

1 Minutes of the Centerville City Council work session held Tuesday, June 7, 2016 at 5:45 p.m.
2 in the Centerville City Council Chambers, 250 North Main Street, Centerville, Utah.

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4 **MEMBERS PRESENT**

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6 Mayor Paul A. Cutler

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8 Council Members Tamilyn Fillmore
9 William Ince
10 Stephanie Ivie
11 George McEwan
12 Robyn Mecham

13
14 **STAFF PRESENT**

15 Steve Thacker, City Manager
16 Blaine Lutz, Finance Director/Assistant City Manager
17 Lisa Romney, City Attorney
18 Jacob Smith, Assistant to the City Manager
19 Katie Rust, Recording Secretary

20 **FY 2017 BUDGET WORK SESSION**

21
22 **Salary Administration Guidelines** – Mr. Thacker reported that Department Heads reacted
23 constructively to the idea of an expanded range for the “meets expectations” category of the
24 compensation matrix. He presented a revised compensation matrix with a 1%-3.5% merit
25 increase range in the first quartile, descending by half percent per quartile, and no increase for
26 the “needs significant improvement” range. Assuming all employees receive an increase in the
27 upper end of the merit range, the increases could be funded with the 2.5% included in the
28 Tentative Budget, and increases for those in the “consistently exceeds expectations” range
29 could be funded with 0.5% included in the Tentative Budget. The City Budget assumes family
30 coverage for all employees, despite the fact that some employees will enroll for individual or
31 couple coverage. This provides a buffer in case employees switch to family coverage during the
32 year, and will also fund the \$3,000 salary increase for the Police Department IT Lead position.
33

34 Councilman McEwan stated he would like the Public Works Director to meet with the
35 Council at some point to discuss the proposed new Public Works position. Mr. Thacker
36 explained that State law dictates municipal court judges receive an increase equal to the
37 average increase given to other city employees. Mr. Thacker recommended a 2.5% increase
38 for Judge Miller in FY 2017.
39

40 **General Fund Revenues** – Mr. Thacker and Blaine Lutz, Finance Director, explained the
41 recommendation to revise the Telecommunications Franchise Tax revenue estimate downward
42 for FY 2017. Mr. Lutz also explained that the property tax revenue estimate may change after
43 reports are received from the County. Councilwoman Fillmore requested Mr. Lutz contact the
44 County regarding property tax rate concerns. Councilman McEwan commented that with all the
45 infrastructure needs in the next few years, the property tax issue should be resolved in a way
46 that allows the City to keep up with the cost of services. He stated he believes citizens accept
47 taxes better if they have been voted on, and asked if a citizen initiative could put a property tax
48 increase on the ballot. Ms. Romney pointed out that the Council could go through a Truth in
49 Taxation process. Mr. Thacker added that a survey is also an option. Councilwoman Mecham
50 asked if a property tax increase would generate enough to be worth it. Ms. Romney stated that
51 the Truth in Taxation process and the survey option do not have the same restrictions as a
52 ballot issue. The Council discussed the importance of educating citizens regarding
53 infrastructure needs and costs, and the increases necessary to meet them. Ms. Romney
54 questioned whether a property tax increase could be placed on the ballot as an opinion question
55 under State law. Councilman McEwan expressed the opinion that a continued lack of property

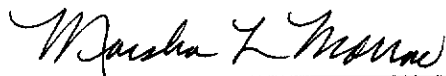
1 tax increase is not necessarily a good thing. Councilwoman Ivie said she was disappointed in
2 the content of a recent survey put out by the City, and would want to preview surveys before
3 they are released. She added that she feels the Council should carefully go through the budget
4 and be able to tell the citizens the City has trimmed everywhere possible before discussing a
5 property tax increase. Mr. Lutz suggested a citizen committee could be put together to research
6 and make a recommendation.
7

8 Police Department – Mr. Thacker explained that the remaining 0.5% of the 3.5%
9 included in the Tentative Budget for pay raises (approximately \$18,000) could be added to the
10 \$15,000 savings from the employee health insurance plan to fund Police Department pay
11 raises. He recommended the amount be used in a targeted fashion to address the Police
12 Department's vulnerability and preserve internal equity. The City will not be able to match what
13 officers could get elsewhere, but Mr. Thacker pointed out that Centerville has a highly respected
14 Department, with employees wanting to work in Centerville.
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16 Contingency – Staff explained that suggested changes to the Tentative Budget would
17 result in approximately the same Contingency Fund balance (approximately \$42,000).
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19 **ADJOURNMENT**

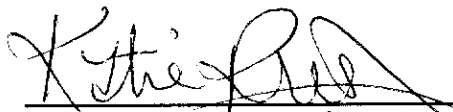
20 Mayor Cutler adjourned the work session at 6:57 p.m.
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26 _____
27 Marsha L. Morrow, City Recorder

6-21-2016

Date Approved

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31 _____
32 Katie Rust, Recording Secretary
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