West Bountiful City

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BUDGET WORK SESSION

NOTICE IS HEREBY GIVEN THAT WEST BOUNTIFUL CITY COUNCIL WILL HOLD A BUDGET WORK SESSION ON TUESDAY APRIL 3, 2012 AT 6:00 PM – 550 NORTH 800 WEST, WEST BOUNTIFUL CITY. THIS WORK SESSION WILL TAKE THE PLACE OF THE REGULARLY SCHEDULED CITY COUNCIL MEETING.

AGENDAS AS FOLLOWS:

1. Review of Budget Process and Calendar
   a. Department Input
   b. Budget Retreat
   c. Finance Committee Review

2. Discuss FY 2013 Budget – Personnel
   a. Wages
   b. Benefits
   c. Department Allocations

3. Discuss FY 2013 Capital Projects
   a. RAP Tax Allocation
   b. Capital Spending Cash Allocation

4. Additional Discussion of FY 2013 Budget, as directed by City Council

5. Adjourn

According to the American's with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during the meeting should contact Heidi Voordeckers, City Recorder/Auditor, at (801) 292-4486.

Any residents or property owners in West Bountiful City may request to offer a prayer or thought at the City Council Meetings. Please notify Heidi Voordeckers, City Recorder/Auditor of West Bountiful City, of this desire twenty four (24) hours before the meeting.

** I certify that this agenda has been posted and delivered to the City Council and sent to the Clipper Publishing Company on March 28, 2012.
Budget Meeting
April 3, 2012

Those present: Mayor Kenneth Romney, James Ahlstrom, Mark Preece, James Bruhn, Dave Tovey, Debbie McKeen, Craig Howe (City Administrator), Heidi Voordecker (City Recorder/Auditor), Ben White (City Engineer), Chief Todd Hixson, Nathalie Ellingson (Secretary)

Visitors: Alan Malan, James Behunin, Brady Tracy

1. Review of Budget Process and Calendar

   a. Department Input

   Beginning in January, Heidi sent worksheets to each department head. She inputs payroll and benefits information and leaves the operation portions open for department heads to review. The worksheets include historical data on each line item.

   b. Budget Retreat

   The Budget Retreat was held February 18, 2012, at which time the council prioritized items to be addressed when preparing the budget. At the beginning of the session, Craig Howe presented a Strategic Plan. As the city emerges from its financial difficulties, it is important that they carefully plan level of service, operating expenses, and staffing needs. Department heads have been making sacrifices in order to keep costs down, but the hope is that in about three years, they should be able to cover all service needs. The city will have a new council by then, and if there is a Strategic Plan in place, this council’s financial goals will be documented.

   c. Finance Committee Review

   The Finance Committee has held several meetings in order to review the line item detail of the various departmental budgets, as well as the personnel and capital portions of the budget. They have made initial recommendations and cuts to the budget in order to bring a balanced budget to the first budget work session.

2. Discuss FY 2013 Budget – Personnel

   a. Wages

   The finance committee has reviewed several ways to address wages and salaries in FY 2013. There were no increases given this year and the COLA for next year would be 3.6% and well outside of the city’s budget. They had initially looked at giving a one step increase to all employees on July 1st (which would be easier to budget, and in lieu of a true COLA), but the cost would be $22,000 as opposed to $17,000 for making 2% increase effective on anniversary dates. Debbie McKeen agreed.

   The police department has been getting two step yearly increases to bring their salaries in line with other police departments. Heidi provided a comparison of the police pay scale in West Bountiful compared to other cities in South Davis County. Chief Hixson stated he likes to keep his department up to date on the budget, so they know what to expect in raises each year. This adds consistency and structure. Debbie McKean asked if there was an incentive they could offer to prevent officers from using West Bountiful as a training ground before they move on to a larger city for more pay. Chief Hixson stated that Bountiful City loads pay on the front which makes it hard for people to leave. He did not want to suggest West Bountiful do the same, but he does want consistency. The increases have to come on anniversary dates in order to make it work. He also stated that police usually leave a department to go to a better environment with more opportunities, which is why he is providing opportunities such as the K9 unit, the drug force, etc.

   In the second budget draft, Heidi will include an additional $17,000 for increases tied to anniversary date, giving each employee a 4% (double step) rather than a 2% increase. Debbie McKeen stated that funding an extra step raise for employees shows the city knows where to put extra money as it comes in.

   b. Benefits
A revised budget draft was provided to reflect a health insurance increase of 2.8%, instead of 15% as originally budgeted. James Bruhn asked Heidi to change the spreadsheet to make it easier to see what each employee gets, and from which funds they are allocated by employee rather than department.

Craig Howe stated there will be changes to the Policies and Procedures regarding compensatory time. Exempt employees do not get overtime and receive comp time instead. Craig says they need to talk about what to do with seasonal employees and comp time versus overtime. He wants to look at the policies after the budget is approved. Debbie McKean suggested policy changes regarding pay should be included in the budget.

c. Department Allocations
Heidi presented a spreadsheet that indicated how employee compensation is allocated across funds. Debbie McKean asked if the amounts are accurate. Ben White said the total compensation is correct, but allocations will vary based on actual hours worked. Debbie also wanted to look at how true the percentages are for the mechanic. James Bruhn was concerned with so much coming from the water fund for wages, and the public’s reaction. Heidi said the amount increased because they are starting to allocate part of Ben’s salary to the water fund. The current auditors have objected recording all of the engineer’s compensation in the general fund and then transferring the monies from the water fund. They prefer to record Ben’s time directly in the salaries and wages for the Water Fund. James Behunin said he would like to see how much of Ben’s salary comes from each fund.

3. Discuss FY 2013 Capital Projects

a. RAP tax allocations.
Heidi provided a memo stating $23,000 of tax revenue is going into the general fund, and the rest is going to capital improvements at the main City Park. Mark Preece initiated a discussion as to the Arts Council using RAP tax. He would like to see more money go into Arts. However, the Arts Council needs ongoing funding and the RAP tax, as it has been approved, is one-time monies. Debbie McKean suggested that RAP tax can be used to build an amphitheater which the Arts Council has requested. Mark wants to consider using RAP tax to pay for performances, and Debbie pointed out this is how the Centerpoint Theater in Centerville subsidizes their performances.

James Ahlstrom pointed out that since RAP tax cannot be used for ongoing maintenance, it is best to look at projects that will require little maintenance. This would be the case with the irrigation system, which would increase efficiency by decreasing the need to hand water certain areas of the park.

Ben proposed rebuilding the south parking lot earlier than 2016. He can overlay it now for $40,000 but in two years they will have to complete rebuild the surface. Ben said maintenance for the DS8 trail, once it is done, will fit under RAP tax. As budget planning goes forward, he wants to discuss doing the work on the trail sooner because funds are coming from impact fees and need to be expended by a certain time.

There was more discussion about a sprinkler system: how much it will cost and when to have it put in. Ben said the cost would be above $300,000, including all the valves. Even though Ben has not done the design yet, James Ahlstrom suggested they get bids now to help them decide when to do sprinklers. They should also bid out other projects that are coming up. Putting out bids does not mean they have to start the work immediately, and at least they will have a more accurate figure to put in the budget.

b. Capital Spending Cash Allocation
Ben provided a spreadsheet showing present and future projects in order of start dates. He said of the cash allocations, the top figures are exact, as some of those projects are already done. Figures farther down on the spreadsheet are estimates. DS8 trail has to be built this year, as mentioned above. By 2013, salt storage and wash out is needed to be compliant with state SWIPPS requirements. Drilling of the new well has been awarded but the well house will not be done until after the well is completed. The pump alone is $50,000. They will need $70,000 to bring in power, $30,000 to get it operating, and another $30,000 for chlorine and fluoride. 700 West will be the first road to be rebuilt using the property tax increase. The construction of a
restroom on the golf course close to the rail trail was also discussed. It would have to be built
with a ramp so people on the trail can go down and use that restroom.

Ben mentioned a project that was not on the spreadsheet, which is to upgrade a storm drain by
the Rapp property on 400 North. Holly Oil is building there and they should collect significant
impact fees as soon as building permits are approved. The impact fees would be enough to fund
the project.

There was a little more discussion regarding park reservation fees, which showed an increase,
and park bathrooms which need repair and better maintenance. Plans for the parks are
separated into phases. It was suggested they put a button on the webpage that will direct people
to see the different phases.

James Ahlstrom asked if they could have an expert assess the roads in West Bountiful. Ben said
it had been done about five years ago by a team from USU who did it for free, but they were
unable to follow up on the suggestions because of lack of funds. He is in favor of having the
team from USU again, but it would only be useful if they are able to follow their suggestions.
Current data would help in prioritizing projects. For now, it has been necessary to take care of
the water lines, which needs to be done before the roads are fixed. When they are ready to do
work on the roads, they may think about having another study done. Craig suggested that small
increase to property tax could be done annually in order to fund street projects.

4. Additional Discussion of FY 2013 Budget, as directed by City Council.
James Behunin mentioned some land that had been purchased for the golf course which is no
longer needed. They could sell it for horse property and get about $50,000 for it. He also
suggested the staff look at other small properties the city owns because if they are sold taxes can
be collected on them. He also cautioned the city to stay on schedule on capital improvements.
James Ahlstrom pointed out it is a state requirement to have a capital improvements plan. He
also commented the tax increase should have been higher to pay for work on the streets.
James Bruhn said Wasatch Integrated is making changes which may affect revenue in the waste
management fund, so they should be careful with spending.

Heidi’s goal is to have the budget approved by May 1st. The second draft will be ready for the
meeting in two weeks. It will show $17,000 instead of $22,000 in increase in wages. Ben said
they also need to add the storm drain.

Adjourned 8:30 pm.

[Signatures]

MAYOR KENNETH ROMNEY  HEIDI VOORDECKERS (CITY RECORDER)

NATALIE ELLISON (SECRETARY)