

1 Minutes of the Centerville City Council **work session** held Tuesday, May 20, 2014 at 5:35 p.m.
2 at the City Hall Council Chambers, 250 North Main Street, Centerville, Utah.

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4 **MEMBERS PRESENT**

5
6 Mayor Paul A. Cutler

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8 Council Members Ken S. Averett
9 Tamilyn Fillmore
10 John T. Higginson (arrived at 5:37 p.m.)
11 Stephanie Ivie
12 Lawrence Wright

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14 **STAFF PRESENT**

15 Steve Thacker, City Manager
16 Blaine Lutz, Finance Director/Assistant City Manager
17 Lisa Romney, City Attorney
18 Jolene Jackson, Treasurer
19 Katie Rust, Recording Secretary

20 **BUDGET WORK SESSION**

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22 Steve Thacker, City Manager, presented a General Fund "Base Budget" prepared as a
23 baseline to reflect necessary expenses to support current operations and maintain current level
24 of service. Mr. Thacker explained potential sources of more funding for the General Fund, and
25 recommended possible uses of additional available revenue in the General Fund. He reported
26 on an anticipated increase in the Fire District assessment in the next fiscal year, and Mayor
27 Cutler explained an inequity in the allocation of paramedic funding. Mr. Thacker stated he has
28 hope that the Legislature will do something next year to provide more funds for street
29 maintenance, and suggested the Council could encourage the County Commissioners to
30 impose the one-fourth cent sales tax already authorized by the State for transportation
31 purposes. Mayor Cutler stated there seems to be more support from mayors than there has
32 been in the past for converting the South Davis Fire Agency to an independent taxing district.
33 City Manager Thacker expressed that improvements to existing City parks would be a good use
34 of RAP tax funds if renewed by voters in 2015.

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36 **UTOPIA**

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38 Mr. Thacker explained the sources for funding the annual UTOPIA pledge obligation. He
39 stated he does not recommend appropriating additional funds for UTOPIA operating expenses
40 in the FY 2015 Budget. Instead, Mr. Thacker recommended the unused portion of the amount
41 included in the FY 2014 Budget for UTOPIA operating expenses be transferred to the
42 Telecommunications Fund by the end of FY 2014 for use as needed in FY 2015. Centerville
43 has a 3.33% pledge responsibility as one of the eleven member cities in UTOPIA. There was
44 some disagreement regarding Centerville's pledge percentage as one of the eight UIA cities
45 (somewhere under 4%). Staff will verify the exact percentage.

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47 **Employee Health Insurance**

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49 City Manager Thacker explained increases to the State retirement fund contribution
50 rates set by the State. The Council discussed health insurance for employees and the
51 possibility of converting to a health savings account (HSA) format. Mr. Thacker recommended
52 the City renew the current medical insurance plan with a relatively low increase (4%) in cost to
53 the City for FY 2015, and prepare to convert to an HSA format next year. Councilman Wright
54 suggested staff examine the option to eliminate traditional health insurance coverage and allow
55 employees to utilize the Utah Health Exchange with a City contribution, and then discuss the

1 different alternatives with the employees. Jolene Jackson, City Treasurer, added that some
2 government entities offer employees a choice between a traditional health insurance plan and
3 an HSA. The Council discussed staff time required to set up health insurance coverage for
4 individual employees. Councilman Averett suggested the City utilize the City's insurance
5 broker's resources for employee education to minimize staff time required. The Council
6 approved of Mr. Thacker's recommendation to renew the current medical insurance plan for FY
7 2015, with the intention of considering alternatives next year. The providers of dental insurance
8 and life/disability insurance, however, will change to achieve a reduction in cost for those
9 coverages.

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11 Elected Official Compensation

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13 City Code dictates that elected official compensation be reevaluated every four years.
14 Mr. Thacker presented inflation data since 2006, and comparative information for other cities in
15 Davis County and for Utah cities of similar size along the Wasatch Front. He recommended
16 City Council member salary increase from \$5,100 to \$6,000 per year and the Council consider
17 increasing the Mayor salary from \$12,000 to \$13,200. Councilman Wright commented he likes
18 the approach taken by Bountiful of providing a \$200 per month car allowance for Council
19 members. Several expressed support for increasing the Council member compensation to
20 approximate the average for Utah cities of similar size, or about \$7,500 per year. The Council
21 discussed the matter and agreed to consider it further at the next budget work session.

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23 ADJOURNMENT

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25 Mayor Cutler adjourned the work session at 6:51 p.m.

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31 Marsha L. Morrow, City Recorder

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6-3-14
Date Approved

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Katie Rust, Recording Secretary

