

**Heber City Corporation
City Council Meeting
March 17, 2014**

4:30 p.m.

SPECIAL BUDGET MEETING

The Council of Heber City, Wasatch County, Utah, met in Special Budget Meeting on March 17, 2014, in the City Council Chambers at 75 North Main Street, Heber City, Utah.

Present:

Mayor	Alan W. McDonald
Council Members	Robert Patterson
	Jeffery Bradshaw
	Erik Rowland
	Heidi Franco
	Kelleen Potter

Also Present:

City Manager	Mark K. Anderson
City Recorder	Michelle Kellogg
Building Official	Wes Greenhalgh
Sr. Accountant	Wes Bingham
Chief of Police	David Booth

Others Present: Brian Jacobsen and Kevin Miller, GSBS Architects.

Mayor McDonald opened the meeting and welcomed those in attendance. He stated that in addition to the scheduled budget meeting, the architects had a diagram of the proposed public safety building they wished to present to the Council. Jacobsen stated the idea to place the public safety building facing 100 East was a good idea and would work. He distributed the proposed layout of the block as well as the layout of the building. With regard to the proposed basement, Jacobsen stated it would cost \$150 per square foot with an estimated area of 3,000 square feet. Now he looked for direction on arranging the rooms inside. Chief Booth indicated he was pleased with the layout and multiple entrances. It was discussed that the courtroom would have natural lighting with the higher walls because the surrounding offices would have lower ceilings. It was decided to get the bid from the construction manager and then decide if the basement for the evidence area should be included.

Anderson reviewed his packet and stated for the current budget year the revenues were higher than anticipated. Health insurance premiums were projected to increase 8.6%. He noted that he was getting an estimate for PEHP insurance. Anderson reviewed that at the end of June, 2013, there was a \$1.9 million surplus in the General Fund. Of that, \$500,000 was put into the Capital Projects Fund which would make that fund's balance \$1.3 million by the end of June, 2014. He

estimated \$950,000 would be used for the public safety building from that \$1.3 million. He estimated a 2014 surplus of \$450,000 which would be added to the General Fund, bringing that total to \$1.8 million.

Anderson stated he would like to see more money put in the Internal Service Fund for vehicle replacement. With regard to developing the Airport Industrial Park, there was \$500,000 in that fund, but installing infrastructure would cost approximately \$700,000. Council Member Bradshaw preferred to begin this project as soon as possible since it would benefit the area. Council Member Rowland stated Ryan Starks applied for a grant that would fund a study to determine the best use for that land.

Anderson recommended that some of this year's surplus should be used to purchase some of the equipment requests.

Wages and Bonuses: Anderson indicated that when he discussed raises with department heads, they preferred to hold merit raises at 2% so more manpower could be added. It was decided to give a 1.5% COLA in July and a merit increase next January. The Christmas bonuses were also figured into the budget.

City Staffing: Anderson noted Chief Booth requested that the hiring of two entry level police officers be staggered in September and January for field training purposes. Anderson stated the Cemetery/Parks Department requested one additional seasonal employee and also wage increases for Rounds and his fulltime employees. The Planning Department requested the code enforcement officer hours be increased from 20-30 per week, thus making her eligible for fulltime benefits. The Building Department requested a fulltime secretary and inspector.

The Public Works Department requested promotions for three supervisors and three replacement workers for those promotions. It was discussed that the employees needed management training to increase their skills in that area.

Council Member Rowland was in favor of hiring a fulltime IT employee instead of giving wage increases to the Cemetery/Parks employees and the Public Works promotions. He figured omitting those increases would free up \$100,000 for an IT position. Anderson stated the dilemma was in the different funds used for wages. The \$100,000 for the IT position would not come from the same fund as the proposed wage increases. He also noted that he did not know where a new person would fit in the City offices. It was requested to get an estimate to extend the second floor of the building over the lobby.

Greenhalgh indicated the City was growing, as evidenced by how busy his department was. The City was maxed out in its surplus allowance, but was in desperate need of manpower. He stated

if the employee requests for the Building Department were granted, the plan reviews wouldn't have to be contracted out.

Council Member Patterson stated the City was understaffed in Public Works. He also agreed with Council Member Rowland's recommendation of creating an IT position. Council Member Bradshaw felt one or two hires for Public Works would be a good thing.

Chief Booth explained his needs for the Police Department. He asked for one dedicated officer that would be responsible for tickets, keys in vehicles, and special projects. He guaranteed the City Manager \$100,000 in increased revenue for this new hire in the first year.

Council Member Rowland stated the City was growing and the budget needed to move out of status quo and meet the demands of the City. Anderson thought the revenue pie needed to grow if the budget was expanded, and noted that property taxes had not been raised in 24 years. He thought it was unwise to fund ongoing expenses with surplus money. Anderson asked the Council what amount should remain in the surplus and where the excess amount should be spent. Council Member Bradshaw wanted to explore IT costs. Anderson stated he checked wages of IT personnel at the County and at other cities. He felt a good person could be hired for \$25-\$30 per hour.

It was decided to meet again to discuss the budget on Monday, March 31st, at 4:30 p.m.

City Council Discretionary Funds: Anderson stated he allowed for \$60,000 in this fund. The Council felt comfortable with that amount.

Water Rates: It was indicated that the Council wanted to review the results from the Water Rate Study, and Council Member Rowland suggested only increasing the water rates every two to three years.

Capital Requests: Anderson passed out a summary sheet listing the requests. He indicated one difference in the yearly costs from the summary sheet was that Chief Booth requested the dispatch expense be put under Professional Services Expenses.

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder