

Work Session
April 2, 2013
6:00 pm

Those present: Mayor Kenneth Romney (arrived at 6:10), Council Members James Ahlstrom, Mark Preece, James Bruhn, Debbie McKean, Heidi Voordeckers (City Recorder/Auditor), Steve Maughan (Public Works Manager), Marcus Fenton (Greens Manager), Nathalie Ellingson (Secretary). Council Member Dave Tovey was excused.

Visitors: Alan Malan, Terry Olsen, Ron Crandall, members of CERT.

Mayor Pro Tem Mark Preece called the meeting to order at 6:05 pm

1. Review Budget Process and Calendar

Heidi Voordeckers – As was outlined in the budget calendar, in addition to the work meeting tonight, budget meetings will be held on the evenings of April 16 and possibly April 30. A tentative balanced budget must be ready to adopt the first meeting in May. Tonight they were reviewing the second draft because there were many recent requests from the different departments. Heidi has budgeted a 4% increase in sales tax from last year. The property tax figure will not come in until mid June and is an estimated figure. The original draft showed a total of \$3.5 million and the second draft showed a total of \$4.3 million. The increased budget is related to new capital projects that will be funded from existing impact fee, water bond, and RAP tax balances. Impact fees can only be held for seven years, so this year they have to spend any funds from 2007.

2. Discuss FY 2014 Capital Spending

a. Public Works vehicles and equipment

Steve Maughan – Steve brought a proposal to the meeting for a Public Works vehicle replacement plan. He presented a five year cycle of replacement for the reasons that each new vehicle would come with a five-year warranty. The department would save on repairs and they would experience less vehicle downtime. At five years the vehicles would have good resale value, especially if seat covers and carpet protectors are used to keep the interiors clean.

Currently the department has a 2012 1-ton truck and a 2013 3/4-ton truck. The proposed plan would replace a 2004 truck in 2014, a 2005 truck in 2015, and a 1996 1-ton dump truck in 2016. They also have two panel trucks. The amount required to update the fleet would be about \$30,000 to \$35,000, with approximately \$15,000 reserved from the sale of the rotated vehicle.

Mark Preece commented the sewer district replaces vehicles every year and they sell them for the same price they paid because they get a government discount. Steve said he wanted a shorter replacement period but thought five years was a good place to start. Mayor Romney said they could revisit the plan after two years.

There was some discussion about the snow plow trucks. One truck was damaged this year and the other truck is a 1995. Insurance should replace the damaged truck but there will have to be more discussion with the insurance company. Heidi said they expect additional money in 2015 when the development agreement with Johannsen Thackeray expires, which can go for a new plow truck. Steve also budgeted a sander and new plow blade for one of the trucks. He would use that truck on the main roads, and the other two would go into the neighborhoods. The sander and blade will cost \$33,000. A new snow plow would be \$150,000.

Heidi Voordeckers – The 2014 Budget Draft 2 has a column for requested amounts and one for recommended amounts. There was discussion regarding capital funds and transfers in the budget. Ben White had made a list of capital improvement projects two years ago, and because of the water fee increase and property tax increase he has been able to keep on schedule. They now can be proactive rather than waiting for things to break before they are fixed. The budgets for streets, water and RAP tax project total \$2.5 million, and come from various sources. About \$1 million has been set aside in the water fund for the well. Ben has worked out the funding for all the projects in the 20-year plan.

b. Golf Course equipment

Steve Maughan – A handout including an equipment list and lease information was provided. Marcus Fenton had produced a 2012 year-end report which described what is required to maintain a healthy golf course. Good equipment is important, and it was determined they need two greens mowers and two tees mowers; a vertical roller, cutter and top dresser, a heavy duty utility vehicle to pull the top dresser and other equipment; a rotary trim mower for mowing around ponds, sand traps, and trees, and a blower. They also want a Z-mower with bagger for other areas of the city maintained by Public Works. Marcus had recommended a 12-year equipment replacement program, starting with a six-year lease at 2%. The staff did some research and found that USBank offered the best rates. They would get greens mowers on a six-year lease, and when the lease is up, do a \$1.00

buyout and use those mowers for tee mowers and get new greens mowers on another six-year lease. He marked everything in yellow that he was requesting to procure this current budget year. The leased mowers will have meters on them to indicate when service is needed. They will spend \$30,000 on the lease items this year which will be funded by a capital improvements fund transfer to the golf course. Mayor Romney said the bond will be paid off in 2015 and asked if there was a repayment option on the lease in case they could pay it off early. Heidi had no information now but said they would ask when they went in to negotiate the lease. This issue is an agenda item for approval at this evening's council meeting.

3. Discuss FY 2014 Budget – Personnel
a. Wages and Benefits

Heidi Voordeckers – She handed out an analysis of payroll totals for each of the past four years. In 2010, the total payroll was \$2 million. An increase in 2011 was due to increased medical insurance rates though some positions were lost or combined through attrition. They have been trying to absorb the cost of retirement. They can bring back the golf maintenance assistant position, but the golf course will need to draw from the general fund to pay for the additional position.

Mayor Romney asked about a \$52,000 transfer to the golf course and Heidi replied they tried to wait until the bond was paid off but it was necessary to make a staff change earlier than that. Several cuts have been made at the course over the last couple of years while we wait out the final bond payment, which requires roughly 25% of the golf course budgeted revenue. They need a golf course mechanic, which they will hire for \$15/hour as an hourly seasonal employee, and they could use that person to help with plowing the streets in the winter. Kelly is training his driving range help on cart maintenance.

Mayor Romney also stated they need to watch retirement qualifications because if they pay even one holiday to a part time person, that employee is automatically qualified for retirement benefits through Utah Retirement System.

James Ahlstrom asked about the engineering payroll amount doubling, and Heidi said it was because they had been allocating Ben's time out to parks, water, etc. All of Ben's administrative time gets billed to the engineering budget.

b. Department Allocations

Heidi asked council if anyone had questions regarding how the twenty full time benefitted employees are allocated in several areas. No big changes have been made, except in Public Works. For the Public Works payroll budget, they looked at the allocation history and then looked at projects that are coming up in order to estimate the allocations for the 2014 budget.

4. Additional Discussion of FY 2014 Budget, as directed by City Council

Heidi emailed a copy of the job description last time they advertised for a city manager, but the position has changed since that time. She did some research and came up with an ad and job description for the current opening and provided it to council. Some consideration was given to requests by the council. Heidi will remain the finance manager, and will deal with anything financial including human resources. The manager will be dealing with other cities, the public, outside agencies, development ideas, etc., and will be the "face" of the city. The Utah Cities' Managers Association offered to help her with putting the ad out and with interviewing. James Ahlstrom said they need to re-evaluate the statute regarding that position so it will have the correct level of authority but not too much. Mayor Romney suggested they work on the ordinance during the next couple of meetings.

The Mayor asked if any of the public attending had any comments. Some of the CERT committee were present and had some comments. Deby Marshall said she has a friend who is mayor of another city. He has a big plow blade that does not work on their streets and she thought that the Steve may want to talk to him about buying it. Terry Olsen said CERT needs a place to put emergency equipment so it is all in one location and he has been thinking of a trailer. A low-end trailer could be purchased for \$5,000. He also wants a command post, maps, and evacuation zone. They need a place to put a generator. The budget for disaster relief is only \$3,000, and he asked how much the city would be willing to spend. Debbie suggested he put together a plan and present it to council. Bob Crandall gave her a list of items they want so far. Mr. Crandall affirmed the need for a central location and said when everything they need is scattered around it is useless in an emergency. The CERT members have put in their own money for funding. Mayor Romney said if he had a plan presented to him he could look for a funding source.

7:30 – Adjourned to City Council Meeting


MAYOR KENNETH ROMNEY


HEIDI VOORDECKERS (CITY RECORDER)



NATHALIE ELLINGSON (SECRETARY)