

2 The Lindon City Council held an annual Budget Kick-Off Meeting on **February 22,**
3 **2024**, beginning at 5:50 p.m. at the Lindon City Center, 100 North State Street, Lindon,
4 Utah.

5 Conducting: Carolyn Lundberg, Mayor

6 **PRESENT**

7 **Officials**

8 **Absent**

9 Carolyn Lundberg, Mayor
10 Jake Hoyt, Councilmember
11 Van Broderick, Councilmember
12 Lincoln Jacobs, Councilmember
13 Cole Hooley, Councilmember
14 Steve Stewart, Councilmember

15 **Staff**

16 Adam Cowie, City Administrator
17 Kristen Aaron, Finance Director
18 Heath Bateman, Parks & Recreation Director
19 Juan Garrido, Public Works Director
20 Mike Florence, Planning Director
21 Brian Haws, City Attorney
22 Orlando Ruiz, Lieutenant
23 Chase Adams, Assistant Finance Director

24 **1. Call to Order/Roll Call** – The meeting was called to order at 5:15 p.m.

25 **2. Presentations and Announcements:**

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30 a) Resident Denny Farnworth wanted to voice appreciation for Lindon City
31 Public Works Department and the work they did on the recent water breaks
32 during Presidents Day weekend. Mr. Farnworth stated that he and his
33 company were able to help the city during that time and gave a little
34 background on the process and time it takes to fix each leak. He continued to
35 say he knows the amount of work that the Public Works Department had to do
36 to repair those 18 breaks during that time. Mr. Farnworth closed by saying
37 that Juan Garrido is the only Public Works Director he has ever seen jump
38 into a hole and ask what he can do to help.

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40 b) Mr. Garrido gave an update on the water pressure and the events of the
41 previous weekend along with the process they are making in replacing the bad
42 RPV's. He then addressed questions from the council about what contributed
43 to those leaks, the process of fixing those issues and how to plan for the
44 unexpected. He voiced appreciation for all the hard work of the Public Works
45 Department employees.
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3. **DISCUSSION** – The Lindon City Administration and Department Heads met with the Mayor and Council in a work session to review, discuss, and receive feedback on significant budget issues and priorities for the upcoming 2024-2025 fiscal year. This item was for discussion only with no motions required at this meeting.

Items of general discussion included the following:

<u>Item:</u>	<u>Presenter</u>	<u>Council Action</u>
1. Budget Adoption Process	Kristen	<i>Receive Information</i>
a. Kristen - Review timeline for budget process & adoption		
2. Financial Overview	Adam/Kristen/Juan	<i>Receive Information</i>
a. Review significant revenue sources		
i. Sales tax – \$6.3 million estimated revenue; review graphs and trends		
ii. Property tax – \$2.6 million estimated revenue; review graphs and trends		
iii. PARC Tax – approx. \$945,000 projected this fiscal year		
1. Changes proportionally with sales tax revenues		
2. Currently adopted PARC Tax spending allocation (updated March 2023):		
a. 32% Parks/Rec Facilities Maintenance		
b. 20% Aquatics Center Improvements		
c. 20% Parks & Trails Improvements		
d. 18% Other (debt service, mini-grants, contingency)		
e. 10% Community Center Improvements		
iv. Utility Charges - \$7.4 million		
1. 1. Proposed 2024-25 utility rate increases: Water 3% = base & usage; Sewer = 7% base & usage; Storm Water = 2% (see attached rate increase table)		
v. Why do we need to raise rates?		
1. Cover costs of on-going maintenance projects without substantial need of borrowing/bonding and paying interest.		
2. Saving for large future projects (new wells; water tank; etc)		
3. Unease regarding low projected sewer fund balance.		
a. Orem sewer plant upgrades		
i. 2023-24, \$1.32M (Lindon’s cost of total project)		
ii. 2025, \$4.4M (Lindon’s portion of upgrade; 20 yr bond)		
iii. 2030, \$4.9M (Lindon's portion of upgrade; 20 yr bond)		

- 2 iv. 2035, \$3.06M (Lindon's portion of upgrade;
20 yr bond)
- 4 v. 2040, \$4.5M (Lindon's portion of upgrade;
20 yr bond)
- 6 b. Debt outlook for FY2025
 - 8 i. Kristen - review debt schedule.
 - 10 1. Future bonding may be necessary for
infrastructure needs (sewer plant
upgrades; possible property
12 acquisition for detention basin; storm
water piping; etc.)
 - ii. Kristen - Review CIP project fund balances
- 14 3. **Cost savings/Increased revenues** Adam & Dept. Heads *Receive Info/ Give
Direction*
 - 16 a. Savings:
 - 18 i. Open positions not immediately filled (City Recorder combined
w/Court Clerk; Parks Maintenance Technician; Police Officer;
Planner)
 - 20 ii. Postponed projects or purchases: Public Works Dump Truck
(\$200k)
 - 22 b. Increased or New Revenues:
 - 24 i. Surplus vehicle & equipment sales: \$335k (mostly surplus PD
trucks)
 - 26 ii. Grants:
 - 28 1. Since this meeting last year, the city has been awarded
approx. \$1.18M in new grants (mostly for Lindon Heritage
Trail)
- 30 4. **Personnel Issues** Adam/Chase/Dept Heads *Give Direction*
 - 32 a. Evaluating position needs as we experience growth & demand for
services:
 - 34 i. City Recorder / Court Clerk – add additional duties for court clerks
as Deputy City Recorders
 - 36 ii. Police Dept – Possible new Sgt position; potential new officer
position as 700 North develops.
 - 38 iii. Parks & Rec: Community Center front desk, Part-time Employee
for nights, weekends and on call. 20-25 hrs a week; year-round.
 - 40 iv. Community Development – will be filling current inspector
vacancy; continue evaluating 2nd inspector vacancy; evaluating
42 work demands on part-time clerk position w/potential move to FT
after completion of business license fee study.
 - 44 b. Chase - Review Operational Revenues vs. Personnel Costs over time
 - 46 c. Merit pay & COLA:
 - i. Typical merit increase anticipated per 12-step pay scale
 - ii. COLA & wage study:

- 1. Anticipate recommendation of approx. 4% COLA (see attached inflation index table);
 - a. Inflationary impact on wages continues to be significant; many positions already 3-5% or more below market average even after increases last year;
- 2. Wage study being updated. We'll gather additional information on inflation and wages prior to making final recommendation for COLA during the budget hearings.
- iii. New legislation may require separate public hearing for any change in compensation of "municipal officers" (essentially management/dept heads)
- d. Health/Dental insurance rates – TBD; Annual rate increases have historically been 5-7%.

5. Dept Specific updates/Capital Improvements Dept Heads *Receive Info/ Give Direction*

- a. Public Works (Juan Garrido): See attached.
- b. Parks & Rec (Heath Bateman): See attached.
- c. Police Department (Chief Brower / Lt. Ruiz): See attached.
- d. Facilities, Vehicles & Equipment:
 - i. See attached DRAFT Facilities & Fleet budget proposal from Alex Roylance.

In conclusion, Mr. Cowie asked the group if they felt there were any issues with financial obligations and if they felt that the city is heading on the right track. There was a general consensus among the group that they are satisfied with the financial direction the city is going with no major concerns or issues.

**This annual budget kick off meeting was for discussion and informational purposes only. The Council did not take action on any item at this meeting. Any items that require Council action will be discussed during regular City Council meetings prior to any action being taken.*

The meeting was adjourned at 7:45 p.m.

Approved – March 4, 2024

Britni Laidler, City Recorder

Carolyn Lundberg, Mayor