

**BUDGET WORK SESSION OF THE
BRIGHAM CITY COUNCIL
APRIL 26, 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:	Rick Bosworth	Human Resource Manager
	Mary Kate Christensen	City Recorder
	Bruce Leonard	City Administrator
	Jason Roberts	Finance Director

General Fund Overview

Mr. Roberts stated that the General Fund budget has been increased from \$11.3 million to \$11.9 million. This is because there is no subsidy from the Fleet Fund to the General Fund. In previous years, there was a large fund balance in the Fleet Fund. The previous Council set the maximum amount in the Fleet Fund at \$500,000.

Municipal Energy Tax (MET)

Mayor Fife gave an example of what the 2.5% increase in the MET would be. On a \$100 Questar bill, the current MET is \$2.25; the increase would \$2.75 per month. That is less than \$36 per year. If the electric bill was close to the same amount, the increase would be approximately \$60 per year. This example is probably higher than the average bill. He added that the money goes to the Electric Department and then automatically goes to the General Fund. When the electric and gas rates increase, the MET increases accordingly.

If the Council decides not to do a MET increase, the other options are to increase the transfer or cut \$250,000 from the budget.

Councilmember Rex said he would like to cut \$250,000 from the budget so the MET does not need to be increased.

Fleet/Pool Slide

The Council reviewed the new/replacement vehicles recommended in the budget. They total \$930,000, but there should be some residual value. It was estimated the net will be \$850,000.

There is \$160,000 in the budget to replace the pool slide. There is a possibility Ruby Pipeline may contribute toward this. The Council discussed the possibility of repairing the slide rather than replacing it. The slide cannot be repaired or replaced in this season, so the Council recommended a study be done to determine whether the slide can be repaired. The Council left \$50,000 in the budget to repair the slide, rather than replace it.

New Hope Crisis Center

Mayor Fife explained that there is a line item in the Police Department for \$10,000 for the New Hope Crisis Center. Chief Tittensor asked that this be moved from his budget to the Council's budget. The Mayor's budget reflects this.

Chamber/Peach Days

The Mayor's budget includes a \$4,000 cut in the amount the City gives the Chamber for Peach Days. He explained that the City pays for half of the port-a-potties, half of their insurance for Peach Days, half of the Movies at the Park, and numerous hours of employee time. The Chamber makes approximately \$70,000 on Peach Days.

There was a lengthy discussion on the benefits of Peach Days and whether to keep the cut in the budget.

Councilmember Ericson said Peach Days is what funds the Chamber for the year. It is over a quarter of their budget.

Youth Empowerment Team (YET)

Councilmember Jensen said when the director position was changed to a contracted employee for one year, the Council said it would be reviewed in a year. She is still in favor of cutting the position to part-time or eliminating the position and directing the money to the youth.

The Council discussed the pros and cons of continuing the position. It is difficult to quantify the position and how the program impacts the youth.

Councilmember Thompson, Mayor Pro Tem Vincent wanted to leave the position in the budget. Councilmember Rex and Councilmember Jensen wanted to look at alternatives. Councilmember Ericson suggested Councilmember Rex and Councilmember Jensen look at some alternatives and present them to the Council at the next budget work session.

Budget Cuts

Mr. Roberts stated that the directors have already been asked to cut their budgets, and most of them have cut them to the bare minimum. The only items that can be cut are General Fund projects or personnel.

Mayor Pro Tem Vincent reminded the Council that two years ago the City eliminated 19 positions. There are a lot of employees that are taking on more responsibility and more work and being paid the same.

Personal Leave

Councilmember Jensen asked about personal leave and vacation days. Mr. Roberts explained the maximum amount of hours and the option to cash out 50% of personal days every year. Councilmember Jensen asked how it would affect the budget if it was changed to 40 personal leave hours and then require them to use it or they would lose it. Mr. Roberts replied that if employees used it and did not get paid for 50% of it, it would increase the budget because it would be taken at 100%. If the number of hours was decreased, it would decrease the budget.

Councilmember Jensen asked Mr. Roberts to figure the savings if personal leave was lowered to 40 and employees had to use them or lose them. Councilmember Ericson added that personal leave is really sick leave. He felt employees needed 80 hours in case they have a major health issue. Councilmember Jensen requested Mr. Roberts to figure the savings if personal leave remained at 80 hours, but employees were not allowed to receive 50% payout.

Mechanic Tools

In the proposed budget, the Mayor changed the allocation of tools. Currently, employees receive a tool allowance of \$650, which goes in their paycheck and they have to pay taxes and social security. The Mayor changed it to a line item, then they will submit a request to replace their tools.

Mayor Pro Tem Vincent felt it is better the way it is currently being done, but change it from a tool allowance to part of their salary. If the City buys the tools, there will be an influx of tools breaking and not being taken care of. If the employee buys the tools, they seem to take better care of them. In addition, when an employee quits, how will it be determined if the tool belongs to the City or the employee?

The Council asked Mr. Roberts to verify the tool allowance for the applicable three employees, and if the tool allowance is changed to their salary if they have to pay into retirement on that amount.

The Council set another budget work session for April 30, 2012 at 4:30 PM. There is another budget work session scheduled for May 3, 2012 at 6:00.