



**MURRAY CITY MUNICIPAL COUNCIL
BUDGET AND FINANCE COMMITTEE
Fiscal Year 2019-2020**

The Murray City Municipal Council met as the Budget and Finance Committee Thursday, April 11, 2019 in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

Members in Attendance:

Diane Turner	Budget Chair - Council District 4
Brett Hales	Budget Vice-Chair - Council District 5
Dave Nicponski	Committee Member - Council District 1
Dale Cox	Committee Member - Council District 2
Jim Brass	Committee Member - Council District 3

Others in Attendance:

Blair Camp	Mayor	Jan Lopez	Council Director
Doug Hill	Chief Administrative Officer	Jennifer Heaps	Comm. & PR Director
Pattie Johnson	Council Office	Jeff Martin	Buildings Maintenance Director
John Pearson	Golf Course	Lori Edmunds	Cultural Arts Director
Bruce Holyoak	Parks Superintendent	Lane Page	Cemetery
Cory Plant	Recreation Director	Nate Plaizier	Finance Accountant III
Jon Harris	Fire Chief	Laura Lloyd	Fire – Executive Assistant
Chad Pascua	Fire Assistant Chief	Craig Burnett	Police Chief
Joe Tarver	Police – Assistant Chief	Kristin Reardon	Police
Kim Fong	Library Director	Julia Pehrson	Library/MCEA
Janice Strobell	Resident		

Ms. Turner called the Budget and Finance Committee Meeting to order at 12:30 p.m. and welcomed those in attendance.

Budget Reviews continued: The council requested department directors share mission statements at the time of their individual FY 2019-2020 budget discussions. Highlights were as follows:

Parks and Recreation – Kim Sorensen

Mission Statement: *Promote a high quality of life by providing superior governmental services, in a professional, friendly, innovative and proactive manner.*

Vision Statement: *The Parks and Recreation Department will help Murray City be the best city through*

valuing citizens, customers and all city employees by being creative, increasing knowledge, sharing resources, providing meaningful services, including citizens in decision making, communicating with elected officials and ensuring safe infrastructure.

Mr. Sorensen compared specific line items to last year totals, and highlighted the following to indicate budget changes for the following divisions:

Parks

- Overtime $\uparrow 17\% = \$5,000$ more than last year.
- Buildings, Maintenance, and Grounds $\uparrow 7\% = \$10,000$ more than the previous year.
- Utilities $\uparrow 29\% = \$80,000$. For watering and irrigating grass, due to new tiered rate increases.
- Telephone $\downarrow 67\%$. The expense was moved to the 'cell phones' budget to cover actual costs.
- Cell Phone $\uparrow 22\% = \$2,000$ more this year.
- Risk Assessment $\downarrow 17\%$ related to last year's usage.
- Capital Projects:
 - Repave outdoor pool parking lot = \$300,000 (to be completed in spring of 2020).
 - Pavilion replacements = \$2 million.
 - Winchester playground = \$150,000.
 - Replenish all playground material = \$10,000.
 - 1 work truck = \$42,000.
 - 1 tractor = \$45,000.
 - 5-foot lawn mower = \$15,000.
 - 2 utility vehicles = \$22,000.

Ms. Turner asked if the parks department staff levels were adequate, and if compensation was acceptable. Mr. Sorensen said all parks employees are happy with their pay and all divisions are well staffed.

Mr. Nicponski asked if a \$4,000 expense was associated with the 'Willow Pond Fish Program' to supply fish. Mr. Sorensen confirmed the Division of Wildlife Resources would stock the pond.

A brief discussion occurred about renovating Ken Price Ballpark; Mr. Sorensen explained construction is years away to replace the entire stadium where seating is crumbling, and lighting would be updated.

Park Center

- Part-time Wages $\uparrow 3\% = \$12,000$ more than \$592,000 the previous year.
- Credit Card Fees \downarrow from \$10,000 to 0, for the new Sportsman software; the operating expense would now be allocated to the 'recreation' budget.
- Capital Projects: Fitness equipment replacement = \$75,000.

Mr. Nicponski noted an increase from \$7,356 to \$25,000 for 'recreation officials.' Mr. Plant explained the increase would pay independent contractors who provide private lessons; compensation would come from this budget instead of 'full-time wages.'

Recreation

- Overtime $\uparrow 25\% = \$500$ more than \$2,000 the previous year.
- Credit Card Fees $\uparrow 58\%$ to process all credit card fees from each division within the parks and

recreation department, utilizing new Sportsman software.

- Capital Projects:
 - Replace 14 breakaway basketball rims = \$5,000.
 - Install adjustable mechanical hoops = \$6,000.
 - Replace scoreboards at Christ Lutheran School = \$6,000. Mr. Sorensen explained the city was not purchasing scoreboards for the school but replacing the city's outdated scoreboards that the Murray City Recreation Department uses at the facility; scoreboards belong to the city.

Arts and History

Mission Statement - Museum: *The Murray City Museum documents, preserves, studies and interprets the history of Murray; including early settlement, community growth, industrial prominence and modern expansions through exhibits, collections, research and education opportunities for youth and adults through tours and programs.*

Budget highlights:

- Part-time Wages ↑ 11% = \$36,000 to provide for technical staff at the amphitheater.
- Local Arts Programs ↓ 86%. Funds moved to 'contract services' to better reflect grant money activity.
- Contract Services ↑ 47% to reflect grant funding use.
- Capital Projects = \$1 million to begin renovating the Murray Theater, which starts with the RFP (request for proposal) process for attaining an architect. (Funds are still needed to match the county's \$3.5 million.)

Outdoor Pool

- Full-time Wages ↓ 31%. Full-time employees will now work a 30-hour work week.
- Credit Card Fees ↓ from \$2,000 to 0. (operating expense now allocated to the recreation budget).
- Capital projects: See Facilities division.

Senior Recreation Center

Mission Statement: *Enhance the quality of life for persons 55 and over, by providing a friendly atmosphere, excellent programs, volunteer opportunities, social interactions and resources to remain independent, healthy and active.*

- Overall budget is status quo.
- Credit Card Fees ↓ from \$2,400 to 0. (operating expense now allocated to recreation budget).
- Capital Projects:
 - Replace broken blinds and window coverings = \$12,000.
 - Replace exercise equipment = \$5,000.
 - Purchase kitchen equipment = \$3,000.

Cemetery

- Part-time Wages ↑ \$2,500 for pay increases.
- Overtime ↑ \$2,000 for Saturdays and after-hours funeral arrangements = \$10,000.
- Utilities ↑ 71% = \$60,000 to water and irrigate grass; a result from new tiered water rates.
- Capital Projects: One dump truck = \$54,000, and two lawn mowers = \$16,000.

Facilities

- Regular employees ↑ 5%, to provide for maintenance/custodial work at the senior center, where a retirement is anticipated; the position would now be filled by city facilities staff.

- Seasonal/Part-time ↑9%.
- Small equipment ↑\$2,000 from \$3,000 last year.
- Capital Projects: A lengthy list totaling \$874,500 was reviewed. (See Attachment #1)

Parkway

- Overall budget is fine.
 - Golf Course - Pro:
 - Part-time Wages ↑2% = \$111,000.
 - Risk assessment ↓16%.
 - Golf Course – Superintendent:
 - Part-time Wages ↑3% = \$80,000.
 - Janitorial services ↑\$400.
 - Fuel ↓\$1,000.
 - Buildings, Maintenance, and Grounds ↑44% = \$104,000 for bunker sand. (The 'operations expense' previously allocated to CIP Funding was moved to this budget).
 - Office equipment ↑\$50.
 - Cell phone ↑\$500.

Ms. Turner asked what a \$105,000 'capital projects transfer-in' was utilized for and noted it was significantly less than the previous year. Ms. Moore confirmed the transfer would cover the cost of a green's mower, a turf truckster, a sand raking machine, and carpet replacement in the café and pro-shop.

CED (Community and Economic Development) – Melinda Greenwood

Ms. Greenwood affirmed the department replaced the former ADS (Administrative Development Services Department); part-time positions were no longer needed, and other changes occurred, after Mr. Tingey's departure. Budget highlights were noted for each division:

CED

- Staffing: Appropriate with two employees; but a business analyst, and a plans examiner are needed.
- Business licensing: Workload ↑significantly this year.
- Compensation: Satisfactory, although, long-term concerns were noted regarding two top-range employees, and one 20% pay range reduction for the development services manager, due to the compensation study.
- Full-time Wages ↓14% because of the pay difference between Ms. Greenwood, and former ADS Director, Mr. Tingey; as a result, decreases were mentioned in other 'personnel' items like insurance, retirement and workers compensation also.
- Admin. Allocation – Wages ↓ Because 50% of Ms. Greenwood's salary would come from the RDA Fund.
- Contributions: EDCU (Economic Development Corp. of Utah) = \$7,500. (Moved from the Planning Division budget.)

Mr. Brass explained the EDCU contribution in past years only provided booth access during annual RECon/ICSC events held in Las Vegas. (International Council of Shopping Centers Conference). He questioned whether the donation held value and requested Ms. Greenwood monitor the investment. Ms. Greenwood confirmed various retail membership levels were evaluated and thought this level provided substantial value, for attaining things like assistance in pulling demographics, and graphic

artists to design and print brochures.

Building Inspections

- Staffing: Remains at seven, but the search for an adequate plans examiner continues.
- Part-time Wages $\uparrow 100\% = \$34,000$ to provide an inhouse part-time plans examiner.
- Supplies $\uparrow 206\% = \$9,500$. Ms. Moore explained the item was raised to equal the former spending level that included costly code books and other essential needs.

Planning

- Some line items are now in-active, due to reorganization and reallocations to the CED budget.
- Staffing: Sufficient.
- Weed Control: Subcontractors are utilized when necessary, and property owners are billed. Last year approximately 12 weed liens occurred, which have been paid in full.

RDA (Redevelopment Agency) – Melinda Greenwood

Ms. Greenwood said a detailed presentation regarding all development area budgets would be provided to the RDA board in the future. Two RDA areas are due to expire in 2023. Affordable housing money needs to be expended in the SSOD (Smelter Site Overlay District). The budget will be thoroughly discussed in an upcoming RDA meeting.

Fire Department – Chief Harris

Mission Statement: *To provide fire protection, fire prevention, and emergency medical services to the residential and business populations of the city, with a well trained staff, in an organized and safe manner at a minimal cost to the city, and to cooperate with other departments in the city.*

Budget highlights:

- Staffing: Appropriate.
- Overtime $\uparrow 14\%$ mostly due to wage increases, however, the department is running tight, due to not only maintaining minimum staff levels on a daily basis, but more significantly during summer, when staff is on vacation, falls ill, has military leave, requires FMLA (Family, Medical Leave Act), or gets injured. As a result, a great amount of overtime is occurring. The need to hire one more firefighter, per shift, would be considered next year.
- Part-Time Wages $\downarrow 55\%$ because one position became full time.
- Uniform Allowance $\uparrow 6\%$, which is the first increase in 20 years.
- Operations:
 - Suppression:
 - Fuel $\uparrow 14\%$ (inflation projection).
 - Professional Services $\uparrow 100\% = \$2,000$. The new line item would provide a new mental health program for first responders in need of counseling.
 - Paramedic:
 - Fuel $\uparrow 11\%$ (inflation projection).
 - Small Equipment $\downarrow 43\%$ based on actual needs; less than the previous year.
- Capital Projects = \$750,000 for small equipment, ambulance refurbishment, and fire support vehicles.

Chief Harris appreciated the new compensation step-plan; prior to it he was continually notified about possible departures, however, currently nobody is looking for employment elsewhere. He stressed morale

improved by volumes because pay increases made such a positive difference. He said Tier-2 funding would be effective July 2020, when 17 employees would be eligible, and the increase would occur each year. The cost for funding fire department Tier-2 employees, would be approximately \$40,000 per year.

A lengthy conversation occurred regarding the number and type of vehicles the city fire department has, when a ladder or tower truck would be utilized, the age of each vehicle, yearly maintenance requirements, as well as, testing and inspection details of all vehicles.

The conversation continued about the expectations the city has of assisting neighboring cities related to agreements, apparatus use, and assignments should a major fire break out.

In addition, the Chief explained a 20-year plan was in place for capital needs, related to what types of equipment, vehicles and major apparatus would be needed into the future, which included costly radios and air packs that would all be budgeted accordingly.

He reported new construction was coming along well, with a completion date of Thanksgiving 2019; however, he expressed concern that there was no contingency in place for increasing costs, therefore, additional funding might be necessary.

Mayor Camp noted contingency was in place for the new fire station, however, due to the increasing cost of steel, the bond would fall short. All councilmembers confirmed. Chief Harris stated all purchasing for the new fire station would be conservative.

Mr. Cox addressed contingency; he said it was imperative the city not cut corners on important matters and the station should be well constructed to last the next 30 years.

Police Department – Chief Burnett and Deputy Chief Tarver

Mission Statement: The mission of the Murray City Police Department is to provide a safe and peaceful environment for people to live and work. Providing police services that are the highest quality and that are responsive to the community. We will work to develop community partnerships enabling us to jointly solve problems and enhance the quality of life in our city. We are committed to the prevention of crime and the protection of life and property, the preservation of peace, order and safety, the enforcement of laws and ordinances, and the safeguarding of constitutional guarantees. To fulfill our mission, the Murray City Police Department is dedicated to providing quality work, a quality work environment and career development for the employees through effective training and leadership.

Budget highlights: Chief Burnett said the budget was similar to last year, there was very little increase, with the exception of overtime and a few minor items.

- Staffing: Next year a staff increase might be necessary, because of new growth areas, and the request for more officers has stopped.
- Compensation: Chief Burnett extended great appreciation for pay increases, which made a very significant difference in morale and turnover rates; officers are no longer looking elsewhere for employment, and the department is comparably more competitive.
- Overtime ↑17% = \$173,000.
- Operations:
 - Administration:
 - Small Equipment ↑ from \$5,000 to \$7,000 to replace office printers.

- Software Maintenance ↑ 9% to pay for NetMotion mobility network license.
- VECC (Emergency Communications Center) ↓7% because Herriman and Riverton City are participating.
- Patrol – Supplies ↑ 17% for patrol car thermal printers, and costly thermal paper.
- Capital Projects:
 - Replace 12 vehicles = \$425,000 (seven-year rotation).
 - Small equipment replacement = \$50,000.
 - Motorcycle replacement = \$50,000 (five-year trade in).

Chief Burnett noted the training center also needs a lot of work, because 15 other agencies use it regularly.

Mayor's Office – Jennifer Heaps

Mission Statement: There was not a mission statement specific to the mayor's office, so, Ms. Heaps read the city mission statement established through strategic planning efforts a few years ago: *Murray City promotes a high quality of life by providing superior governmental services in a professional, friendly, innovative and proactive manner.*

Budget highlights:

- Staffing: No changes.
- Personnel ↑ 4% for COLA (Cost of Living Adjustment) increases.
- Operations remain the same, however, line items 'small equipment' and 'equipment maintenance' were removed because they are no longer utilized; any expenses would come from 'supplies.'

City Council – Janet Lopez

Mission Statement: *The Murray City Council staff strives to provide a friendly and welcoming atmosphere for residents, business owners, and employees to meet with council members; and to accommodate those seeking information. We make every effort to effectively, and efficiently deliver answers to questions or resolutions when there are concerns. We endeavor to provide research and background materials that are clear, complete and concise for council members to be fully informed and make wise decisions on behalf of the citizens of the city. We promote transparency, by consistently exceeding all provisions of the Utah Open and Public Meetings Act, encouraging citizen participation in our meetings.*

Budget highlights:

- Part-time Wages = \$11,000 for part-time staff to include all associated taxes.
- Operations:
 - Car Allowance ↑ 414% = \$350 per month to provide Ms. Lopez with the same standard allowance all city department directors receive; this includes \$50 per month for her assistant.
 - Council Allowance ↑ 40% = \$100 more, per month, per council member - to match the same level of all city department directors.
 - Books and Subscriptions ↑ slightly to attain updated City Code books.
 - Travel and Training ↑ 2% for inflationary costs.
 - Meals ↑ 16%.
 - Small Equipment ↑ 22% to address the possibility of providing i-pads to new council members after the upcoming election. (Ms. Lopez noted i-pads were issued on a rotation basis, so council members do not get a new i-pad each year). The increase also provided for council members who option for the use of a city owned cell phone.
 - Miscellaneous ↑ 25%, in preparation for possible new council members, which includes, new

letterhead, printing business cards, attaining name plates, and hosting the Oath of Office ceremony and luncheon.

- Professional Services ↑ \$35,000 for independent audit services.
- Admin. Allocation – Based on finance director's calculations.

A brief discussion occurred about whether council members favored owning cell phones, with reimbursement of \$65 per month; or, prefer a city owned cell phone, with a cost of \$5 per pay period to cover personal calls. City owned phones would be returned to the city upon departure. Mr. Cox, Mr. Brass, and Mr. Nicponski agreed owning their own cell phones was more suitable. There was a consensus not to provide city-owned cell phones.

Non-Departmental – Brenda Moore

The budget includes non-profit information, contributions, professional services, and various supplies, which tend to be city-wide and outside the purpose of a specific department.

Budget Information:

- Unemployment ↑ 275%, due to anticipated unemployment benefits for two former highly compensated employees.
- City Newsletter ↑ 56% for the coming election year; more notices and articles would be necessary.
- Retiree Insurance ↓ to 11 employees that participate in the program; Ms. Moore noted personnel is aging out - city-wide.
- Supplies ↑ 100% for things like, copy paper, break room supplies, and other specific items used by all city staff.
- Miscellaneous ↓ 87% because overall spending did not occur as anticipated.
- Wellness Program ↑ \$3,000 to provide a new payroll program for all city employees.
- Professional Services ↑ 75% for bond rating and appraisals, associated with new city hall facility.

Ms. Lopez briefly reviewed the contingency list to be discussed the following Monday, as follows:

- Clean energy vehicles
- Employee COLA increases
- Chamber of Commerce Golf Tournament
- Intent document
- Public Works CIP list

Library – Kim Fong

Mission Statement: *To be your local hometown library.*

Vision Statement: *Open New Worlds.*

Budget Information:

Ms. Fong reported little change to the overall budget, due to consistent revenue from the property tax levy; most line item expenditures remained the same also. The following was discussed:

- Revenue – Same with no tax increase.
- Personnel ↓ 7% due to a senior employee retirement.
- Miscellaneous ↓ \$10,000 and reallocated to 'Adult E-books.'
- Adult E-books ↑ \$10,000 because it continues in popularity.
- Transfers Out and Contributions to Fund Balance:

- Reserve Buildup ↑ 69% = \$580,000 to save for a new library facility. The savings transfer was built into in the budget when the property tax increase was approved, and the hope is to contribute the same amount next year.
- Capital – Buildings = \$120,000 to provide for ongoing repairs, as well as, \$15,000 for furnace repairs and to replace continual broken air conditioning units. New counter tops and sinks in both men's and women's restrooms have been completed.

Ms. Fong explained the original plan for the downtown redevelopment included new library construction. However, since the nature of renovating changed, the need to purchase property separately would be necessary; the new expense was not previously anticipated. As a result, land purchasing would delay savings for new construction, and a higher bond interest rate for the cost of purchasing property was expected. She expressed concern about frequent spending to improve the existing building, when the hope was to construct a new facility.

MCEA (Murray City Employees Association) – Julia Pehrson

Ms. Pehrson reported the following:

- The process is still underway to achieve 501 (C) (4) status.
- A request was noted for the 2.5% COLA.
- A new MCEA president is expected as Ms. Pehrson's two-year term expires in July; she was recently named as the new Murray City Assistant Librarian.
- The association is doing well since problems in the past, it is better financially organized, with improved checks and balances in place.

Ms. Moore addressed a question made by Mr. Nicponski about the number of city employees who opted out of health insurance; she reported 52 people, which provided a net savings of approximately \$159,000.

Adjournment: 3:30 p.m.

Pattie Johnson
Council Office Administrator II