

Murray City Municipal Council Chambers

Murray City, Utah

Tuesday, August 9, 2022

The Murray City Municipal Council met on Tuesday, August 9, 2022, at 6:30 p.m. (or as soon as possible thereafter) for a meeting held in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

The public was able to view the meeting via the live stream at www.murraycitylive.com or <https://www.facebook.com/Murraycityutah/>. A recording of the City Council meeting can be viewed [HERE](#).

Council in Attendance:

Kat Martinez	District #1
Pamela Cotter	District #2 - Conducting
Rosalba Dominguez	District #3
Diane Turner	District #4
Garry Hrechkosy	District #5
Jennifer Kennedy	Council Director
Patti Johnson	Council Office Administrator III

Administrative Staff in Attendance:

Brett Hales	Mayor
Doug Hill	Chief Administrative Officer
Tammy Kikuchi	Chief Communication Officer
GL Critchfield	City Attorney
Brooke Smith	City Recorder
Brenda Moore	Finance and Administration Director
Craig Burnett	Police Chief
Doug Roberts	Deputy Police Chief
Joey Mittelman	Fire Chief
Zach Carney	Paramedic/Firefighter
Rick Best	Paramedic/Firefighter
Bader Alharbi	Paramedic/Firefighter
Spencer Finlinson	Paramedic/Firefighter
Nick Haskin	Fire Captain
Stephen Olson	Fire Battalion Chief
Jordon Petersen	Fire Battalion Chief

Matt Boulden	Fire Division Chief
Russ Kakala	Public Works Director
Kim Sorensen	Parks & Recreation Director

Others in Attendance:

Cindy Hales	Bill Cotter	Robert Wyss	Jan Cox
Dale Cox	Clark Bullen	Cal Madsen	John Bush
Darrell Knott	Kathryn Knott	Shawn Delliskave	Randy L.
Krystal Walker	Steve E.	Peter Klinge	

Opening Ceremonies

Call to Order – Councilmember Cotter called the meeting to order at 6:30 p.m.

The audience was invited to recite the Pledge of Allegiance led by Dale Cox.

Public Hearings

Staff, sponsor presentations, and public comments will be given prior to Council action on the following matters.

- 1) Consider an ordinance adopting the Rate of Tax Levies for the Fiscal Year commencing July 1, 2022, and ending June 30, 2023.

PowerPoint Presentation (Attachment 1) Truth in Taxation Public Hearing
Presenting: Brenda Moore, Finance and Administration Director

Brenda Moore shared a PowerPoint about Truth in Taxation and information about the request for an ordinance adopting the Rate of Tax Levies for the Fiscal Year commencing July 1, 2022, and ending June 30, 2023.

The tax rate proposed is a 15% increase in revenue plus growth for the General Fund is .001513 and no revenue increase plus growth is .000342 for the library. The rates last year were .001608 and .000418 respectively which shows that rates adjust down when taxable values increase.

CITIZEN COMMENTS

The meeting was open for public comment.

John Rush

Thanked the council for their service and requested as they make budget decisions, they take care of the employees and the taxpayers. The goal of the city should be to run the city well without putting an undue tax burden on the citizens. He asks the city council to keep the taxpayer in mind as they make budget decisions.

Cal Madsen

Cal identified himself, as a silent majority, retired resident, who is on a fixed income. He said this tax increase proposed puts an undue burden on his life and asks the city council to consider the long-term residents who are on fixed incomes.

Krystal Walker

Crystal shared that she lives in Murray and is married to one of the firefighters. She shared a few things she loves about Murray and listed a few amenities that the city provides. She is aware that Sandy City is running short crews because of a lack of funding so she supports the tax increase if it supports the services she receives. "If we are not paying for it, then we lose it (services and amenities)."

Clark Bullen

Clark Bullen shared that from his perspective, the council and city have worked hard to reduce the tax rate and he encourages citizens to go back and watch the budget recordings and be involved in the budget process moving. He believes the council and staff worked tirelessly to reduce the citizen tax burden and fought to pay the employees a competitive wage. He commended the council for handling a difficult task with efficiency and wisdom.

Dale Cox

Dale Cox shared that he served as a council member for four (4) years and lives on a fixed income. He believes Murray City has the best Department Heads and employees in the state. He knows the mayor and believes the mayor's office worked hard to reduce the tax rates presented tonight. He believes Murray City has a good system in place and hopes the council will support the motion presented tonight.

No additional comments were given, and the public hearing comments period was closed.

DISCUSSION:

Councilmember Dominguez shared that the council did work well and hard together to bring the budget amount down from 20% to 15%. The 15% allows the city to continue working well and support staff and the team.

Councilmember Turner thanked the council for working together.

MOTION:

Councilmember Martinez moved to approve the ordinance. The motion was SECONDED by Councilmember Turner.

Council roll call vote:

Ayes: Councilmember Turner, Councilmember Martinez, Councilmember Cotter

*Nays: Councilmember Dominguez, Councilmember Hrechkosy**

Abstentions: None

Motion passed 3-2

**Councilmember Hrechkosy believes that this tax increase is burdensome to his constituents and would like to see a smaller increase so that is why he voted no on the tax increase.*

Councilmembers thanked Brenda Moore for the presentation and for teaching the council about the city budget and the proposal presented tonight.

2) Consider an ordinance adopting the final 2022-2023 Fiscal Year Budgets for Murray City including the Library Fund Budget.

PowerPoint Presentation (Attachment 2) Final Budget Public Hearing

Presenting: Brenda Moore, Finance and Administration Director

Brenda Moore shared a PowerPoint about the Final Fiscal Year budget requesting an ordinance adopting the Rate of Tax Levies for the Fiscal Year commencing July 1, 2022, and ending June 30, 2023. The PowerPoint was a brief budget overview for personnel and operations for Murray City.

Brenda Moore opened her presentation by sharing information about how any citizen who is on low income or fixed income can go to the county and get a waiver for their property tax.

Councilmembers thanked Brenda Moore for her hard work in preparing the budget and

presenting it.

CITIZEN COMMENTS

The meeting was open for public comment.

Peter Klinge

Peter Klinge asked about the UTOPIA budget.

Brenda Moore was invited to the podium. She shared that in general figures, the city pays approximately \$1.9 million of UTOPIA debt which is listed under our debt services line item in the budget. UTOPIA is paying the city back approximately \$572,000 with dividends and that is listed in the Intergovernmental Revenues line item. The more people who use UTOPIA for internet services, the more money UTOPIA can pay to the city. Utopia's goal is to pay dividends equal to the debt, and then pay back the city for debt payments made in the past.

No additional comments were given, and the public hearing comments period was closed.

DISCUSSION:

Councilmembers thanked Brenda Moore for her hard work.

Councilmember Dominguez would love to see the operation budget increase since some of the equipment being used right now is out of date. She would like future budget line items for equipment and operations to be increased.

MOTION:

Councilmember Turner moved to approve the ordinance. The motion was SECONDED by Councilmember Martinez.

Council roll call vote:

*Ayes: Councilmember Dominguez**, Councilmember Turner, Councilmember Hrechkosy***, Councilmember Martinez, Councilmember Cotter*

Nays: None

Abstentions: None

Motion passed 5-0

***Councilmember Dominguez encouraged the mayor's office to hire someone to help with*

grant writing.

****Councilmember Hrechkosy believes that the increases may have been warranted but challenges his colleagues to thwart the status quo and believes more money should be taken out of reserves. In future budget discussions, he requests the council dig deep and be creative in their thinking. This year, during the budget review, he asked to pull out elected official salaries and plans to request that again in future budget discussions. He ended his comment, thanking the Murray City employees and staff for all their hard work and hopes that the Cost of Living (COLA) increase approved tonight will help city employees maintain their standard of living.*

Councilmembers thanked Brenda Moore and the Mayor for all their hard work in preparing the budget.

Mayor's Report and Questions

Mayor Hales thanked the council. Mayor addressed Councilmember Dominguez's request for a grant writer and shared city staff is constantly looking for grants and using that as funding to subsidize several projects.

Councilmembers thanked the mayor and city staff for their work.

Councilmember Hrechkosy motioned to adjure the meeting.

The meeting was adjourned at 7:27 p.m.

Brooke Smith, City Recorder



PowerPoint Presentation (Attachment 1)

Truth in Taxation Public Hearing

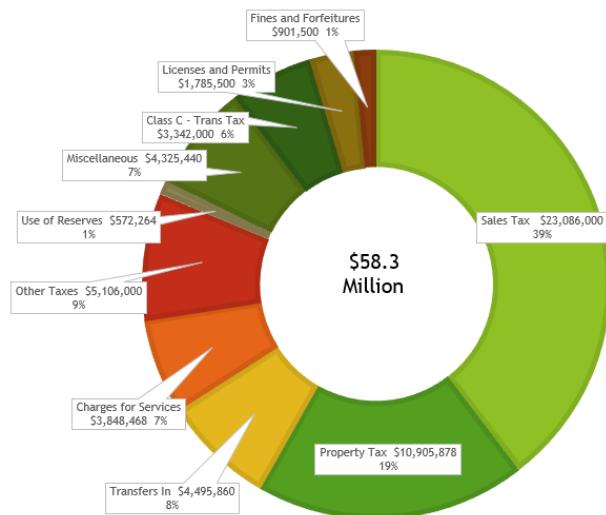
Truth in Taxation Public Hearing

August 9, 2022

What is Truth in Taxation

- ▶ Truth in Taxation is the common term used for Utah's property tax system
- ▶ The statute was passed in 1985
- ▶ It is designed to prevent property taxes from increasing just because property values are increasing.
- ▶ Cities are guaranteed the same property tax revenue plus new growth each year
- ▶ The mill levy adjusts down as property values increase
- ▶ There is a process outlined if a City want to increase the revenue it receives.

WHERE IT COMES FROM GENERAL FUND



How your property tax rate is calculated

	Calendar 2020	Calendar 2021	Calendar 2022
Taxable Property Value	\$5,505,201,917	\$ 5,861,914,637	\$ 7,207,277,338
Prior Years Revenue	9,188,763	9,298,286	9,425,959
Properties Added (Growth)	109,523	127,673	66,025
Requested Revenue Increase			1,413,894
Property Tax Revenue	\$ 9,298,286	\$ 9,425,959	\$ 10,905,878
Tax rate	0.001689	0.001608	0.001513

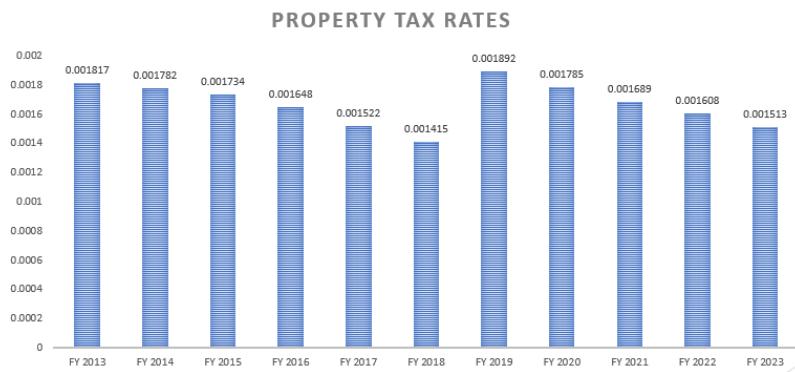
Salt Lake County FY2022 Property Tax Rates

Order	City	City	Fire District	Police district	Total
1	Herriman	0.001997		0.001728	0.003725
2	Unic County & Townships	0.000051	0.001594	0.001973	0.003618
3	Salt Lake City	0.003424			0.003424
4	Millcreek	0.001699	0.001594		0.003293
5	Riverton	0	0.001597	0.001503	0.003100
6	West Valley	0.002995			0.002995
7	Midvale	0.000907	0.001594		0.002501
8	Taylorsville	0.000825	0.001594		0.002419
9	West Jordan	0.001788			0.001788
10	Cottonwood Heights	0.001740			0.001740
11	South Jordan	0.001628			0.001628
12	Murray	0.001608			0.001608
13	Holladay	0.001605			0.001605
14	South Salt Lake	0.001536			0.001536
15	Bluffdale	0.001519			0.001519
16	Sandy	0.001174			0.001174
17	Draper	0.001141			0.001141

Entities Proposing Tax Increases

Entities proposing a tax increase	Average Value	If approved, tax will increase			\$ change	% change
		From:	To:			
Herriman City Fire Service Area	\$593,000	Residential	\$182.32	\$430.52	\$248.20	136.1%
South Salt Lake City	\$397,000	Residential	\$267.26	\$560.07	\$292.81	109.6%
Traverse Ridge Special Service	\$743,000	Residential	\$144.66	\$289.32	\$144.66	100.0%
Bluffdale City	\$691,000	Residential	\$441.24	\$577.30	\$136.06	30.8%
Central Utah Water Conservancy	\$561,000	Residential	\$99.35	\$123.42	\$24.07	24.2%
Jordan School	\$586,000	Residential	\$1,479.36	\$1,733.01	\$253.65	17.1%
South Jordan City	\$500,000	Residential	\$347.33	\$396.00	\$48.67	14.0%
Salt Lake City Library	\$576,000	Residential	\$172.34	\$195.78	\$23.44	13.6%
Murray City & Murray City Library	\$523,000	Residential	\$477.21	\$533.59	\$56.38	11.8%
Salt Lake City	\$576,000	Residential	\$765.39	\$854.73	\$89.34	11.7%
West Valley City	\$393,000	Residential	\$545.78	\$605.22	\$59.44	10.9%
Taylorsville City	\$432,000	Residential	\$159.90	\$176.06	\$16.16	10.1%
Jordan Valley Water Conservancy	\$604,000	Residential	\$98.33	\$105.97	\$7.64	7.8%
Midvale City	\$447,000	Residential	\$199.38	\$213.89	\$14.51	7.3%
West Jordan City	\$496,000	Residential	\$365.01	\$386.28	\$21.27	5.8%
Millcreek City	\$653,000	Residential	\$498.86	\$521.84	\$22.98	4.6%
Granite School	\$485,000	Residential	\$1,461.26	\$1,500.47	\$39.21	2.7%
Salt Lake City School	\$576,000	Residential	\$1,326.44	\$1,339.11	\$12.67	1.0%

History of Property Tax Rates



Where your property tax goes



Within Murray School District

Where your property tax goes



Granite School District

A Property tax increase is needed because?

- ▶ When property values increase the tax rate is adjusted down UNLESS the City requests a property tax increase. The City is guaranteed the same amount of Property tax dollars + new growth every year.
- ▶ Property tax growth had averaged \$109,000 per year since calendar 2018 and was \$66,025 in calendar 2022.
- ▶ In order to keep and recruit Public Safety (police and fire) employees the personnel budget for Public Safety has increased 17% or \$3.2 million dollars since the last property tax increase, \$2 million of which occurred between FY2022 and FY2023.
- ▶ In 2018 (the last property tax increase of 45%) the city was asked to do more frequent and smaller increases. Due to the Pandemic, no increases were requested in the last 3 years.

How Much is the increase?

- ▶ The new revenue is a 15% increase for the City tax or \$1,413,894. No increase was requested for the Library Tax.
- ▶ For the average city residence assessed at \$523,000 the tax increase will be \$56.38 per year or \$4.70 per month
- ▶ For a commercial property valued at \$523,000 the tax increase will be \$102.51 per year or \$8.54 per month
- ▶ The amount of increase you may experience will vary based on how your property value increased in comparison with other areas or property types within the City.

Questions?

PowerPoint Presentation (Attachment 2)

Final Budget Public Hearing

Final Budget Public Hearing

Fiscal year 2022-2023
August 9, 2022

Budget Overview

Personnel

- ▶ Step Plan increases are funded.
- ▶ 7% cost of living increase is funded.
- ▶ Medical and dental insurance increased 3% and 1% respectively.
- ▶ Workers Compensation premiums and retirement contributions decreased for most employees.
- ▶ Continued to pay the Employee portion of Tier 2 Employee required contributions of 2.59% an increase of .32%
- ▶ 5 new positions were requested and approved:
 - ▶ Police Officer, Streets Concrete Crew - Lead worker & Equipment Operator I, Recreation Coordinator, Theater Manager, and a Theater Technical Supervisor.
 - ▶ Fire Captains, Battalion Chiefs, City Building official and Building Inspector pay ranges adjusted to be average in the market.
 - ▶ 5 position were adjusted to better align salary with duties and requirements.
 - ▶ General Fund personnel increased 7% from FY2022.
 - ▶ All other Funds personnel increased 7% from FY2022.

Budget Overview

Operations

- ▶ There was no change in General Fund operations after adjusting for one-time FY2022 budget adjustments.
- ▶ The Budget for power purchases was increase \$2.8 million. Reserves will be used to cover the increased cost.
- ▶ The Power Fund has budgeted for a Power master plan and a rate study.
- ▶ Water, Wastewater, Solid Waste, and the Stormwater Fund continue to be doing what is necessary to maintain their delivery, and collection systems.
- ▶ The Library is continuing to save for a new building.

Budget Overview - General Fund

- ▶ Best estimate is the city will finish FY 2022 around 28.4% in General Fund reserves before a year end transfer to decrease the balance to 26%. There is a budgeted use of reserves of \$572,264 General Fund balance is projected to end the year at 25%.
- ▶ The City will receive American Rescue Plan Act (ARPA) funds during FY2023. The budget recognizes the revenue in the General Fund and transfers it to the Capital projects fund for future projects.
- ▶ The first bond payment of \$1,826,950 for the new City Hall is being paid.

Fund Summary

Murray City Annual Budget Fiscal Year 2022/2023

FUND SUMMARY

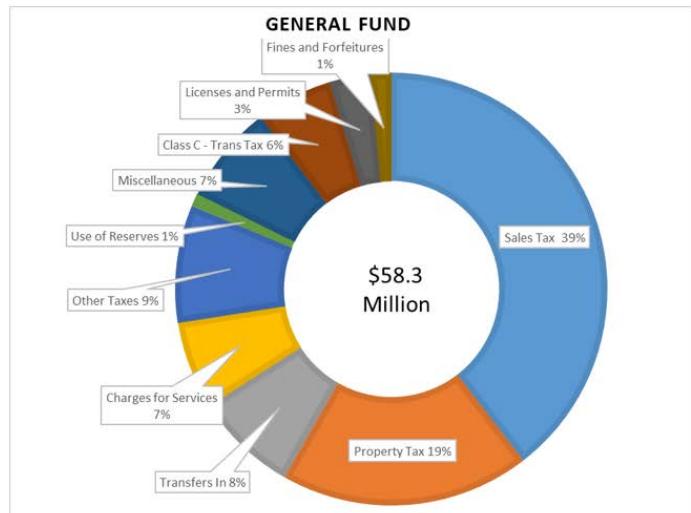
Fund	Beginning Balance	Revenue	Expenditures	Transfers In/Out	Ending Balance	Change in Fund Balance
GENERAL FUND						
General Fund	13,900,165	53,300,786	(53,447,232)	(425,818)	13,327,902	(572,264)
Capital Fund	17,090,169	15,000	(15,482,500)	4,363,678	5,986,347	(11,103,822)
INTERNAL SERVICE FUNDS						
Central Garage Fund	70,394	474,697	(504,697)	-	40,394	(30,000)
Retained Risk Fund	1,374,262	1,900,072	(1,900,072)	-	1,374,262	-
SPECIAL REVENUE FUNDS						
Library Fund	4,189,967	2,716,289	(2,285,518)	-	4,620,738	430,771
Municipal Building Authority	21,940,829	1,866,950	(12,483,950)		11,323,829	(10,617,000)
RDA Fund	6,286,429	4,659,432	(3,311,670)	(35,150)	7,599,041	1,312,612
Cemetery Perpetual Care Fund	1,359,980	13,500	-	-	1,373,480	13,500
ENTERPRISE FUNDS						
Water Fund	1,250,340	8,221,000	(8,074,833)	(633,280)	763,227	(487,113)
Wastewater Fund	906,564	8,723,000	(8,016,134)	(656,315)	957,115	50,551
Power Fund	24,145,982	36,615,500	(48,092,360)	(2,846,115)	9,823,007	(14,322,975)
Murray Parkway Fund	(487,672)	1,476,000	(1,890,678)	233,000	(669,350)	(181,678)
Telecom Fund	115,820	45,500	(49,250)	-	112,070	(3,750)
Solid Waste Fund	1,440,813	2,448,000	(2,232,959)	-	1,655,854	215,041
Storm Water Fund	1,206,157	2,870,624	(3,197,775)	-	879,006	(327,151)
TOTAL	94,790,200	125,346,350	(160,969,628)	-	59,166,923	

General Fund Summary

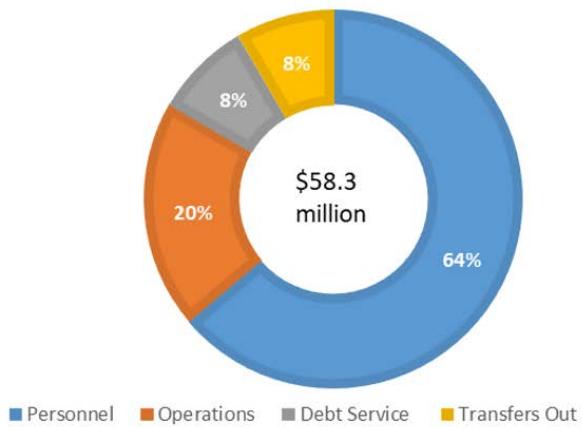
	Prior Year Actual FY 20-21	Estimated Actual FY 21-22	Amended Budget FY 21-22	Tentative Budget FY 22-23
FUND BALANCE				
Beginning Fund Balance	\$ 11,717,206	\$ 12,576,216	\$ 12,576,216	\$ 13,900,165
Revenues	51,712,612	59,995,172	53,474,043	53,300,786
Expenditures	(42,775,319)	(47,517,674)	(49,571,296)	(53,447,232)
Transfers In	4,204,504	4,289,980	4,289,980	4,495,860
Transfers Out	(12,282,787)	(15,443,528)	(14,172,042)	(4,921,678)
Ending Fund Balance	\$ 12,576,216	\$ 13,900,165	\$ 6,596,901	\$ 13,327,902
% of Revenue	24.3%	26.0%	14.1%	25.0%
<i>Change in fund balance</i>	859,009	1,323,949	(5,979,315)	\$ (572,264)

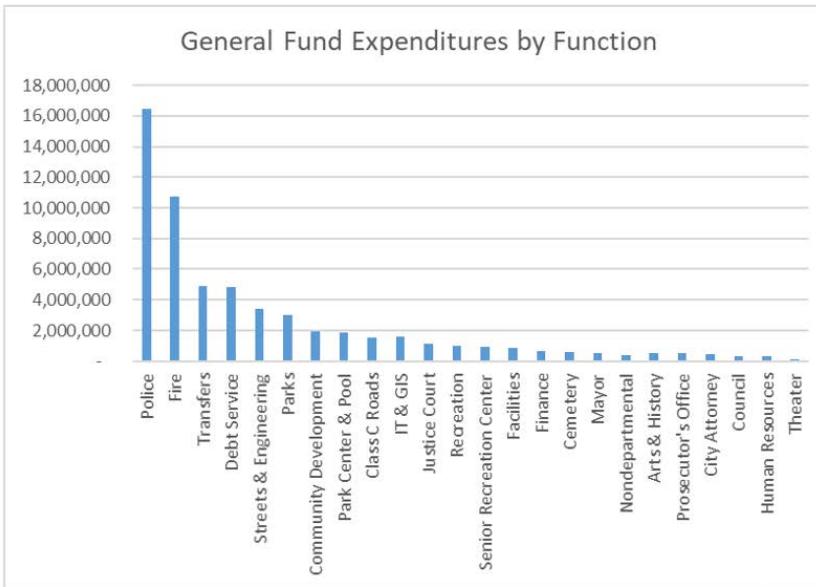
- \$4,115,000 of .2 sales tax was not transferred to Capital Projects as in prior years. The .2 sales tax ends in FY2030 so it will need to be replaced by another source of revenue at that point.

Where The Money Comes From



GENERAL FUND EXPENDITURES BY CATEGORY





Other General Fund Highlights:

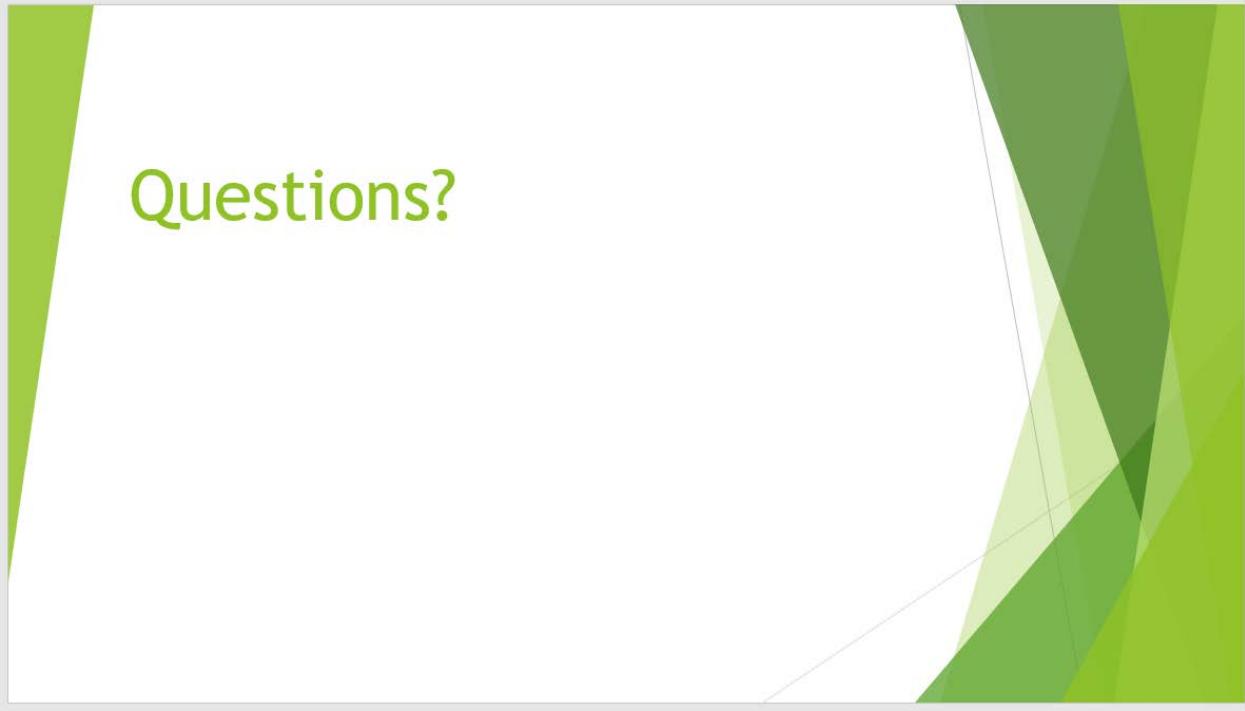
- Budgeted Revenue without intergovernmental or Bond proceeds increased 8%
- Personnel in the General Fund increased 7%
- Operations in the General Fund stayed the same as FY2022.

CIP FUND

- Total projects funded \$15,655,000
- Murray Theater \$5,250,000
- Murray Mansion \$500,000
- Parks storage building \$1,200,000
- Armory building plans \$500,000
- Police cars and equipment \$578,000
- New ambulance & other fire equipment \$1,040,000
- Playground update Murray Park \$270,000
- Streets Projects \$3,371,000
- Ongoing maintenance of City facilities \$775,000
- Other equipment & projects \$2,171,000

Other Projects

- Water Fund \$2,562,000 in equipment, well maintenance, and replacement projects.
- Wastewater Fund \$1,063,000 in sewer line replacements, line Rehabilitation, and equipment.
- Wastewater Fund \$1,575,000 to Central Valley Water Reclamation Facility rebuild and \$750,000 for other CVWRF projects.
- Power \$7,985,000 for equipment, a transformer, central station rebuild, upgrade to an AMI metering system, Hydro plant rebuild.
- Solid Waste \$15,000 to repair or replace green waste trailers
- Storm Water \$925,000 Clover Meadows 5400 S project



Questions?