



MURRAY CITY MUNICIPAL COUNCIL

BUDGET AND FINANCE COMMITTEE FISCAL YEAR 2021-2022

Electronic Meeting Only
Monday, May 5, 2021

The Murray City Municipal Council met as the Budget and Finance Committee Tuesday, May 5, 2021, to hold its Budget and Finance Committee meeting electronically in accordance with Utah Code 52-4-207(4), due to infectious disease COVID-19 Novel Coronavirus. The Budget and Finance Committee Chair has determined that conducting a meeting with an anchor location presents substantial risk to the health and safety of those who may be present at the anchor location because physical distancing measures may be difficult to maintain in the Murray City Council Chambers.

Members in Attendance:

Kat Martinez	Budget Chair - Council District 1
Dale Cox	Committee Member - Council District 2
Diane Turner	Committee Member - Council District 4
Brett Hales	Committee Member - Council District 5

Excused:

Rosalba Dominguez	Budget Vice-Chair - Council District 3
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Others in Attendance:

Blair Camp	Mayor	Jennifer Kennedy	Council Director
Jennifer Heaps	Mayor's CCO	Brenda Moore	Finance Director
Pattie Johnson	Council Office	Kim Fong	Library Director
G.L. Critchfield	City Attorney	Melinda Greenwood	Comm. /Econ. Dev. Director
Kim Sorensen	Parks and Rec. Director	Danny Astill	Public Works Director
Judge Thompson	Judge	Rob White	IT Director
Karen Gallegos	Courts – Lead Clerk		

Ms. Martinez called the Budget and Finance Committee Meeting to order at 12:30 a.m.

Budget Overview – Ms. Moore presented the tentative FY (Fiscal Year) 2022 budget that would begin on July 1, 2021. She discussed the budget preparation process that began the end of January 2021; and highlighted the following about the overall budget:

- This year the City became a member of the Utah Compact on Racial Equity, Diversity, and Inclusion; so a revision was made to the Murray City Mission, Vision, and Values Statement. (Attachment #1) Related pages were noted in the budget summary section.
- **Personnel:** Expenses are 71% of the GF (General Fund) budget.

- To ensure pay ranges are competitive with other cities the size of Murray, and comparable to private industries, it was discovered that 13 pay ranges were more than 5% below market. The budget would include bringing those employees to within 5% of the market scale. The correction ranged from \$279 per year, for one person up to \$6,600 for another employee. The total cost would be approximately, \$35,000.
- The budget contains a 3% COLA (Cost of Living Adjustment) for all employees that was based on COLA averages of western region states. No COLA increase was given in FY 2021.
- Step-pay increases are included in the proposed budget. Approximately 400 positions are eligible; 162 employees are eligible for a 2.5% increase and 87 employees would receive a 5% increase. All raises are dependent on appropriate employee evaluations.
- All personnel budgets in each department were prepared with the step-pay increase in mind.
- City-wide, three new positions were added; and four positions were slightly adjusted.
- **Operations:** Ms. Moore requested each department director leave operating budgets as much the same as possible, prior to major cuts that occurred last year. Also, that all activities for *Travel and Training* expenses be reinstated, which were completely cut from all departments last year. In addition, restoring all other cost reductions to what is necessary - as if the pandemic is not happening in FY 2022. She informed Council Members they would see large increases in some areas for this reason.

GF Fund Summary: Ms. Moore documented comparisons of multiple years of revenue for all categories, including all forms of tax revenue and various charges for services. She highlighted the following:

- **Revenue:**
 - *Local Sales Tax* ↑ 25% from last year.
 - Combining *Local, Optional, and Transportation* tax revenues, she believed the City would finish out with a 1% increase for FY 2021.
 - *Property tax Revenue* was budgeted at the same level as the previous year due to Truth and Taxation. Ms. Moore anticipated growth, which she would detail after the final budget is approved, so recalculated property tax income would offset the amount.
 - *Other Taxes and Fees:* She was conservative in considering this revenue; a budget decrease was reflected because some income was not collected at the same rate as before.
 - *Charges for Services:* Conservatively reduced. The City did not sell Park Center memberships like before, nor generate revenue at the Senior Recreation Center, which was not expected to come back quickly.
 - *Class C Road Funds:* ↑ 1% from the current year.
 - *Fines and Forfeitures:* Revenue was budgeted slightly less than what was collected in FY 2019.
 - *UIA Dividend:* Funded at 100%. Money is anticipated this year to help offset the UIA bond payment. The total is \$78,620, which was received in FY 2021, and will be attained again in FY 2022. The income is from a repayment of money that the City paid to UTOPIA seven years ago.
 - *Transfers In:* ↑ 2%. Revenue is generated from the City's *Enterprise Funds* that include income from power, water, and wastewater services. The transfer is budgeted according to 8% of operating revenues.
- **Expenditures:**
 - *Personnel:* ↑ 4.8% overall. This includes a 6% increase for insurance premiums.
 - *Operations:* ↓ 4%. The decrease is due to no longer having CARES ACT funding, or CARES expenses that accrued last year. Operations remain consistent overall.

Ms. Moore projected that reserves of \$2.7 million would be utilized to balance the FY 2022 budget. Last

year it was thought that the City would need \$3.7 million to balance the budget; however, Ms. Moore believed the City would actually gain \$2.9 million in reserves. Much of this is due to CARES ACT funding given to cities; and sales tax revenue not dropping as much as expected. She concluded the City would be utilizing this years' FY 2021 reserve build-up to pay for the budget shortage that occurred in FY 2022. She confirmed the one-time money used for ongoing projects is not sustainable. If nothing changes in the next year, a property tax increase would need to be considered to keep up with expected inflation. Hopefully, with new developments underway, more revenue would be generated, which means a smaller increase could be implemented. She noted that with the last property tax increase, citizens requested several small increases, as opposed to one large increase.

General Fund by Department:

- ***Non-Departmental Expenses:***
 - *Miscellaneous* ↓ 40%. This is where additional property tax gains from new growth are allocated.
 - *Utah League of Cities and Towns, Boys and Girls Club, Miss Murray, Youth Chamber, Murray Chamber of Commerce; and Rent and Lease Payments* - all contributions, and stipends would remain the same.
- ***Debt-Service:*** FY 2009 A-Bonds will be paid off one year early; the payment of \$150,000 would be made in August 2021, instead of April 2022. With an interest rate of 4%, a savings of \$13,000 in interest would be provided. She noted the City's debt-service was very low.
- ***Transfers Out:***
 - \$1.6 million to the *Capital Project Fund for Streets* projects. The money comes from transportation tax revenue that must be used on street needs only.
 - \$3.6 million to fund road replacements, maintenance, and major improvement projects.
 - \$60,000 for the Murray Parkway Fund to subsidize operation expenses. The fund balance remains negative.
 - \$325,000 to the RDA (Redevelopment Agency), for new city hall property located in the Central Business District.
- ***MBA (Municipal Building Authority) Fund:*** Current budget = \$20 million. Allocated funds are from bond proceeds of \$35 million that are also earning interest. The fund will be kept for informational purposes related to constructing the new city hall building. The MBA Fund will receive future rent payments and make bond payments until paid in full. A separate MBA meeting will be held in June 2021 when the MBA Board will consider the proposed MBA budget.
- ***Telecom:*** Fund Balance = \$112,000. The fund is used to account for UTOPIA fiber connection fee activity. There are currently 146 accounts being billed. Ms. Moore noted anytime a fund balance is above \$100,000 it is paying for itself and doing well.

Mr. Cox made a request to increase the annual *Youth Chamber* contribution from \$2,500 to \$3,000. There was a consensus among Council Members to increase the provision.

Parks and Recreation – The overall budget is status quo with a few exceptions. Mr. Sorensen confirmed budget cuts made last year to all *Travel and Learning*, and all *Small Equipment* accounts within each division were restored. There were no changes to staffing but he explained it is a struggle to find seasonal staff for the Parks division; lifeguards are in need and the golf course is trying to recruit summer help. Mr. Hales led a short discussion about the nationwide problem. Mr. Sorensen highlighted the following:

- ***Parks:***
 - *Utilities* ↑ 4% to keep up with water tier rates.
 - *Rent and Lease Payments*: ↑ 12% to pay PacifiCorp for rent under the powerlines at Willow Pond

and Germania parks.

- **Parks Center:**
 - *Swimming Pool supplies* ↑ 11%.
 - *Contract Officials* ↑11%. The account pays for swimming and fitness instructors.
- **Recreation:**
 - *Overtime*: An increase of \$500 would mainly be utilized for Murray Fun Days.
 - *Supplies*: Increase of \$3,000.
 - *Software Support*: There was an increase of \$5,500 to purchase a year to year subscription of QuickScores, which is a program that allows coordinators to schedule game activities online. The program lets the public view final scores, scheduled game days and times, and any changes to recreational activities.
- **Arts and History:**
 - *Contract Services*: The budget would be restored to the pre-Covid amount, due to grant funding.
 - Ms. Martinez led a brief discussion about whether Salt Lake County would restore grant funding accessibility for arts programs. Mr. Sorensen believed Murray City would still receive the same ZAP (Zoo, Arts and Parks) grant funding for cultural arts in the form of small grants. However, he is still waiting to hear if money would be restored from the TRCC (Tourism, Recreation, Culture & Convention) grant fund to be used for remodeling the Murray Theater. Mayor Camp commented that a representative from Salt Lake County was planning to hold a TRCC meeting in early fall, so more information would be forth coming.
- **Outdoor Pool:** Overall, the budget would be restored to normal.
 - *Equipment Maintenance* – A slight increase of \$1,000 is necessary to address seasonal needs. The pool will open this season at full capacity, with regular schedules.
- **Senior Recreation Center:** Mr. Sorensen reported the Senior Recreation Center would be reopening this week. There was a request to move a new meal program supervisor position to full-time and all operations accounts would be restored back to FY 2020 levels.
- **Cemetery:** The overall budget was not impacted by the pandemic. There was a request to change the current office administrator position to 40 hours per week. Mr. Hales led a brief conversation about future growth to provide additional burial plots. Mr. Sorensen reported there are no plots available at the cemetery, and purchasing additional land is not feasible. There are still niches available.
- **Facilities: Personnel:** All operational expenses would be restored to pre-pandemic levels. However, a 6% increase is necessary in *seasonal part-time wages* because City staff would take over janitorial services of the Murray Courts.
- **Parkway Golf Course:** Most line items would be restored; with two small increases:
 - *Vehicle Maintenance* ↑ 10% or \$200.
 - *Internet/ Telephone* ↑ 13%, which is a \$200 increase.
- **CIP (Capital Improvement Projects) requested for the Parks Department:** Mr. Sorensen noted the following:
 - **Parks**: One ATV, utility vehicle, one pick-up truck, 1995 tractor, lawn mower; and a garbage truck within the next five years. **Infrastructure** includes conducting a Park Impact Fee Study, Parkside Elementary School playground replacement; new furnace, fall material for city playgrounds, trail and parking lot maintenance, back-flow preventers, and resurface Southwood Park tennis courts.
 - **Park Center**: Fitness equipment, swimming timing machine. (Murray High School will pay half.)
 - **Recreation**: Dr. Dish basketball feeder and replace volleyball system at the Park Center.
 - **Arts & History**: Savings = \$500,000. Money will be put towards the Murray Theater renovation project. A brief discussion occurred about the overall cost. Mr. Sorensen explained with rising construction prices the cost could be much more than \$7.4 million, which was anticipated prior

to the pandemic. His hope was that TRCC (Travel, Recreation, Cultural, Convention) tax funding of \$3.5 million would be reinstated, as previously planned.

- **Senior Recreation Center:** One refrigerator, and a dishwasher.
- **Cemetery:** Office remodel, replace aging truck, lawn mower, and soil contaminant bins.
- **Facilities:** Building upgrades at Murray Mansion in preparation for housing the Murray Museum. HVAC system at Fire station #84, asphalt at Fire Station #82 and #83, and polish floor at gun range. Circulation pump and strainer at the outdoor pool. Replace leaking windows at the Park Center. Begin emergency repair fund savings.
- **Golf Course:** Resurface café counters, replace range ball dispenser.
- **Golf Course Grounds:** Replace bed knife grinder, two tee mowers, and one fairway mower. Inline irrigation device, utility cart, and air compressor.

Attorney's Office – Mr. Critchfield reviewed budgets for three divisions. He reported the following, as all budgets would basically remain the same:

- **Civil Attorneys:** *Risk Assessment* would transfer \$25,000 to *Professional Services*; therefore, funds would be budgeted for those situations not related to litigation.
- **Prosecution:** Nothing to report.
- **Retained Risk:** There was an increase to *Professional Services* to cover litigation. He noted due to a nationwide trend, the cost of insurance to the City increased.

Public Works – Mr. Astill discussed various budgets for all Public Works divisions. Highlights were:

- **Streets:**
 - *Professional Services:* A street scan was conducted last year; so, a request was made to add money back into the account to finish the sidewalk repair and replacement program.
- **Engineering:**
 - *Travel & Training:* Restore funding from previous budget cuts. Engineers must travel to maintain licenses and certificates.
 - *Small Equipment:* Upgrade and purchase larger computer screens for paperless plan reviews and upgrade AutoCAD licensing to full Civil 3D standards.
 - *Professional Services:* There is a need to update floodway maps for FEMA (Federal Emergency Management Agency) and FIRM (Flood Insurance Rate Maps). An outside firm would be hired.
 - *Staff –* A request was made to hire an additional engineer, due to the influx in new development.
- **Enterprise Funds:**
 - **Water Fund:** A few budget increases are needed.
 - *Professional Services:* ↑ 17%. Several projects will require hiring outside engineering firms.
 - *Operations & Maintenance: Fluoride* ↑ 14% due to increased costs. Mr. Sorensen shared concerns about the lack of chlorine tablets that are currently difficult to get.
 - *Metering Services:* The *supplies* budget would increase from \$1,000 in the past, to \$3,000. The additional funding would help purchase equipment and costly safety clothing that is needed.
 - Ms. Martinez inquired about a \$15,000 increase in *Professional Services* to accommodate the *Property Site Master Plan*. Mr. Astill confirmed that City staff residing at the 500 West location would eventually move to the new city hall facility. Therefore, they would like to attain assistance in developing a plan to repurpose and reorganize the existing public works site, the use of current buildings, and expand storage space.
 - **Wastewater Fund:**
 - *Staffing:* Upgrade wastewater technician, to lead technician.
 - *Operations: Tuition Reimbursement* – There was an increase from \$2,500 to \$5,000 to provide

for employees who wish to continue education.

- *CVWRF (Central Valley Water Reclamation Facility)*: Mr. Astill confirmed the Wastewater Master Plan is near completion, which would determine future fee adjustments. He explained that the rebuild at CVWRF was unexpectedly more costly than anticipated. The original estimate was \$250 million; and is now \$350 million. He noted that applying rate increases in small increments might have been the wrong decision at the time as opposed to implementing a one-time \$5.00 increase. As a result, new rate increases are inevitable, so reviews are underway, which will be brought forth to the Council in the future.
- **Solid Waste**: Due to various cost increases, the fund will continue to be monitored closely to ensure it does not fall behind.
 - *Trans-Jordan Landfill*: Tipping fees for the next five years will increase each year by \$2 per ton.
 - *Garbage Cans*: With a vendor change, due to supply issues; prices have slightly increased.
 - *Recycling Collection* ↓ 7%. The new recycle pick-up schedule is working well, which allowed them to begin a new Neighborhood Cleanup program.
- **Storm Water**:
 - In 2019 the Council approved the five-year rate increase plan. The fund is operating well and meeting the City's needs. There was no significant change to report.
- **Central Garage**: The garage is operating smoothly. Mr. Cox commended shop employees for saving the City money by keeping all the many City vehicles running well and safe on the road.

- **CIP needs for Public Works**:
 - *Streets*: Replace Ten-Wheel dump truck and Bobtail dump truck – both are plows and salters.
 - *FY 2022 Transportation Tax*: Upgrade and improve pedestrian signs and replace radar signs. Mr. Astill noted the ongoing street list for road repairs, overlays, rebuilds, and concrete repairs; all of which are partially funded by the state and federal government.
 - *Class C roads*: Road salt, various roadway maintenance and overlays; and sidewalk repairs were noted.
 - *Water Fund*: \$1.6 million is budgeted for various pipeline replacement projects. One service truck and Bobcat need replacing; new meter reading equipment, roof coating and drainage work at Reservoir #4. Retaining wall fencing near the Monroc Well, Public Works future plan design, upgrade well-water house equipment (20 wells), and pumphouse work.
 - *Wastewater Fund*: CVWRF rebuild project, sewer line rehab and replacement, Public Works Master Plan, grinder install at lift station; and four service trucks of various types.
 - *Solid Waste Fund*: One truck, and one green waste trailer.
 - *Storm Water Fund*: Vine Street project, upgrade excavator, replace pickup truck.
 - *Central Garage*: Replace air conditioning recharging machine and two hoisting units.

Courts – Ms. Gallegos reported that the budget would be restored to previous levels, with no significant change. She noted a great deal of remodeling was completed prior to the pandemic; and before closing to the public. As a result, the City's Facilities staff has been overseeing all maintenance needs. In-person hearings would not resume until after July 30, 2021. All trainings would continue to be conducted on-line.

Library Fund – The budget has not changed a great deal from the past. Ms. Fong shared the following:

- *Equipment Maintenance* ↑ 22% to provide for new technology.
- *Professional Services*: An increase of \$50,000 was noted to provide for a feasibility study in hopes of determining where a new library building can be constructed.
- *Capital - Buildings*: \$155,000 remains in savings to replace aging furnaces and air conditioning units as they fail.

- *Capital - Equipment*: \$150,000 to help retrofit office spaces and provide desk partitions for safe distancing.
- A brief discussion occurred about safely reopening the library to patrons. Reservations and walk-in reservation appointments are required. Curb side and pick up service is still available. Other activities and programs will resume in-person after June 1, 2021.

Information Technology – Mr. White explained the following:

- *Small Equipment* ↑ 77%. The increase of approximately \$26,000 would help reinstate the computer replacement program that was halted last year; parts and computers have increased in cost.
- *Professional Services* ↑ 22%. The \$5,000 increase was mainly due to cost increases in services rendered.
- *Internet Telephone* ↑ 35%. Mr. White explained the increase was related to a criminal justice requirement that phones be encrypted and programmed to an isolated network.
- *GIS Division*: Only slight changes were made to the budget. There was a 12% increase to *equipment maintenance*, which is \$150; and the *Software Maintenance* account was increase by \$5,000 to switch the software renewal date to the beginning of the fiscal year. One extra month of cost requirements was added.
- *CIP needs for IT*: Mr. White discussed needs like adding additional SAN (Storage Area Network) storage space, data migration to new systems, and upgrade the utility system for water, sewer, and storm water. Also, Spillman server migration, and purchase user profile migration software. Other future projects included updating the Wi-Fi in Murray Park.

Finance and Administration – Ms. Moore reviewed four divisions as follows:

- *Finance Department*: No new personnel. The *Travel and Learning* budget will be restored to \$9,000.
- *Recorder's Office*: Return *Travel and Learning* budget to normal level of \$6,000. The *Elections* budget is set at \$60,000, not to exceed \$58,000.
- *Treasury*: Ms. Moore is still working to refine the division after the split from utility billing and meter readers; therefore, many accounts reflected great decreases.
- *Utility Billing*: 100% of revenue is allocated to Utility Funds. No significant change; but one new position has helped to improve daily workloads.
- There were no CIP requests in this department.

To view the entire budget and CIP details visit:

<https://murray.utah.gov/DocumentCenter/View/11813/Mayors-budget-FY22-final-?bId=>

Adjournment: 3:23 p.m.

Pattie Johnson
Council Office Administrator II

ATTACHMENT #1

Murray City Mission, Vision, and Values Statements

Murray City promotes a high quality of life by providing superior governmental services in a professional, friendly, inclusive, innovative and proactive manner.



Mission

Murray City is an innovative, vibrant, independent and self-sustaining community that balances the needs of its businesses and protects an ever-changing resident population. We capitalize on our strengths, including our central location and infrastructure, to attract quality businesses and jobs. Our quality of life is enriched through the availability of thriving and diverse neighborhoods, healthcare services, community recreation and educational opportunities. We encourage public participation and welcome equity, diversity and inclusion for our citizens in moving the City forward.

Murray City employees and elected officials serve our community in an environment grounded in core values that guide our daily actions. We aspire to work in an environment that is defined by a sense of **camaraderie** with our colleagues. We know that we are **accountable** for our resources, decisions, actions and deeds, and we recognize that good governance requires that we act with the utmost **integrity**. We **collaborate** to provide services and are **responsive** to those we serve. We are committed to create an **inclusive** workplace that promotes and values **diversity**. We support the Utah Compact on Racial Equity, Diversity and Inclusion.

Vision

Values

UTAH COMPACT *on* RACIAL EQUITY, DIVERSITY, *and* INCLUSION

A Declaration of Five Principles and Actions to Create Equal Opportunity

We, the signers of the Utah Compact on Racial Equity, Diversity, and Inclusion, affirm that all people are created equal under God. A racially equitable state requires us to act and create a society in which race and ethnicity do not determine or limit value, opportunity, and life outcomes.

We also affirm two key principles on which everyone can agree: That all Utahns must have a truly equal opportunity to prosper, and that economic inclusion is essential to creating these opportunities.

We view racism as more than just an individual character flaw. It is a system of ideas, beliefs, practices, structures, and policies that give some people greater opportunity to be fully human and live a happier and healthier life than others. Unraveling centuries of internalized and systemic racism requires bold anti-racist actions and policies right now.

We pledge to advance behavior on an individual, business, and government level that will establish priorities and laws that create equal opportunity and access for all.

We likewise pledge to foster cultures of inclusion in every aspect of our organizations and society while addressing social injustice and inequality, and condemning all forms of prejudice, bigotry, and discrimination.

We believe many of our nation's societal ills can be solved by providing equal opportunity and access to education, employment, housing, and healthcare.

We further recognize that we must listen and learn from each other, realizing that as we deepen our understanding of differences, we can, in turn, be better understood.

Therefore, we commit to, and invite other Utahns to commit to, these anti-racist principles and actions:

1. Acknowledgement and action – We acknowledge that racism exists, and our actions make a difference. We call out racism wherever we see it and take purposeful steps to stop it.

2. Investment – We invest our time and resources to create greater opportunity for people of color. Eliminating racial and ethnic disparities requires our significant effort and investment.

3. Public policies and listening – We advance solutions to racial ills by listening and creating policies that provide equal opportunity and access to education, employment, housing, and healthcare.

4. Engagement – We engage to effect change. Broader engagement, equitable representation, and deeper connection across social, cultural, and racial lines will uphold the principle – “nothing about us, without us.”

5. Movement, not a moment – Utahns unite behind a common goal to create equal opportunity. We affirm our commitment will not just be a passing moment, but a legacy movement of social, racial and economic justice.