



# Administrators Budget Review

September 1  
**2012**

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*The following report is a summary of the Victor City Budget for the Fiscal Year of 2012 to 2013.*

# Fiscal Year 2012-13

## CITY OF VICTOR BUDGET REVIEW

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## INTRODUCTION

The following report is a summary of the Victor City Budget for the Fiscal Year of 2012 to 2013. The budget process began with a Council Retreat to discuss the City Goals as established by previous Councils along with the City Mission Statement. The meeting focused on “Big Picture” items to give general direction for the City’s efforts also known as “Budgeting for Outcomes.” Next, the City proceeded through the budget process by having several work meetings to narrow down the budget to its current form. The following is a summary of the revenues and expenses that comprises the budget.

## BUILDING PERMITS

Year	2004	2005	2006	2007	2008	2009	2010	2011
Residential	27	33	46	60	9	2	1	2
Commercial	7	5	1	8	3	1	0	2
Multi-Family	5	11	14	24	0	0	0	0
Manufactured Homes	5	0	0	0	0	0	0	0
All Others	16	12	15	19	18	14	8	4

Building permits provide one of the revenue sources for the City of Victor. The major problems facing all Idaho Cities are increasing costs plus the restricted ability to increase revenue which creates a gap between revenues and expenditures that must be balanced. The City of Victor has been able to balance that gap with the increased growth the past 10+ years. However, with the current down turn in the economy and into the unforeseeable future, the balancing act is much more difficult. Fortunately the Councils and staff have been very frugal in spending versus revenues the past 15 years. The reserve funds have grown in small but consistent increments. For some of these funds, reserve funds are what will now be used to carry the City through these lean times as well as to invest in the future and be able to maintain services at current levels.

## TAX REVENUES

The State of Idaho limits tax increases to a maximum of 3% unless an override vote is approved by the public. State code does allow for increases in tax revenues from new construction rolls and from new annexations. The new construction roll and annexation figures are given each year to the City by the county assessor’s office. The total tax collection portion of the Government Funds of the FY 2012-13

budget is \$341,427.00, which represents an increase of \$15,105.00 or 4.6% compared to collections for the 2011-12 fiscal year. See the chart below to see comparisons to past years.

FISCAL YEAR	PROPERTY TAXES PRIOR YEAR	3% CAP	NEW CONSTRUCTION ROLL	TAXES FROM NEW CONSTRUCTION ROLL	NEW ANNEXATION ROLL	TAXES FROM ANNEXATION ROLL	REVENUE YEAR LEVY RATE	TOTAL NEW TAXES	PERCENT CHANGE
2005	\$128,949.00	\$ 3,868.00	\$ 2,143,427.00	\$ 3,723.00	\$ 437,926.00	\$ 761.00	0.001737033	\$ 8,352.00	6.4
2006	\$137,301.00	\$ 4,119.00	\$ 3,366,407.00	\$ 5,569.00	\$ 2,532,591.00	\$ 4,192.00	0.001654408	\$ 13,856.00	10.2
2007	\$151,157.00	\$ 4,535.00	\$23,605,927.00	\$ 34,481.00	\$ 6,686,352.00	\$ 9,962.00	0.001489901	\$ 48,891.00	22.7
2008	\$200,048.00	\$ 6,001.00	\$44,605,927.00	\$ 57,084.00	\$ 1,333,095.00	\$ 1,706.00	0.001279902	\$ 64,942.00	32.3
2009	\$264,990.00	\$ 7,949.00	\$21,374,758.00	\$ 27,859.00	\$ -	\$ -	0.001303399	\$ 35,817.00	11.9
2010	\$300,807.00	\$ 9,027.00	\$ 2,879,394.00	\$ 4,001.00	\$ -	\$ -	0.001389699	\$ 13,028.00	4.3
2011	\$325,657.00	\$ 9,769.00	\$ 2,648,072.00	\$ 6,076.00	\$ -	\$ -	0.002294576	\$ 15,845.00	4.8

The amount of property taxes assessed each year is a compilation of last year's base amount plus 3%, plus additions from the new construction roll, new annexation roll and foregone amount. The Council has the option of assessing an amount from 0 to 100% of every segment previously mentioned allowed by law. The past several show moderate increases in property taxes. The following tables show the reasons and areas for those increases.

#### THE NEW CONSTRUCTION ROLL

**The New Construction Roll** is the total "county assessed value" of all new residential and commercial construction that was added to the tax rolls on a given calendar year. The reason the amount of the new construction roll does not seem to correlate with the number and types of building permits on any given year is because property taxes associated with the construction of new homes are not added to the roll until occupancy of the building occurs. Thus, a newly constructed home, vacant for any number of years is not fully taxed until occupancy takes place. During the 2011 calendar year \$2,648,072.00 was added to the tax rolls. This added value can then be assessed at a levy rate equal to the prior year levy rate and added to the next year's total taxes. The new construction roll has been a major factor in property tax increases the past few years. However, with the number of building permits dramatically reduced, the new construction roll shows the same degree of decreases.

Year	Amount
2004	\$ 2,143,427.00
2005	\$ 3,366,407.00
2006	\$ 21,143,093.00
2007	\$ 44,605,927.00
2008	\$ 21,374,927.00
2009	\$ 2,879,394.00
2010	\$ 1,431,669.00
2011	\$ 2,648,072.00

### THE NEW ANNEXATION ROLL

**The New Annexation Roll** is the total “assessed value” of any property annexed into the city on a given calendar year and added to the tax rolls. This added value can then be assessed at a levy rate equal to the prior year levy rate and added to the next year’s total taxes. This year will be the fourth consecutive year in the past 8 years that the City has had a zero addition of new annexed properties to the tax rolls. This appears to be the trend for the immediate future.

Year	Amount
2004	\$ 437,926.00
2005	\$ 2,532,591.00
2006	\$ 6,686,352.00
2007	\$ 1,333,098.00
2008	\$ -
2009	\$ -
2010	\$ -
2011	\$ -

The total tax collection portion of the Government Funds of the 2012-13 fiscal year budget is \$341,427.00, which represents an increase of \$15,105.00 or a 4.6% increase as compared to collections for the 2011-12 fiscal year. This also represents 16% of the total projected revenues for the 2012-13 fiscal year.

This proposal supports basic government services such as administration, road maintenance, water, sewer, transportation improvements and parks. This proposal contains programs, services and capital improvement projects that will be provided to Victor’s citizens and businesses from October 1, 2012, to September 30, 2013.

### THE CITY OF VICTOR -- A PLACE WITH ROOM TO GROW

Victor is a rural community surrounded by the Teton Mountain Range to the east, Big Hole Mountains to the west and the Snake River Range to the South, with a potential for growth and growth

opportunities. The City was incorporated in 1912 and by the year 2000 had a population of 864. As noted from previous tables, the land mass, construction activity and tax base has grown exponentially until recently.

Today the City has a 2010 census population count of 1928 with a growth rate of almost 123% since the 2000 census. Victor has been one of the fastest growing small-sized communities in Idaho. However, long-term population increases have been put on hold due to the state of the national and local economy.

Within the last three (3) years, the City has had water and sewer long range plans completed and has completed the process of a long range transportation plan. The City is also currently in the process of finalizing the Capital Improvements Plan for long range planning which will be completed in the 2012-13 FY.

### **THE BUDGET AND ACCOUNTING BASIS OF CITY FUNDS**

The City's budget and accounting basis is in accordance with Generally Accepted Accounting Principles (GAAP). The City's General, Special Revenue and Capital Improvement Funds are budgeted on the modified accrual basis of accounting. Revenues are recognized when they become measurable and available to finance expenditures. Expenditures are generally recognized when incurred. Costs are minimized and the efforts to economize continue. Further increases in services and service levels will require additional sources of revenue.

The following table included in the legal notice for the public hearing concerning the proposed budget illustrates the proposed expenditure by fund and compares it with approved allocations made in prior years.

### LEGAL NOTICE

LEGAL NOTICE  
NOTICE OF PUBLIC HEARING  
PROPOSED BUDGET FOR THE CITY OF VICTOR  
FOR THE FISCAL YEAR 2012-2013

Notice is hereby given that the City Council of the City of Victor, Idaho, will hold a public hearing for consideration of the proposed budget for the fiscal period October 1, 2012 to September 30, 2013 pursuant to provisions of Section 50-1002, Idaho Code, said hearing to be held at City Hall, 32 Elm St, Victor, Idaho, at 7:10 P.M., on Wednesday August 22, 2012. Any interested person may appear and show cause why said proposed budget should or should not be adopted.

FY 2010-11	FY 2011-12	FY 2012-13
Actual	Budgeted	Proposed

Fund Name	Expenditures	Expenditures	Expenditures
General Fund	395639	448522	553812
Street Fund	123971	225382	387917
Utility Fund	882834	912000	942996
Irrigation Fund	6340	5700	12600
Capitol Projects	878156	93000	120000
LID Fund	54880	54870	54870
Local Option Tax Fund	22750	60000	43846
Total Expenditures	2364570	1799474	2116041

Fund Name	Actual Revenues	Budgeted Revenues	Proposed Revenues
Property Tax Levy			
General Fund	231181	244290	253000
Street Fund	76868	82032	88427
Total Property Tax	308049	326322	341427

Revenue sources other than property tax:

General Fund	234613	204232	300812
Street Fund	148224	143350	299490
Utility Fund	868723	912000	942996
Irrigation Fund	5396	5700	12600
Capitol Projects	28535	93000	120000
LID Fund	71159	54870	54870
Local Option Tax Fund	66696	60000	43846
Other sources	0	0	0
Total Revenue	1731395	1799474	2116041

I, Craig Sherman, City Clerk for the City of Victor, Idaho, do certify that the above is a true and correct statement of the proposed expenditures and estimated revenues for Fiscal Year 2012-2013, all of which have been tentatively approved and entered into the Journal of Proceedings. A copy of the proposed City budget is available at City Hall for inspection during regular office hours, 8:30 am – 5:00 pm. Dated this 3<sup>rd</sup> day of August, 2012.

### Mill Levy Overview

A city's taxable value, or tax base, is one of the best indicators of the economic health of a community. The net market value for property in the City of Victor for the past 15 years has increased significantly. The past two years the total market value as set by the County Assessor has declined. The City's total net market value has decreased from \$215,908,889 in 2009 to \$181,230,513 in 2010, plus an additional decrease to \$167,312,508 in 2011. This is a decrease of approximately 23%. During the same time the

mill levy rate increased from .001389669 in 2010 to .001726395 in 2010 to .002294576 in 2011. The mill levy rate for property taxes equates to \$172 per \$100,000 of assessed value in 2010 and \$229 in 2011 of assessed value.

The City Council only has control over the amount of taxes requested but has no control over the amount of the assessed value. Those values are set by the County Assessor and the State Tax Commission.

The City of Victor relies on property taxes to raise approximately 16% of the net revenue needed to support municipal operations.

### **Capital Projects Fund**

The Capital Projects fund was created to be able to accurately account for the funds received from sewer and water connection fees and special funds received for capital improvement projects in all other categories. These funds are dedicated funds to be used for specific projects or specific purposes. The dollars in this fund are calculated as part of the total city budget but are not part of the day to day revenues and expenses.

The difference between this fiscal year and the previous fiscal year lies in the maintenance and replacement for the water and sewer systems. The City has the following projects planned: Spring Water Project, Leak Repair, L.S. #3 Grinder, and Scada System for the Lift Stations. All of these projects are designed to conserve water, save pumping costs, reduce maintenance time spent in previous years.



Receipts	Fiscal Year 2012	Fiscal Year 2013
Water Conn Fee	\$ 15,000.00	\$ 5,000.00
Sewer Conn Fee	\$ 25,000.00	\$ 10,000.00
Grants	\$ -	\$ -
Park & Rec	\$ -	\$ -
Transit	\$ -	\$ -
Depot	\$ 30,000.00	\$ 22,000.00
Rec Center	\$ -	\$ -
Streets	\$ -	\$ -
Interest	\$ -	\$ -
*Misc.	\$ 23,000.00	\$ 83,000.00
<b>TOTALS</b>	<b>\$ 93,000.00</b>	<b>\$ 120,000.00</b>

Dispersements	Fiscal Year 2012	Fiscal Year 2013
Culinary Water	\$ 15,000.00	\$ 5,000.00
Water Bond	\$ -	\$ -
Sewer Fund	\$ 25,000.00	\$ 10,000.00
Streets	\$ -	\$ -
Irrigation Water	\$ -	\$ -
Buildings	\$ -	\$ -
Pioneer Park	\$ -	\$ -
City Park	\$ -	\$ -
Willow Creek Park	\$ -	\$ -
Equipment	\$ -	\$ 35,000.00
Transit	\$ -	\$ -
Depot	\$ 30,000.00	\$ 22,000.00
Rec Center	\$ -	\$ -
Skate Park	\$ 23,000.00	\$ -
Misc.	\$ -	\$ -
Existing Water System Replacement/Maintenance		\$ 10,000.00
Existing Sewer System Replacement/Maintenance		\$ 33,000.00
Depot Payment		\$ 5,000.00
<b>TOTALS</b>	<b>\$ 93,000.00</b>	<b>\$ 120,000.00</b>

### Local Option Tax Fund

In 2009, the City Council presented to the public a proposal to enact a Local Option Sales Tax. The proposal was approved by a public vote of the and added ½¢ to the existing 6% sales tax with the ½¢ coming directly to the city. The City ordinance specifies the areas where the funds are to be expended. Those areas are, improvement, maintenance and beautification of roads and associated infrastructure (water and sewer) and other infrastructure within the City of Victor, including parking, the direct and administrative cost to collect and enforce this tax; and law enforcement.

It is the goal of the council to expend only the funds received the prior year so that the budget expenditures will always be in line with the receipts. The receipts are totally based on sales within the city limits of businesses selling non-property items and services. And with a fluctuating economy, there is no guarantee of any specific amount. This year the council has a budget of \$43,846.00 representing the tax collections from January 1, 2011 through September 2011.

<b>Receipts</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Tax Collection	\$ 60,000.00	\$ 43,846.00
<b>TOTALS</b>	<b>\$ 60,000.00</b>	<b>\$ 43,846.00</b>
<b>Dispersements</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Law Enforcement	\$ 20,000.00	\$ 20,000.00
Street	\$ -	\$ -
Depot Project	\$ 35,000.00	\$ 13,846.00
Planning and Zoning Misc.	\$ -	\$ 5,000.00
Reserve	\$ 5,000.00	\$ 5,000.00
Depot Payment		
<b>TOTALS</b>	<b>\$ 60,000.00</b>	<b>\$ 43,846.00</b>

## Overview of Personnel

### Personnel

One of the most important assets the City of Victor has is its loyal, competent and hard working employees. The budget continues the philosophy of providing existing employees with the opportunity to earn a market wage necessary for them to complete their tasks and responsibilities in an efficient and effective manner.

The 2012-13 fiscal year budget provides for 9 full time employees and one part time summer maintenance position. The City hired an additional employee the past year. Mr. Robert Heuseveldt is a licensed engineer who will serve not only as an in house engineer, but will serve as the City Administrator and Public Works Supervisor.

### Salaries and Benefits

Across the City's six funds, the City will expend a total of \$490,788.00 with an additional \$122,000 paid in medical and retirement benefits. This number includes the salaries for Mayor and Council. The total of salaries and benefits is 28.9% of the total proposed budget. The City provides a retirement program connected to the State PERSI retirement system. Other benefits include holiday pay, sick pay, accidental and medical insurance. Full family coverage, dental and vision are options if the employee wishes to pay for it.

## **General Fund**

The general fund is the chief operating fund of the City, and is used to account for all financial resources except those required by Generally Accepted Accounting Principles (GAAP) to be accounted for in another fund. GAAP provides that each city may establish a single general fund.

The City of Victor's General Fund is used to support the day-to-day operations of the Administration, Planning & Zoning, Law Enforcement and Park & Recreation Departments. General Fund revenues are projected to be \$448,522.00, while appropriations are budgeted at \$448,522.00, resulting in appropriations equaling revenues. The appropriation level for the General Fund has been increased by \$14,272.00 or a 3.1% increase as compared to the 2010-11 FY budget.

The general fund increased in the following categories: Admin and Office Pay Roll, Law Enforcement, and Miscellaneous. These increases came as a result of the additional employee, an increase in the amount contributed for law enforcement within the City, several organization commitments and memberships, and the proposed Depot Public Restroom.

Receipts	Fiscal Year 2012	Fiscal Year 2013
Property Tax	\$ 246,097.00	\$ 253,000.00
Licenses	\$ 6,000.00	\$ 5,000.00
Liquor Tax	\$ 38,000.00	\$ 38,000.00
Sales Tax	\$ 18,153.00	\$ 20,535.00
Fines	\$ 6,000.00	\$ 5,000.00
Highway Revenue Sharing	\$ 82,471.00	\$ 83,498.00
P & Z	\$ 6,000.00	\$ 5,000.00
Franchise -- Verizon	\$ 10,915.00	\$ 10,915.00
Franchise -- Tower	\$ 13,193.00	\$ 13,268.00
Franchise -- Silverstar	\$ 12,000.00	\$ 12,000.00
Grants	\$ -	\$ 10,000.00
Reservations	\$ 300.00	\$ 200.00
****Community Events	\$ 10,000.00	\$ 25,000.00
Sage Hen Park Reserve		\$ 10,396.00
***Misc.	\$ 1,200.00	\$ 62,000.00
<b>TOTALS</b>	<b>\$ 450,329.00</b>	<b>\$ 553,812.00</b>

Disbursements	Fiscal Year 2012	Fiscal Year 2013
Admin & Office Payroll	\$ 85,000.00	\$ 134,619.00
Administration Expense	\$ 15,000.00	\$ 15,000.00
Payroll Taxes	\$ 37,750.00	\$ 59,503.00
Park and Recreation	\$ 35,000.00	\$ 42,731.00
Legal & Consulting	\$ 35,000.00	\$ 45,000.00
Office Supplies	\$ 6,000.00	\$ 3,000.00
Telephone	\$ 5,000.00	\$ 5,000.00
City Building Maintenance	\$ 8,000.00	\$ 8,000.00
Planning & Zoning	\$ 120,000.00	\$ 78,549.00
Insurance	\$ 35,305.00	\$ 47,736.00
Law Enforcement	\$ 20,000.00	\$ 27,000.00
Community Events	\$ 15,000.00	\$ 14,000.00
Grants	\$ 10,000.00	\$ 10,000.00
Miscellaneous	\$ 17,274.00	\$ 63,674.00
<b>TOTALS</b>	<b>\$ 444,329.00</b>	<b>\$ 553,812.00</b>

## Street Fund

The street fund is used to support the general operation, maintenance and construction of roadways within the City. The City is responsible for the maintenance of approximately 23 miles of roadway. The proposed street fund amount is \$387,917, a 72% increase over the previous year. Teton County received voter approval to extend the road levy. The City anticipates receiving approximately \$85,000 for each of the next two years.

The most significant change in the Street Budget between this year and the previous year lies in the amount set aside for the needed snow removal equipment.

<b>Receipts</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Highway Users	\$ 63,350.00	\$ 64,490.00
Property Tax	\$ 82,032.00	\$ 88,427.00
County Road Levy	\$ 80,000.00	\$ 85,000.00
Misc./Reserves	\$ -	\$ 150,000.00
<b>TOTALS</b>	<b>\$ 225,382.00</b>	<b>\$ 387,917.00</b>

  

<b>Disbursements</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Salaries	\$ 34,000.00	\$ 48,000.00
Payroll Benefits	\$ 9,000.00	\$ 10,499.00
General Maintenance	\$ 23,691.00	\$ 44,500.00
Equipment	\$ 17,000.00	\$ 200,000.00
Equipment Maintenance	\$ 31,800.00	\$ 37,918.00
Street Lights	\$ 3,500.00	\$ 3,500.00
Snow Removal	\$ 4,000.00	\$ 24,000.00
Fuel	\$ 12,000.00	\$ 12,000.00
Signage	\$ -	\$ 6,500.00
Office	\$ 1,000.00	\$ 1,000.00
Misc.	\$ 89,391.00	\$ -
<b>TOTALS</b>	<b>\$ 225,382.00</b>	<b>\$ 387,917.00</b>

### Enterprise Funds

Enterprise funds are funds that are stand alone operations not supported by property taxes or state revenue funds. These funds include the utility fund which includes the water and sewer systems, as well as the irrigation system which is a separate system and fund. The revenue source for these funds is by fees set by ordinance or resolution by the City Council.

### Water Funds

The City of Victor maintains approximately 17 miles of water lines. The need for a strong reserve is for the unplanned problems that could occur at anytime. The replacement or repair of the wellhead pumps, major breaks in main lines located under asphalt or a list of other problems would have a significant impact on existing fund balances as well as reserves.

<b>Water Receipts</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Water Usage	\$ 351,968.00	\$ 450,000.00
Parts/Materials	\$ 10,000.00	\$ 10,000.00
Interest	\$ -	\$ -
Misc.	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 361,968.00</b>	<b>\$ 460,000.00</b>

  

<b>Water Dispersements</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Water General Maintenance	\$ 34,550.00	\$ 44,500.00
Parts/Materials	\$ 10,000.00	\$ 10,000.00
New Construction	\$ -	\$ -
Bond Payment*	\$ 195,000.00	\$ 138,889.00
Salaries	\$ 104,000.00	\$ 119,840.00
Payroll Benefits	\$ 24,000.00	\$ 28,140.00
Insurance	\$ 15,000.00	\$ 23,868.00
Engineering Fees	\$ -	\$ -
Materials/Supplies	\$ -	\$ -
Monitoring (Testing)	\$ 1,200.00	\$ 1,200.00
Power/Utilities	\$ 48,000.00	\$ 48,000.00
Chemical & Treatment	\$ 2,500.00	\$ 2,500.00
Vehicles/Equipment	\$ -	\$ 22,438.00
Office	\$ 8,000.00	\$ 8,000.00
Legal and Accounting	\$ 17,750.00	\$ 8,625.00
DEQ Annual Assessment	\$ 4,000.00	\$ 4,000.00
Misc.	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 464,000.00</b>	<b>\$ 460,000.00</b>

### Sewer Fund

The City of Victor maintains approximately 24 miles of sewer lines. The proposed sewer fund would increase by a 6.8% margin. The difference between the water and the sewer funds is that the City services 5 sewer satellite systems that have their own community water systems.

<b>Sewer Receipts</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Sewer Usage	\$ 481,000.00	\$ 482,996.00
Parts/Materials	\$ -	\$ -
Interest	\$ -	\$ -
Misc.	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 481,000.00</b>	<b>\$ 482,996.00</b>

  

<b>Sewer Dispersements</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Sewer Gen Maintenance	\$ 46,556.00	\$ 54,000.00
Parts/Materials	\$ 20,000.00	\$ 10,000.00
New Construction	\$ -	\$ -
Bond Payment**	\$ 95,444.00	\$ 95,444.00
Salaries	\$ 102,000.00	\$ 122,419.00
Payroll Benefits	\$ 21,000.00	\$ 28,140.00
Insurance	\$ 15,000.00	\$ 23,868.00
Engineering Fees	\$ -	\$ -
Materials/Supplies	\$ -	\$ -
Power/Utilities	\$ 7,500.00	\$ 7,500.00
City of Driggs	\$ 110,000.00	\$ 125,000.00
Vehicles/Equipment	\$ 8,500.00	
Office	\$ 8,500.00	\$ 8,000.00
Legal and Accounting	\$ 17,500.00	\$ 8,625.00
Misc.	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 452,000.00</b>	<b>\$ 482,996.00</b>

## Irrigation Fund

The irrigation water fund will have a 121% increase from last year's budget. The City of Victor has 201 shares of irrigation water that is in a much larger pool of irrigation water shares under the direction of Trail Creek Sprinkler Co. Through annexation and development agreements, the City has gained an additional 55 shares of the Trail Creek Sprinkler Co the past several years. The distribution system for the original 146 shares located within the city limits is the responsibility of the City for maintenance, repair and replacement. The remaining distribution systems are currently under the control and responsibility of the subdivisions homeowners associations. The City pays annual fees to Trail Creek Sprinkler Co. in addition to the maintenance and operation of the "in" city distribution system. And as mentioned previously, this fund is an enterprise fund which is funded entirely by those that use this system. The City Council sets the fees for the operation of the irrigation fund by ordinance or resolution. The current assessed fee is \$30 per acre per year or proportionally calculated on the actual acreage with a \$15.00/yr minimum. The original distribution system in the older part of town is over 35 years old and is beginning to show signs of usage and age. With the aging of the system the Council recognizes the need to have the funding in place for the maintenance and up keep of this very important water system. Without this water system to irrigate landscaping and gardens, the culinary water system could be over burdened and higher water rates would be required. The Council will be studying the current rates, necessary future funding requirements and setting an irrigation water rate

accordingly. The increase shown in the table reflects an anticipated increase in the irrigation usage fees.

<b>Receipts</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
Usage	\$ 5,700.00	\$ 12,600.00
New Hook-up	\$ -	\$ -
Misc.	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 5,700.00</b>	<b>\$ 12,600.00</b>
<b>Dispersements</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2013</b>
General Maintenance	\$ 1,800.00	\$ 4,338.00
Salary		\$ 4,362.00
New Hook-up	\$ -	\$ -
Trail Creek Sprinkler Company	\$ 3,900.00	\$ 3,900.00
Misc.	\$ -	\$ -
<b>TOTALS</b>	<b>\$ 5,700.00</b>	<b>\$ 12,600.00</b>

### **Miscellaneous Projects**

The City of Victor has received a Federal Highway Administration Scenic Byway Grant in the amount of \$383,000 for the SCENIC BYWAY VISITOR INTERPRETIVE CENTER. Construction on the project is to be completed during the summer of 2013.

Should there be any question regarding this budget please contact Craig Sherman at the City of Victor (208)787-2940.