



SYRACUSE CITY COUNCIL/ADMINISTRATION BUDGET RETREAT

April 12, 2024, 9:00 a.m.
Syracuse Police Station
1751 S. 2000 W.

1. 9:00 a.m. – Welcome/Agenda overview. (5 min.)
2. 9:05 a.m. – Review and discussion of Park Improvement Budgets. (45 min.)
3. 9:50 a.m. – General and Capital Funds:
 - o Review and discussion of budget requests. (20 min.)
 - o Review and discussion of higher priority staffing option. (20 min.)
 - o Review and discussion of skeleton crew staffing option. (20 min.)
 - o Review and discussion of no tax increase option. (20 min.)
4. 10:20 a.m. – break. (20 min.)
 - o Review and discuss implications of SAFER Grant. (20 min.)
 - o Review and evaluate staffing requests. (45 min.)
5. 12:00 p.m. – Lunch (30 min.)
6. 12:30 p.m. – Discuss strategies for balancing General Fund budget. (40 min.)
7. 1:10 p.m. – Road and Utility Funds:
 - o Overview of Utility Funds. (10 min.)
 - o Review and discuss Utility Funds five-year funding. (30 min.)
 - o Develop strategies for balancing Utility Fund budgets. (30 min.)
8. 3:05 p.m. – Discuss next steps for developing final budget. (30 min.)

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In compliance with the Americans Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the City Offices at 801-825-1477 at least 48 hours in advance of the meeting.

#### CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Syracuse City limits on this 6<sup>th</sup> day of April, 2024 at Syracuse City Hall on the City Hall Notice Board and at <http://www.syracuseut.com/>. A copy was also provided to the Standard-Examiner on April 6, 2024.

CASSIE Z. BROWN, MMC  
SYRACUSE CITY RECORDER



# COUNCIL AGENDA

April 12, 2024

Agenda Item #1

City Council Annual Budget Retreat

## ***Background***

The budget goals retreat is part of a multi-month process of “pointing the ship” in the direction decided by a majority consensus of the Council, formulating the top priorities for the upcoming fiscal year (July 2024-June 2025), and then turning those priorities into a draft budget and eventually a formally adopted budget.

In terms of organizational alignment, the budget retreat fits in as follows:

### ***Mission Statement of the City***

- City Council Vision Statements
  - Strategic Operational Plan
    - Annual Priorities/Goals
      - **Annual Budget**
        - Services, Projects, Programs, and Initiatives

Whereas the annual goals, budget, and services etc get reviewed every year, the mission statement, Council vision statements, and strategic operational plan get reviewed and updated every three to four years. These documents can be found in the reference library shared electronically to the staff, council, and mayor. It is anticipated that we will review the mission and vision statements with the Council in the summer of 2024.

## ***Agenda***

Based on the priorities identified in the Council’s annual goals retreat last February, the Administration put together an initial draft budget, along with some suggested alternatives that attempt to align with Council’s stated priorities. The purpose of the retreat is to consider the various options, their costs, and any tax consequences that would be involved. This will be instrumental in constructing the final draft annual budget.

This year, we are experiencing budgetary stress associated with growth of the City. With growth, comes additional demands for city services, which in turn requires additional financial resources. The challenge is to balance the cost of services with the growth of revenue.

In order to simplify the discussions into actionable decisions, we have narrowed down the agenda to address the three major issues that are instrumental in balancing a budget, namely: Park Development, Staffing, and Roads/Infrastructure.

## ***Park Development***

### Interpreted Goals/Priorities From the Goals Retreat

1. The priorities identified for RAP Tax and Park Impact Fee Funds, in order were:
  - a. Trails Funding associated with 3000 W Commercial Development
  - b. Projects in the 5-Yr Parks Plan
  - c. Phase 1 of Regional Park
  - d. Cemetery Expansion
  
2. A majority of the Council indicated they would be willing to consider partially funding the 5-yr park improvement plan and the Phase 1 Regional Park project.

In drafting the budget, the Administration identified a funding gap when trying to accomplish all four priorities. In order to maximize the funding, however, we have come up with an option that captures most of the Council's priorities.

### Park Improvement Funding Option

1. ***Trails funding associated with 3000 W Commercial Development.***
  - a. This is relatively simple and small (approx. \$100k-\$150k), and can be set aside with Park & Trail impact fee revenue.
2. ***Projects in the 5-Yr Parks Plan***
  - a. Funding is projected to be adequate for smaller park projects
3. ***Phase 1 Regional Park***
  - a. \$11.5 million is the cost estimate. The first source of funding is park impact fees, which is projected to be approximately \$6.6 million by the end of FY2025. This amount could be used toward the project.
  - b. The sale of City land located at 3000 W/Antelope Dr is estimated to be worth \$4 million. This sale was previously intended for park improvement purposes.
  - c. General Fund surplus (if any) from FY2024 and FY2025 can be used to cover the remaining \$1.5 million.
  - d. If the General Fund surplus is inadequate to close the gap, the City can use funds from the sale of the cemetery property (approx. \$2.6 million) to close the gap.
4. ***Cemetery Expansion***
  - a. The cost estimate for the entire cemetery expansion is approximately \$3.7 million. The estimated funds available would be approximately \$2.6 million. This could be used to build a first phase of the cemetery expansion.
  - b. If some of the \$2.6 million is used toward the regional park phase 1 project, then the phase 1 of the cemetery expansion can be re-sized to fit the funding available.

***General Fund Operational & Capital Budgets***  
**Interpreted Goals/Priorities from the Goals Retreat**

1. The priorities identified for the General Fund Operations and Capital Funds, in order were:

***Operations***

- a. Support 3000 W Commercial Development
- b. Update General Plan
- c. Staffing/Equipment for Fire Station 32
- d. Staffing/Training for Wildland Program
- e. Antelope Drive/West Davis Highway Aesthetic Improvements
- f. Add Staffing in Police Department
- g. Add Staffing/Equipment in Park & Rec
- h. Add Assistant City Manager
- i. Study traffic congestion areas

***Capital***

- a. Vehicles/Apparatus for Fire Station 32
- b. Support for 3000 W/Antelope Dr Commercial Development
- c. Vehicles for Additional Police Staffing
- d. Antelope Drive/West Davis Highway Aesthetic Improvements
- e. Carpet/Furniture Upgrades in Police Station
- f. Acquire Land for Public Works Expansion
- g. Study Fleet Maintenance Options
- h. Vehicles for Wildland Program
- i. Vehicles for Additional Parks & Recreation Staffing

2. A majority of the Council indicated they would be willing to consider partially funding the following priorities:
  - a. Staffing/Equipment for Fire Station 32
  - b. 5- Parks Projects
  - c. Phase 1 Regional Park
  - d. Additional Public Works Vehicles
  - e. Additional Police Staffing
  - f. Additional Parks & Rec Staffing

In drafting the General Fund budget, the Administration identified a funding gap when trying to accomplish all priorities. At the retreat, there will be three funding scenarios provided to the Council for the purpose of gaining an understanding of the options available. The Council does not need to pick one of the options, but may select a hybrid of two or more of the options in order to move forward with a final draft budget.

## **General Fund Budget Requests**

The budget requests come from our department directors and city manager, with input from the elected officials. This option is a simple collection of all requests. It should be noted that these requests come from our subject matter experts (department directors) based on their experience in providing the services demanded by our citizens. These requests represent their estimation of the amount of resources needed to provide services at the level demanded by our citizens and elected officials. To be clear, this request is not a “luxury” request, but is the right level of staffing and equipment needed to provide the services as demanded. This will be further explained at the retreat.

### ***1. Summary of Finances***

- a. The net balance, after considering budget requests and projected revenue, shows a net negative funding gap of approximately \$3.6 million.
- b. In order to close this gap through a property tax rate adjustment, it would require a 75% tax increase.

### ***2. Summary of Priorities Funded***

- a. The budget requests cover all of the operational priorities identified by the Council. It also covers all of the Capital priorities except the acquisition of land for Public Works expansion, and a study for fleet maintenance options.

## **General Fund- No Tax Increase Option**

The No Tax Increase Option comes from a concerted effort by the Administration to find a way to operate the City without a tax increase. This option includes both cuts to the requested budget and revenue (fee) enhancements in order to close the gap to a balanced budget. is a simple collection of all requests. It should be noted that this option includes no new staffing, including any staffing needed for the Fire Station 32 or administration for the new Park Maintenance Facility, and a temporary cap on the City’s wage/salary benchmarks for upper/middle management positions. The Administration has concerns about the ability of the City to provide services effectively under this option. This will be further explained at the retreat.

### ***1. Summary of Finances***

- a. The net balance, after eliminating several budget requests and raising a variety of fees, shows a balanced budget between expenses and projected revenue.
- b. This option would not require a change to the current property tax rate.
- c. A planned deficit is included in the budget in the amount of the annual bond payment for the 2021 Refunding Bond (\$940,000). The proposal is to use the City’s existing fund balance to make the payment for FY2025.

## **2. Summary of Priorities Funded**

- a. The No Tax Increase Option funds the following priorities identified by the Council:
  - i. Support 3000 W Commercial Development
  - ii. Update General Plan
  - iii. Staffing/Training for Wildland Fire Program
  - iv. Antelope Drive/West Davis Aesthetic Improvements
  - v. Study Traffic Congestion Areas

## **3. Summary of Items Eliminated/Modified**

|                                                              |               |
|--------------------------------------------------------------|---------------|
| <i>a.</i> All New Staffing Requests                          | (\$2,097,000) |
| <i>b.</i> City Hall Parking Lot Light LED Conversion         | (\$20,000)    |
| <i>c.</i> Police Station Carpet/Furniture Upgrades           | (\$155,000)   |
| <i>d.</i> Constitution Month Contest, Museum Donation        | (\$900)       |
| <i>e.</i> Reduction in City Banners Budget                   | (\$1,400)     |
| <i>f.</i> DARE Officer National Training                     | (\$2,950)     |
| <i>g.</i> LED Stop Signs for Crossing Guards                 | (\$8,750)     |
| <i>h.</i> \$5 Fee Increase for Passport Photos               | (\$17,000)    |
| <i>i.</i> Increase Park, Cemetery, Community Center Fees     | (\$20,000)    |
| <i>j.</i> Two PT Firefighter positions                       | (\$29,706)    |
| <i>k.</i> Repair Stage Canopy                                | (\$12,000)    |
| <i>l.</i> Baseball/Softball Batting Cages                    | (\$8,000)     |
| <i>m.</i> Walkway Extension/Repair Near Community Ctr        | (\$9,000)     |
| <i>n.</i> Canvas Pictures at Community Center Track          | (\$2,000)     |
| <i>o.</i> Limit Benchmark Adjustments for Upper/Middle Mgmt. | (\$155,000)   |
| <i>p.</i> Delay A Variety of Capital Purchase by One Year    | (\$102,000)   |
| <i>q.</i> Pay 2021 Refunding Bond from Fund Balance          | (\$940,000)   |

### **General Fund- “Skeleton Crew” Option**

The Skeleton Crew Option comes from an attempt to minimize the funding gap, while still providing minimal of service from the newly constructed Park Maintenance Facility and Fire Station 32. This option includes minimum staffing of Station 32 with four new firefighters and four new PT firefighter positions. It also includes a PT administrative professional to operate the office at the Park Maintenance Facility. No other staffing additions are included. It should be noted that this option includes also includes a temporary cap on the City’s wage/salary benchmarks for upper/middle management positions. The Administration has concerns about the ability of the City to provide services effectively under this option, but does allow all facilities to operate at a minimal level. This will be further explained at the retreat.

**1. Summary of Finances**

- a. The net balance, after eliminating several budget requests and raising a variety of fees, shows a total deficit of approximately \$497,000.
- b. In order to close this gap through a property tax rate adjustment, it would require a 10% tax increase.
- c. A planned deficit is included in the budget in the amount of the annual bond payment for the 2021 Refunding Bond (\$940,000). The proposal is to use the City's existing fund balance to make the payment for FY2025.

**2. Summary of Priorities Funded**

- a. The Skeleton Crew Option funds the following priorities identified by the Council:
  - i. Staffing/Equipment for Fire Station 32 (Partial)
  - ii. Support 3000 W Commercial Development
  - iii. Update General Plan
  - iv. Staffing/Training for Wildland Fire Program
  - v. Antelope Drive/West Davis Aesthetic Improvements
  - vi. Study Traffic Congestion Areas

**3. Summary of Items Eliminated/Modified**

|                                                               |               |
|---------------------------------------------------------------|---------------|
| <i>a.</i> All New Staffing Requests, Except 4 FT Firefighters | (\$1,542,000) |
| <i>b.</i> Reduce FT Parks Admin Professional to PT            | (\$30,000)    |
| <i>c.</i> City Hall Parking Lot Light LED Conversion          | (\$20,000)    |
| <i>d.</i> Police Station Carpet/Furniture Upgrades            | (\$155,000)   |
| <i>e.</i> Constitution Month Contest, Museum Donation         | (\$900)       |
| <i>f.</i> Reduction in City Banners Budget                    | (\$1,400)     |
| <i>g.</i> DARE Officer National Training                      | (\$2,950)     |
| <i>h.</i> LED Stop Signs for Crossing Guards                  | (\$8,750)     |
| <i>i.</i> \$5 Fee Increase for Passport Photos                | (\$17,000)    |
| <i>j.</i> Increase Park, Cemetery, Community Center Fees      | (\$20,000)    |
| <i>k.</i> Two PT Firefighter positions                        | (\$29,706)    |
| <i>l.</i> Repair Stage Canopy                                 | (\$12,000)    |
| <i>m.</i> Baseball/Softball Batting Cages                     | (\$8,000)     |
| <i>n.</i> Walkway Extension/Repair Near Community Ctr         | (\$9,000)     |
| <i>o.</i> Canvas Pictures at Community Center Track           | (\$2,000)     |
| <i>p.</i> Limit Benchmark Adjustments for Upper/Middle Mgmt.  | (\$155,000)   |
| <i>q.</i> Delay A Variety of Capital Purchase by One Year     | (\$102,000)   |
| <i>r.</i> Pay 2021 Refunding Bond from Fund Balance           | (\$940,000)   |

**General Fund- "Higher Priority Staffing" Option**

The Higher Priority Staffing Option comes from an attempt to minimize the funding gap, while still trying to align city council priorities from our goals retreat. It provides minimal of service from the newly constructed Park Maintenance Facility and Fire Station 32. This option includes minimum staffing of Station 32 with five new firefighters and four new PT firefighter positions. It also includes a PT administrative

professional to operate the office at the Park Maintenance Facility. In addition, it provides funding for an Assistant City Manager as well as a Patrol Lieutenant and part time admin assistant in the police department. No other staffing additions are included. It should be noted that this option includes also includes a temporary cap on the City's wage/salary benchmarks for upper/middle management positions. This option is a step up from the skeleton crew option, but still does not address all the needs of the city. It does allow all facilities to operate at a minimal level. This will be further explained at the retreat.

**1. Summary of Finances**

- a. The net balance, after eliminating several budget requests and raising a variety of fees, shows a total deficit of approximately \$1,006,000.
- b. In order to close this gap through a property tax rate adjustment, it would require a 21% tax increase.
- c. A planned deficit is included in the budget in the amount of the annual bond payment for the 2021 Refunding Bond (\$940,000). The proposal is to use the City's existing fund balance to make the payment for FY2025.

**2. Summary of Priorities Funded**

- a. The Higher Priority Option funds the following priorities identified by the Council:
  - i. Staffing/Equipment for Fire Station 32 (Partial)
  - ii. Additional Staffing/Equipment for Police Department
  - iii. Adding Assistant City Manager position to help with growth.
  - iv. Support 3000 W Commercial Development
  - v. Update General Plan
  - vi. Staffing/Training for Wildland Fire Program
  - vii. Antelope Drive/West Davis Aesthetic Improvements
  - viii. Study Traffic Congestion Areas

**3. Summary of Items Eliminated/Modified**

- a. All New Staffing Requests, Except 5 FT Firefighters, Assistant City Manager, Patrol Lieutenant, and part time admin in Police (\$985,000)
- b. Reduce FT Parks Admin Professional to PT (\$30,000)
- c. City Hall Parking Lot Light LED Conversion (\$20,000)
- d. Police Station Carpet/Furniture Upgrades (\$155,000)
- e. Constitution Month Contest, Museum Donation (\$900)
- f. Reduction in City Banners Budget (\$1,400)
- g. DARE Officer National Training (\$2,950)
- h. LED Stop Signs for Crossing Guards (\$8,750)
- i. \$5 Fee Increase for Passport Photos (\$17,000)
- j. Increase Park, Cemetery, Community Center Fees (\$20,000)
- k. Two PT Firefighter positions (\$29,706)
- l. Repair Stage Canopy (\$12,000)
- m. Baseball/Softball Batting Cages (\$8,000)
- n. Walkway Extension/Repair Near Community Ctr (\$9,000)



|                                                              |             |
|--------------------------------------------------------------|-------------|
| <i>o.</i> Canvas Pictures at Community Center Track          | (\$2,000)   |
| <i>p.</i> Limit Benchmark Adjustments for Upper/Middle Mgmt. | (\$155,000) |
| <i>q.</i> Delay A Variety of Capital Purchase by One Year    | (\$102,000) |
| <i>r.</i> Pay 2021 Refunding Bond from Fund Balance          | (\$940,000) |

### **SAFER Grant**

The city is applying for the SAFER grant to help cover the costs of the new fire fighters at station 32. The grant could fund up to 9 positions and benefits for a 3-year period. The total cost savings to the budget would be \$833,000 in year 1, \$875,000 in year 2, and \$919,000 in year 3 for a total savings of \$2,627,000. This would be an add-on to any of the budget options mentioned above and would help us fund an additional 9 new full-time positions in the FY2025 budget.

### ***Utility & Streets Budgets***

#### **Interpreted Goals/Priorities from the Goals Retreat**

1. The priorities identified for the Utility and Streets Operations and Capital Funds, in order were:

#### ***Operations***

- a. Equipment/Supplies for New FT Park Maintenance Workers
- b. Additional Public Works Vehicles
- c. Antelope/WDC Improvements
- d. Study Fleet Maintenance Options

#### ***Capital***

- a. 5-Yr Parks Plan (Park Maintenance Fund only)
2. A majority of the Council indicated they would be willing to consider partially funding the following priorities:
    - a. 5- Parks Projects
    - b. Additional Public Works Vehicles
    - c. Equipment/Supplies for New FT Park Maintenance Workers

In drafting the Utility and Streets budgets, the Administration identified a funding gap in the Secondary Water, Storm Drain, and Sewer budgets. Also, when trying to accomplish all priorities, vehicles for Park Maintenance Workers would only be possible if those positions were funded, which would come from the General Fund, not the Park Maintenance Utility Fund. In order to fully fund the City's 5-Yr Utility & Streets Capital Program, some projects will need to be postponed or utility fees would need to be adjusted. Another item to be addressed by the Council is the added Curbside Recycling service, which needs to be operational by July of 2025. This will be further explained at the retreat.

## **Utility & Streets 5-Yr Capital Program Funding**

### ***1. Secondary Water Fund***

- a. By the end of FY2025, projections show the fund balance for the Secondary Water Fund dipping below the City's policy of a 2-month reserve, and begins to run negative by the end of FY2026.
- b. To bring the fund back to a fully funded status would require a \$2.61/month increase on the utility bill. It should be noted that an increase of \$0.47/month will already be scheduled to cover the increased price for purchasing wholesale water from Weber Basin.
- c. Alternatively, secondary water capital projects would need to be delayed if possible. It should be noted that approximately \$563,000 per year will be required to pay the bonds for the new secondary water reservoir and the secondary water meter project.

### ***2. Storm Drain Fund***

- a. By the end of FY2026, projections show the fund balance for the Storm Drain Fund dipping below the City's policy of a 2-month reserve and actually runs negative from that point forward.
- b. To bring the fund back to a fully funded status would require a \$1.27/month increase on the utility bill.
- c. Alternatively, storm drain capital projects would need to be delayed if possible.

### ***3. Sewer Fund***

- a. By the end of FY2024, projections show the fund balance for the Sewer Fund dipping below the City's policy of a 2-month reserve and remaining below the reserve from that point forward.
- b. To bring the fund back to a fully funded status would require a \$0.97/month increase on the utility bill.
- c. Alternatively, sewer capital projects would need to be delayed if possible.

### ***4. Class C Road Projects Fund***

- a. Projections show the fund balance for the Road Projects Fund staying positive until the end of FY2029. Projects change over this time period, however, and this situation can be addressed in future budget years.

### ***5. Summary of Priorities Funded***

- a. Assuming all of the funds can be made whole, the following priorities would be funded for this fiscal year:
  - i. Additional Public Works Vehicles
  - ii. Antelope/WDC Improvements (maintenance supplies)
  - iii. Study Fleet Maintenance Options (internal, not consultant)
  - iv. 5-Yr Parks Plan (Park Maintenance Fund items)