Maintenance and operation of the City cemetery.
- **Garbage:** Collection and disposal of solid waste for City residents.
- **Fiber:** Operation and expansion of the community-owned fiber optic network.

- **Major Priorities:**

- Expanding and maintaining infrastructure to meet the needs of a growing population.
- Ensuring water and sewer system reliability through ongoing upgrades and expansion.
- Enhancing park facilities and providing recreational options for the community.
- Improving stormwater infrastructure to protect the community from flooding.
- Expanding and upgrading the fiber optic network to ensure continued technological competitiveness and service reliability.
- Enhancing the efficiency and effectiveness of garbage collection services.

3. Community Development Department

The Community Development Department is responsible for managing the growth and development of the City through zoning, building permits, long-term planning, and community recreation services.

- **Key Functions:**

- **Zoning and Permitting:** Overseeing land use permits, zoning ordinances, and planning applications.
- **Building Inspections:** Ensuring construction projects comply with City codes and regulations.
- **Long-Term Planning:** Managing the General Plan and master planning efforts for future growth and infrastructure development.
- **Recreation Programs:** Organizing sports leagues, fitness classes, and community events.
- **Community Events:** Managing community events that bring residents together.
- **Public Space Management:** Overseeing the development and maintenance of public spaces such as parks and community centers.

- **Major Priorities:**

- Supporting responsible development to ensure alignment with Providence's character and strategic goals.
- Streamlining permitting processes to foster timely development.
- Reviewing and updating the General Plan to accommodate future growth and sustainability goals.
- Expanding recreational programs to meet the growing demand for fitness and youth activities.
- Developing new park facilities and enhancing existing ones.
- Promoting community events that celebrate the diversity and heritage of the community.
- Ensuring compliance with state mandated plans and reports.

Conclusion

Providence City's departments and programs are strategically aligned to address the City's operational priorities and long-term goals. The Public Works Department, with the addition of Garbage and Fiber, is now even more equipped to handle the growing demands of infrastructure and community services. Each department has clear functions and priorities, ensuring that the City's resources are focused on maintaining infrastructure, supporting economic development, and improving the quality of life for residents. The City continues to work towards optimizing resources and enhancing service delivery in line with community needs.

Departmental Goals and Performance Measures

Providence City is committed to continuous improvement, ensuring that its operations align with the City's mission and strategic goals. To support this commitment, we plan to focus on developing clear, measurable goals and performance indicators for each department and program in the upcoming year. This year, the focus will be on establishing a framework for tracking progress, setting targets, and measuring outcomes that align with the City's long-term objectives. Below is a summary of the departments and their plans for developing performance measures.

1. Administration Department

Goal: Improve efficiency and service delivery.

Development Plans: We will work on establishing specific performance measures for permit processing, employee satisfaction, and internal services. The department plans to create benchmarks for improving operational efficiency and enhancing customer satisfaction.

Goal: Ensure fiscal health and transparency.

Development Plans: The department will work on developing performance measures related to budgeting accuracy, financial reporting, and fund balance management. We will establish Key Performance Indicators (KPIs) to track variances in the budget, assess the general fund balance, and ensure fiscal sustainability moving forward.

2. Public Works Department

Goal: Maintain and enhance infrastructure systems.

Development Plans: This year, the Public Works Department will focus on defining key performance indicators (KPIs) for road resurfacing, water system reliability, and stormwater management. We will develop measures for tracking infrastructure improvements and system performance, setting realistic targets for improvements in the next few years.

3. Community Development and Recreation Department

Goal: Support responsible development and recreational growth.

Development Plans: The Community Development and Recreation Department will develop performance goals related to zoning and building permit processing times, the condition of parks, the expansion of recreational offerings, and the implementation of code review processes. This year, the department will focus on setting clear measures to assess the efficiency and quality of community development services, recreational programs, and ensuring compliance with relevant codes and standards.

Conclusion

Providence City recognizes the importance of defining performance goals and using measurable indicators to assess the effectiveness and efficiency of its operations. This year, we will focus on establishing these goals and tracking systems across all departments to ensure the City continues to deliver high-quality services to its residents. As we implement this process, we will develop specific goals, targets, and performance metrics that will guide future decision-making, improve transparency, and support the City's long-term objectives. These measures will be reviewed and refined annually to ensure they remain aligned with community needs and City priorities.

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: The sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is an exceptionally low rating.

Budget: A plan for allocating resources to support services, purposes, and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water, and sewer lines; easements; buildings and building improvements;

vehicles, machinery, and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders, and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery—direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled because of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions, or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement of the government's financial performance, trends, and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held to produce income in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

SCADA: Supervisory Control and Data Acquisition (SCADA) systems are used in water supply systems to prevent maintenance issues and streamline operations. SCADA systems are used in the water and wastewater industry to monitor and control water treatment processes such as collection, distribution and treatment of water, and to monitor water quality.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is

established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

Transparency and Accessibility

The City of Providence continues to uphold its commitment to transparency and accountability by maintaining an online [Transparency Center](#), powered by ClearGov. ClearGov is a leading provider of online budgeting and communications software designed specifically for local governments, ensuring that citizens have access to clear and accurate information about their community's finances. This platform offers an intuitive and interactive breakdown of the city's financial data, making it easier than ever for residents to stay informed. In addition to financial details, the Transparency Center also provides valuable insights into the city's demographics, economic trends, and other critical information that shapes the community's future.

The Transparency Center is designed with accessibility in mind, ensuring that all citizens, including those with disabilities, can easily navigate and understand the information presented. The platform is optimized for use with assistive technologies such as screen readers and voice recognition software, making it an inclusive resource for all members of the community. This commitment to accessibility ensures that every resident, regardless of their abilities, can participate in the civic process and stay informed about the city's operations.

Providence City's dedication to financial and operational transparency reflects its belief that these principles are the foundation of good governance and a thriving, sustainable community. By providing this level of transparency, the city empowers its residents to be more engaged and informed about how local government functions and how public funds are being utilized.

The online Transparency Center allows citizens to explore how revenue is generated and allocated across various departments and services, offering a clear picture of how the city's budget directly impacts the programs and services that residents rely on daily.

Visitors to the Transparency Center can easily delve into detailed financial reports, drilling down to the line-item level to see exactly how each dollar is spent. This granular level of detail ensures that residents can hold their government accountable and make informed decisions about the issues that matter most to them. Moreover, the platform provides comparative analyses with similar towns, giving residents a broader perspective on how Providence's financial and operational strategies measure up against other communities. This comparative data can be a valuable tool for understanding the city's fiscal health and for identifying areas where improvements can be made.

By maintaining this Transparency Center, Providence City demonstrates its commitment to fostering an open and responsive government that listens to its citizens and acts in their best interests. The city's efforts to make complex financial information accessible and understandable help to build trust and strengthen the relationship between the government and the community it serves. In an era where transparency and accountability are more important than ever, the City of Providence is leading by example, ensuring that its residents have the tools they need to stay informed, engaged, and confident in their local government.

Appendix A – Capital Project Summary



Capital Projects Summary

Department	CapEx Description	2026 FY Budget (7/1/25 to 6/30/26)	2027 FY Budget (7/1/26 to 6/30/27)	2028 FY Budget (7/1/27 to 6/30/28)	2029 FY Budget (7/1/28 to 6/30/29)	2030 FY Budget (7/1/29 to 6/30/30)	5-10 yr. Projects
General Fund - Capital Projects							
•	Administrative	17,000	2,141,484	1,783,038	1,068,990	977,000	37,000
	IT Upgrade 3 New Computers	5,000	12,000	24,000	12,000	12,000	27,000
	Monitors / IT Equipment	2,000	5,000	5,000	5,000	5,000	25,000
	File Server Upgrade	2,000	2,000	2,000	2,000	2,000	2,000
	Website redesign	5,000		12,000			
	Security Camera System	5,000	5,000	5,000	5,000	5,000	
•	Cemetery	-	30,000	200,000	-	-	-
	Cemetery Master Plan		30,000				
	Cemetery property acquisition			200,000			
•	Fleet / Equipment	310,000	440,000	140,000	-	-	-
	See Fleet CIP	310,000	440,000	140,000	-	-	-
•	Parks	1,304,484	676,038	134,990	20,000	-	2,684,933
	New Park - 1,000 S/property acquisition *	600,000					
	See Park, Trails & Rec MP CIP	540,000	280,356	64,990	-	-	2,684,933
	Light replacement for 2 fields at Zollinger park		300,000				
	Meadow Ridge Playground update			70,000			
	Field groomer				20,000		
	Gator						
	Infield Mower						
	Warning Track & Bulpen - possible donation	84,000					
	Bike Route CIP	80,484	95,682	-	-	-	-
•	Public Work	-	-	-	-	-	-
	Additional Fence / Repairs	20,000					
•	Streets	510,000	625,000	570,000	945,000	25,000	-
	Sidewalk/curb/gutter	25,000	25,000	25,000	25,000	25,000	
	100 South Road Widening - COG	400,000					
	Gas Tank awning (Street backhoe in place)	10,000					
	Kubota sweeper attachment			15,000			
	Fox ridge (Stonehenge to Abbey)				120,000		
	Pedestrian lights @ 100 N Roundabout			80,000			
	200 E (100 S - Center)	75,000	75,000				
	Edgewood Pl and Segs Lily Lane				350,000		
	Overlay - Main St from 400 S to 100 N					###	
	Overlay - 200 South 100 E to 200 E (parking lot in front of			###			

Cattle Coral							
	Crosswalk w lights Center St & 200 West	75,000					
	Other street improvements	450,000	450,000	450,000			
Enterprise Funds - Capital Projects							
•	Culinary Water Fund	1,260,000	535,000	759,694	434,912	469,303	130,000
	A new well is proposed to provide additional capacity						
	Well house	750,000					
	PRV Station SCADA upgrade	10,000	10,000	10,000	10,000	10,000	
	Meter upgrade	500,000					
	100 S from 200 E to 300 E (waterline & services and asphalt)		300,000				
	New Tank Land (Zone 1)		150,000				
	Backhoe - lease buy back		75,000				
	Von's Way			250,000			
	Cherry Drive north of Center Street			111,891			
	Sarah Street and Satsuma Drive			68,341			
	Satsuma Drive north of Center Street			190,385			
	Von's Way west of Satsuma Drive			129,077			
	Edgewood Pl and Segs Lily Lane				424,912		
	Center and 300 North					417,703	
	200 West from 500 South and 100 North					41,600	
	Install new Canyon PRV						136,000
•	Sewer Fund	1,000,000	103,000	-	-	-	80,000
	Upgrade Meters (2)	100,000					
	Sewer outfall line / Treatment Plant	900,000					
	Sewer Line Replacement (Main St & 100 N)		103,000				
	Bluff Street - change manhole to 300 West						80,000
	Collar manholes	10,000	10,000	10,000	10,000	10,000	
•	Storm Water	-	-	-	-	-	121,075
	10th South 400 East Beautification						
	300 East 125 N (box culvert)						39,550
	300 East 100 N (box culvert)						33,000
	300 East 200 N (box culvert)						48,525
•	Waste & Recycle	-	-	-	-	350,000	-
	Trucks					350,000	
•	Fiber	75,000	75,000	75,000	75,000	75,000	-
	Expansion	75,000	75,000	75,000	75,000	75,000	
		4,476,484	2,496,938	1,903,684	1,486,912	931,303	1,043,008

Appendix B – SB 165 – Report

1. Price List (Effective at Time of Report)

Providence City currently offers broadband services under the following pricing structure

Service Tier	Previous Year Price	Current Price
5mb/s	\$ 10.00	\$ 10.00
25mb/s	\$ 32.00	\$ 32.00
1G	\$ 38.00	\$ 38.00
2G	\$ 38.00	\$ 38.00
10G	\$ 58.00	\$ 58.00

2. Coverage Area	Previous Year	Current Year	CY +1	CY +2	CY +3	CY +4	CY +5	CY +6	CY +7	CY +8	CY +9	CY +10
Households in Coverage Area	2,436	2,450	2,524	2,600	2,678	2,758	2,841	2,926	3,014	3,104	3,197	3,293
Businesses in Coverage Area	125	128	132	136	140	144	148	152	157	162	167	172

3. Subscriber Information	Previous Year	Current Year	CY +1	CY +2	CY +3	CY +4	CY +5	CY +6	CY +7	CY +8	CY +9	CY +10
Total Subscribers	1,791	1,823	1,860	1,936	1,994	2,054	2,116	2,179	2,244	2,311	2,380	2,451
Net Additions/Losses	550	34	55	56	58	60	62	63	65	67	68	71

4. Revenue Generation	Previous Year	Current Year	CY +1	CY +2	CY +3	CY +4	CY +5	CY +6	CY +7	CY +8	CY +9	CY +10
Broadband Revenue	624,500	904,549	931,096	959,637	989,426	1,018,079	1,048,621	1,080,080	1,112,482	1,145,856	1,180,232	1,215,629
Cable TV Revenue	0	0	0	0	0	0	0	0	0	0	0	0
Public Telecom Revenue	0	0	0	0	0	0	0	0	0	0	0	0

5. Full-Cost Accounting (Prior Fiscal Year)

A. Costs Incurred

Cost Category	Previous Year	Current Year	CY +1	CY +2	CY +3	CY +4	CY +5	CY +6	CY +7	CY +8	CY +9	CY +10
Office Supplies & Expense	(4,425)	(8,584)	(8,842)	(9,187)	(9,380)	(9,561)	(9,761)	(10,250)	(10,556)	(10,875)	(11,201)	(11,537)
Utilities	(2,002)	(11,966)	(12,325)	(12,695)	(13,078)	(13,466)	(13,872)	(14,298)	(14,717)	(15,159)	(15,616)	(16,080)

Network Operation Contract	(167,176)	(278,229)	(284,516)	(293,051)	(301,843)	(310,899)	(320,225)	(329,832)	(339,727)	(349,919)	(360,417)	(371,220)
Professional & Technical	(3,306)	(16,284)	(16,782)	(17,256)	(17,773)	(18,308)	(18,855)	(19,421)	(20,004)	(20,604)	(21,222)	(21,859)
Attorney	(2,369)	(3,820)	(3,934)	(4,052)	(4,174)	(4,299)	(4,428)	(4,561)	(4,696)	(4,835)	(4,966)	(5,134)
Maintenance & Repair	(29,868)	(5,699)	(6,076)	(6,254)	(6,446)	(6,639)	(6,836)	(7,043)	(7,254)	(7,472)	(7,696)	(7,927)
Depreciation	-	(200,000)	(206,000)	(212,180)	(218,545)	(225,181)	(231,854)	(238,810)	(245,874)	(253,353)	(260,954)	(268,785)
Interest	(172,414)	(185,672)	(192,872)	(197,873)	(203,454)	(209,079)	(214,876)	(220,876)	(227,052)	(233,126)	(239,128)	(245,025)
	(269,180)	(102,871)	(111,300)	(120,182)	(129,114)	(138,447)	(147,994)	(157,790)	(167,857)	(178,169)	(188,713)	(199,517)
	253,749	201,712	220,366	238,514	256,314	279,632	300,623	322,500	344,525	364,510	385,019	406,062

Material Events in the Prior Fiscal Year:
 Debt Service Delinquencies and Defaults: No
 Non-Payment Covenant Defaults: No
 Unscheduled Reserve Fund Draws: No
 Adverse Tax Options: No
 Credit Rating Changes: No
 Bond Calls: No
 Tender Offers: No
 Private Debt Placements: No

Appendix D – Demographic Information

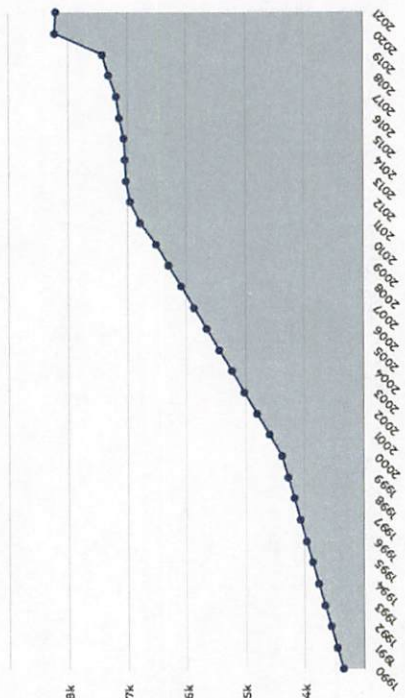
Population Overview



8,199

GROWTH RANK
91 out of **248**
Municipalities in Utah

▼ .2%
vs. 2020



Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses

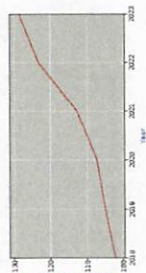


7,072

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

Data Source: American Community Survey 5-year estimates

Appendix C – CPI for All Urban Consumers (CPI-U)



CPI for All Urban Consumers (CPIU)

Original Data Value

Series 16: **1st Seasonally Adjusted**

Series Title: **All Items in Mountains, all urban consumers, not seasonally**

Series ID: **CLURM04M50.GUJ2502500**

Report Item: **All Items**

Report Item: **DECEMBER 2017-100**

Base Period: **2017 to 2022**

Year: **2018 2019 2020 2021 2022 2023**

<https://www.bls.gov/news.release/tables/tables/20250101.htm>

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2018	100.440	100.505	101.196	101.800	102.427	102.597	102.451	102.448	102.812	103.126	103.042	102.800	102.195	101.574	102.817
2019	101.541	101.573	101.600	101.600	101.600	101.600	101.600	101.600	101.600	101.600	101.600	101.600	101.600	101.600	101.600
2020	101.548	106.253	106.821	106.825	106.825	107.228	107.623	107.623	107.725	107.754	107.754	107.754	107.754	107.754	107.754
2021	107.654	108.368	109.308	110.548	111.839	112.731	113.623	113.667	114.160	115.325	116.065	116.065	116.065	116.065	116.065
2022	117.662	115.049	121.670	122.654	122.654	123.133	124.612	124.731	125.163	126.100	125.655	125.449	125.449	125.449	125.449
2023	126.000	126.934	127.650	128.399	128.647	128.574	128.805	129.171	129.931	129.938	129.938	129.938	129.938	129.938	129.938
2024	129.814	130.099	131.116	131.8	131.827	131.561	131.125	131.729	131.721	131.718	131.445	131.179	131.296	131.164	131.503
2025	131.607	131.359	132.875	133.235	134.041										

2019012019 2.3% 1.8% 2.1% 2.2% 2.3% 2.5% 2.6% 2.4% 2.3% 3.2% 3.2% 3.1% 2.6% 2.2% 3.0%

2020012020 3.8% 4.0% 3.2% 2.1% 1.3% 2.0% 1.4% 1.2% 1.8% 1.3% 1.3% 1.0% 2.2% 2.7% 1.6%

2021012021 1.2% 1.3% 5.2% 4.2% 5.2% 5.1% 5.6% 5.7% 6.0% 7.0% 7.8% 8.6% 5.0% 3.1% 3.0%

2022012022 9.0% 9.7% 10.4% 9.8% 9.4% 9.9% 9.6% 9.6% 9.6% 9.6% 9.3% 8.7% 9.1% 9.7% 9.0%

2023012023 6.7% 6.7% 6.2% 6.8% 5.5% 5.7% 5.5% 5.6% 5.4% 5.4% 5.4% 5.4% 5.4% 5.4% 5.4%

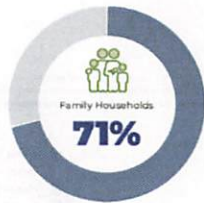
2024012024 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2% 2.2%

2025012025 1.8% 1.8% 1.3% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2% 1.2%

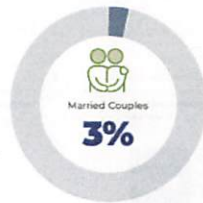
Household Analysis

TOTAL HOUSEHOLDS
2,548

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



▲ 18%
higher than state average



▼ 22%
lower than state average



▼ 22%
lower than state average

* Data Source: American Community Survey 5-year estimates



Accordingly,

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.

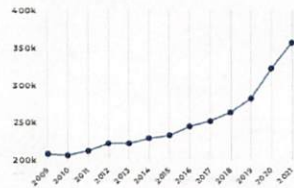


* Data Source: American Community Survey 5-year estimates

Housing Overview



2021 MEDIAN HOME VALUE
\$356,900



* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets/homv.html>). American Community Survey. Home value data includes all types of owner-occupied housing.

HOME VALUE DISTRIBUTION



* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets/homv.html>). American Community Survey. Home value data includes all types of owner-occupied housing.

HOME OWNERS VS RENTERS

Providence State Avg.



* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets/homv.html>). American Community Survey. Home value data includes all types of owner-occupied housing.