

**CITY COUNCIL
BUDGET WORK SESSION
May 14, 2024
6:00 p.m.**

PRESENT:	D.J. Bott Dave Hipp Dave Jeffries Matthew Jensen Ryan Smith Robin Troxell	Mayor Councilmember Councilmember Mayor Pro Tem Councilmember Councilmember	<i>arrived at 6:54 p.m.</i> <i>arrived at 6:08 p.m.</i>
ALSO PRESENT:	Mike Christiansen Angie Johnsen Tom Kotter Paul Larsen Derek Oyler Tyler Pugsley Kristina Rasmussen Chad Reyes Elizabeth Schow Royce Wilkerson	City Attorney Human Resource Manager Finance Director Community & Economic Development Director City Administrator Public Works Director Deputy City Recorder Police Chief Library Director IT Director	

Mayor Pro Tem Jensen called the meeting to order at 6:01 p.m. Mr. Kotter gave the reverence period, and the Pledge of Allegiance was recited.

Mr. Kotter came forward to present URS changes, employee wages, and capital projects.

Utah Retirement System (URS) Changes

- Tier II hybrid plan employer contribution rate capped at 10% per Utah Code; for public safety employees, employer contribution rate capped at 14%
- If pension rate (determined by URS) goes over 10% or 14%, employee is required to contribute the difference
 - City allowed to pay excess contribution for public safety employees only
- Beginning July 1st non-public safety employee pension rates increase to 10.70%; public safety employees rates increase to 18.73%
 - City will pay 4% excess contribution for public safety employees
- Recommendation and in Mayor's budget .7% (after tax) "bonus" for non-public safety employees in Tier II Hybrid plan; .73% for public safety employees
 - Employees must put into retirement system
 - Cost would be \$36,000 - \$21,000 non-public safety employees; \$15,000 public safety employees
- Employee policy may come to Council for change to remove 401k match for hybrid plans
- Utah legislature may make changes to contribution rate cap in 2025 session

Employee Wages

- Total budget for wages (including benefits) \$22 million
- Employee turnover statistics
 - 51% of employed workers are actively or passively seeking other employment
 - Costs between one-half and twice an employee's annual salary to replace them
- Proposing 5% salary increase included in Mayor's budget

Chief Reyes came forward to present information on public safety wages.

- BCPD currently fully staffed, and wages are competitive with other municipalities

- New trend is to increase upper top end wages to recruit experienced officers (Woods Cross)
- Competition area has expanded – 3 Salt Lake City police officers live in Brigham; 1 Taylorsville police officer lives in Tremonton
- BCPD Statistics
 - 48% employed less than 8 years
 - 15% eligible for retirement today
 - 37% eligible for retirement in 5 years
 - Anticipating 5 resignations in the next 6 months
 - 3 officers applying at Woods Cross
- Wage Comparison Chart
 - Top 3 cities are FY 25 wages
 - Remaining cities are FY 24 wages

Agency	Starting Wage	Top-out Wage	Number of Steps	% Spread
Woods Cross	29.59	62.22	12	47%
Kaysville	31.03	53.50	15	37%
Ogden	30.13	47.04	12	36%
West Valley	32.47	48.38	10	34%
North Ogden	28.80	47.09	*	31%
Unified SL	30.27	46.72	11	35%
UHP	33.00	46.00	12	30%
Draper	31.25	45.49	*	38%
W Bountiful	27.34	43.08	11	37%
BCPD (24)	27.53	43.14	10	37%
BCPD (5%)	28.91	45.30	10	36%
BCPD (12%)	30.83	48.31	10	36%

Chief Reyes suggested a 12% increase would keep BCPD ahead of Ogden City, its biggest competitor. Ogden PD offers call volume and experience, opportunities for promotion/transfer, and special assignments. BCPD cannot offer same opportunities but remains competitive with higher wages to retain officers.

Mr. Kotter stated the additional 7% proposed increase would cost \$300,000. Options for funding included property tax increase (truth in taxation), increased utility fund transfer, or use of one time money available in fund balance, which staff does not support for ongoing costs.

Capital Projects

Projects proposed to use bond financing:

- Penstock line - \$17.5 million; Federal grant funding \$9.5 million; State funding \$3 million
- Staker Parson power line relocation - \$2.5 million, \$500,000 in grants
- 46 kV loop line project - \$1 million
- Potential projects include a substation, and water line extension on west side of City

Mr. Kotter reviewed additional capital projects listed in the Mayor's proposed 2024-25 budget. <https://www.bcutah.gov/documents/budget/565535>.

Mr. Oyler added that City staff would like to see the total budget for utility fund projects at \$3 million compared to the current \$1.8 million, and noted the utility fund transfer decrease has a direct effect on capital projects.

Council members scheduled a budget work session for May 23, 2024 at 6 p.m. Laura Lewis with Lewis Young will be available to discuss bonding options. Proposed utility rate increases will also be discussed.

The meeting was adjourned at 9:00 p.m.

The undersigned duly appointed Recorder for Brigham City Corporation hereby certifies that the foregoing is a true, accurate and complete record of the May 14, 2024 City Council Work Session.

Dated this 6th day of June 2024.

Christina Boss

Christina Boss, Recorder