

**BUDGET WORK SESSION OF THE
BRIGHAM CITY COUNCIL
APRIL 30, 2012, 4:30 PM**

PRESENT:	Dennis Fife	Mayor
	Tyler Vincent	Mayor Pro Tem
	Scott Ericson	Councilmember
	Ruth Jensen	Councilmember
	Brian Rex	Councilmember
	Mark Thompson	Councilmember

ALSO PRESENT:	Jim Buchanan	Emergency Services Director
	Dave Burnett	Public Power Director
	Mary Kate Christensen	City Recorder
	Paul Larsen	Economic Development Director
	Kristy Law	Recreation Manager
	Bruce Leonard	City Administrator
	Jason Roberts	Finance Director

Chamber/Peach Days

The Mayor stated that the City gave the Chamber \$27,000 and they gave the City back \$5,000 to pay for half of the port-a-potties. Then the City paid them \$5,040 for the insurance during Peach Days. The City also paid them \$5,000 for the movies at the park.

The Council unanimously agreed to add \$4,000 back into the budget to donate to the Chamber for Peach Days.

Budget Cuts

Fleet Fund Balance

Councilmember Rex said if the Fleet Fund was reduced to \$500,000 that would be a savings of \$50,000. Mr. Roberts said it would be \$160,000, but the Council talked about putting \$50,000 toward repair of the pool slide. That would leave \$110,000 projected to be above the \$500,000 at the end of the year.

MOTION: Councilmember Ericson made a motion to keep the Fleet Fund as presented in the Mayor's Budget. In future years the Council will target 50% of projected replacement costs. The motion was seconded by Councilmember Thompson and unanimously carried.

Property Purchases

Councilmember Rex said another option is to eliminate the property purchase for \$230,000. Mayor Fife said the City is under contract to purchase one of the properties. Mr. Roberts said there is some demolition costs included in the \$230,000. There would be a savings of \$103,000 if the building is not demolished; \$97,000 if the demolition is done.

MOTION: A motion to leave the money in the budget for property purchases as is was made by Mayor Pro Tem Vincent, seconded by Councilmember Thompson. Mayor Pro Tem Vincent, Councilmember Thompson and Councilmember Ericson voted aye; Councilmember Rex and Councilmember Jensen voted nay. The motion carried with a vote of 3-2.

Merit Increase

Councilmember Rex said if the merit is decreased by 1% it would be a savings of \$51,000.

Mayor Pro Tem Vincent said if the Council reduces the merit to 1% employees will leave. Councilmember Rex said the country is in an economic world-wide depression; people are glad to have a job. Mayor Pro Tem Vincent said last year the City did a 1.6% merit and insurance went up. Employees are doing a one and a half job and not getting paid for it. Mayor Fife added that 2% is much less than the CPI, which is 3.2%.

Councilmember Jensen proposed moving the merit to 3.2% for certain people, which excludes certain supervisors or directors that make over \$45,000. She felt that those making under \$45,000 should get a higher wage.

Mr. Leonard explained that not everyone receives the same merit because it is based on their job performance and where they are in relationship to the market. Those that are closer to market will get less; those that are further away will get more.

Councilmember Rex said the three items above would save \$206,000. He felt the Council could find another \$44,000 so the MET does not have to be increased.

Mayor Pro Tem Vincent called for a vote on the merit increase of 2%. Councilmember Jensen and Councilmember Rex voted nay; Councilmember Ericson, Councilmember Thompson and Mayor Pro Tem Vincent voted aye. The motion carried 3-2.

Councilmember Jensen added that the reason she voted against the 2% merit is because she would rather give more to the lower end employees.

Increase Municipal Energy Tax (MET) or Increase Transfer

Councilmember Thompson stated that the revenue from the MET would increase as the City grows. It would give a baseline that would not have to keep changing year after year. He felt it was a fair and even way to get the increase needed.

Councilmember Rex said if the transfer is increased, it is no cost to the citizens.

Mayor Fife explained that the MET increase would not be effective until January 1, 2013, so this year the increase is estimated at \$250,000 but next year it will be \$500,000. It also gives the Council six months to see what the economy is doing.

Councilmember Ericson expressed concern with the transfer because there is nothing in writing to keep it at 16%, just a verbal agreement among the councilmembers. He recommended increasing the MET this year and then pass a policy setting the percentage for the transfer.

MOTION: Councilmember Rex made a motion to have no MET increase in the 2012-13 budget and increase the Utility Fund transfer to 16.4%, seconded by Councilmember Jensen. Councilmember Rex and Councilmember Jensen voted aye; Mayor Pro Tem Vincent, Councilmember Thompson and Councilmember Ericson voted nay. The motion failed with a 3-2 vote.

MOTION: Councilmember Thompson moved to increase the MET from 2.25% to 5% effective January 2013. The motion was seconded by Mayor Pro Tem Vincent. Councilmember Thompson, Mayor Pro Tem Vincent and Councilmember Ericson voted aye; Councilmember Rex and Councilmember Jensen voted nay. The motion carried 3-2.

MOTION: Councilmember Ericson made a motion instructing staff to prepare a resolution stating that the Utility Fund transfer will be capped at 15%, until future Council goes through the process to change the resolution. Councilmember Thompson seconded the motion, unanimously carried.

Youth Empowerment Team (YET)

Councilmember Ericson said he and Councilmember Jensen discussed this, and their recommendation is that the YET Director be moved to the Recreation Department at the Bunderson Center. Mayor Fife said they do a lot of volunteering with the seniors. Councilmember Jensen said they felt it was a better fit if she reported to the Recreation Manager. Councilmember Ericson said this is more of a personnel issue than a budget issue. He suggested this be discussed with the Mayor later.

MOTION: Mayor Pro Tem Vincent moved to keep the YET Director on a one year contract for another year. The motion was seconded and unanimously carried.

\$12,000 Surplus

Councilmember Ericson suggested putting this into the Fleet Fund, Parks, or Golf Course. He did not think it should go back into the transfer. Mayor Fife said he reduced the irrigation upgrade at the golf course from \$53,000 to \$25,000. He suggested \$12,000 go toward that. The Council told Mr. Roberts to put \$12,000 in the Golf Course Fund and let Mr. Marx decide where to use it.

The meeting adjourned at 6:35 PM.