

Minutes of the **Budget Work Session** of the **City Council** held Tuesday, **May 5, 2015**, at 4:00 p.m. at the Lehi City Administration Building, 153 North 100 East, Lehi, Utah.

Members Present: Bert Wilson, Mayor
Chris Condie, Council Member
Paul Hancock, Council Member
Mark Johnson, Council Member
Johnny Revill, Council Member
Mike Southwick, Council Member

Others Present: Jason Walker, Interim City Administrator; Robert Ranc, Interim Assistant City Administrator; Ryan Wood, City Attorney; Dave Sanderson, Finance Director; Carolyn Hoffman, City Treasurer; Alyson Alger, Senior Accountant; Joel Eves, Power Director; Jeremy Craft, Fire Chief; Darren Paul, Police Chief; Kim Struthers, Planning Director; Lorin Powell, Engineer; Todd Munger, Public Works Director; Steve Marchbanks, Parks/Buildings Superintendent; Wade Allred, Streets Superintendent; Jeremy Estes, Fleet Manager; Lee Barnes, Water Superintendent; Dan Harrison, Legacy Center Manager; Jan Jonsson, Senior Center Manager; Kristi Seely, Library Director; Nancy Weitzel, Literacy Center Manager; David Kitchen, Human Resources Manager; Cameron Boyle, Management Analyst; Erin Wells, Management Analyst; Teisha Wilson, Deputy Recorder; Marilyn Banasky, City Recorder; and 5 citizens.

1. Welcome and Opening Comment

Mayor Wilson welcomed everyone and noted that all City Councilmembers were present. Councilor Southwick gave the opening comment.

2. Consideration of Resolution #2015-30 adopting a tentative budget for the City of Lehi for Fiscal Year 2016 (July 1, 2015 – June 30, 2016).

Dave Sanderson reported that it is a state requirement to adopt the tentative budget for the City and RDA in the first meeting in May.

Motion: Councilor Southwick moved to approve Resolution #2015-30 adopting a tentative budget for the City of Lehi for Fiscal Year 2016 (July 1, 2015 – June 30, 2016). Councilor Condie seconded the motion.

Roll Call Vote: Councilor Revill, Yes; Councilor Hancock Yes; Councilor Southwick Yes; Councilor Johnson, Yes; and Councilor Condie, Yes. The motion passed unanimously.

3. Budget Work Session

Jason Walker gave an overview of the budget process and the budget document. He reported that there is a 10% increase to the overall budget due to significant infrastructure improvements and a 10% increase in revenues due to increases in sales and property taxes. He stated that the tentative budget includes additional personnel, other large one time expenditures, and increases in costs of goods/services. He discussed the RAP Tax process.

a. Administrative & Leisure Services (Community Relations, Human Resources, City Recorder, Recreation, Library, Museum, Senior Center, Literacy Center)

Human Resources

Robert Ranc reported that the HR department has requested an HR Technician to help with paperwork. David Kitchen reported that the health insurance benefit premium will increase 12.9%. He stated that the budget proposal is for the City to continue to cover the premium cost at 100% and keep the current insurance benefit package. He explained that they will look at sharing the premium cost with the employee or changing plans next year in order to keep the cost to the City down. Councilor Condie inquired what the increases are for the IT fund and professional/technical fund. Mr. Kitchen replied that the professional/technical fund includes a compensation study and the increase for IT is for the computer equipment for the HR Technician and new HR software.

City Recorder

Marilyn Banasky reported that the election line item is increased to reflect a Vote By Mail (VBM) election. She explained that this should help facilitate passing the RAP tax as the cities that used VBM in the last election cycle experienced a much larger voter turnout. She stated that the legislature changed the law in the last legislative session so that a municipality wouldn't have to pay for return postage for ballots if an election center is used on election day. Ms. Banasky reported that would be a cost saving to the City. A discussion was held regarding the pros and cons of the VBM election and whether to pay for the return postage. Consensus was reached to have Vote By Mail and pay the return postage.

Robert Ranc reported that the Agenda Management software and Council Streaming Video budget items were also included in the tentative budget. He stated that he contacted other cities who have video streaming of their Council meetings and they don't have numbers of how many citizens watch it. Councilor Hancock feels it is about transparency and not about how many people watch it. Councilor Condie agrees. Councilor Southwick stated that he feels exactly opposite. Councilor Johnson feels that is a lot of money to spend when residents can come to the meeting.

Community Relations

Erin Wells reported that there is an increase in the budget of \$30,500 for Round-up. She stated that this amount reflects what is actually spent each year.

Leisure Services

Robert Ranc reported that this budget includes a one-time 3% pay increase for part-time employees. He stated that the Senior Center has requested a part-time employee. He stated that the parking lot at the Outdoor Pool will be expanded. He stated that the Library remodel and Literacy Center move are related as the bank building and library will need to be renovated once the Literacy Center moves from the Library to the old bank building.

b. Finance (Accounting, Treasury, Information Technology)

Dave Sanderson reported that they are requesting to add a part time person in Finance. He discussed the general finances of the City and stated it is financially sound. He reported that he is proposing to reduce the sewer fee by \$3.00 and increase the water fee by \$2.00 and Pressurized Irrigation fee by \$1.00. He is suggesting to implement a tier

system on the culinary water schedule for residents that use above 30,000 gallons per month. He stated that this would affect about 200 residents and their bill would increase once they reach 30,000 gallons.

c. Legal Services (Criminal, Civil, Risk Management)

Ryan Wood reported that his budget is status quo. There is an increase in office supplies and chairs for their new office space. He stated that the insurance rate in the Risk Management budget has been increased to reflect what the City actually pays.

d. Justice Court

Judge Nielsen had a trial and this item will be heard later.

e. Police

Darren Paul stated that the most significant change is adding three new officers and the other large item is the building renovation. Councilor Southwick inquired if adding the new officers would reduce overtime. Chief Paul replied he isn't changing the overtime budget, but he believes they can manage the overtime more wisely with the addition of the new officers. He wants to use the overtime for emergency situations. He stated that the Bailiff services at the court are now being contracted out, which frees up one of his officers to put back on the street. Councilor Revill inquired if more school crossing guards would be needed with the new elementary schools being built. Chief Paul replied that the boundary changes allowed for the elimination of some crossing guard stations and they can reassign them to the new areas.

f. Fire

Jeremy Craft reported that he is requesting two new Battalion Chief positions. He stated that will allow each shift to have a Battalion Chief. He is also asking for five part-time personnel to with each one working a 12 hour shift to help with the ambulance transports for the new hospital. He stated that he will use overtime money to staff a third ambulance at ½ transport a day that would be paid for. Councilor Condie inquired as to why there was only one vehicle request for two Battalion Chiefs. Chief Craft replied that he was going to provide a vehicle for each Battalion Chief to take home but he pulled the vehicles off and asked for one additional vehicle as he already has one that can be used and they won't take the vehicles home. A discussion was held regarding the ambulances. It was reported that a new ambulance was budgeted in the Fleet budget. Councilor Condie reported that they funded SCBA's last year and wondered why there was another budget item. Chief Craft replied that last year's budget along with a grant funded 100% replacement of the SCBA's last year. He explained that this year's request is for a fit testing machine to test the masks. Councilor Hancock inquired if the budget item is to design station 83. Chief Craft replied that budget item is the money to design it. A discussion was held regarding where the new station 83 should be built as the City paid a lot of money for a piece of land near Traverse Mountain and Chief Craft reported that it might be better suited on the west side of the freeway near 2100. Chief Craft reported that he won't have it designed until he knows the location. He reported on an emergency notification system budget item that is a reverse 911 system that can be used by both fire and police.

e. Justice Court

Dave Sanderson reported that the Bailiff service is now being contracted out and the Court is not using a Lehi City police officer. He stated there is a drop in the Capital Outlay budget as the Court is not funding any equipment.

Mayor Wilson called for a dinner break.

The meeting recessed at 5:48 p.m.

The meeting reconvened at 6:10 p.m.

g. Development Services (Economic Development, Building)

Doug Meldrum reported that the Economic Development and Building Department budgets are status quo. He reported on the economic development projects in the City.

j. Power

Joel Eves gave a presentation on where the Power Department has been, where they are now, and where they are going. He reported that their overall budget increased \$2,150,000 of which almost \$9 million is due to the power purchase. He is asking for three positions and to build up reserves. He reported that they are looking at internal power generation in the next five years. Councilor Condie asked for the internal generation monies to be identified in a separate line item.

i. Planning

Kim Struthers reported that he is asking for two pay advancements for Mike West and Tippe Morlan as they have met the requirements to move from Planner 1 to Planner 2.

h. Engineering

Lorin Powell reported that he is requesting an additional GPS unit.

k. Public Works (Water, Streets, Parks, Fleet)

Todd Munger discussed the vision of the Public Works Department. Lorin Powell discussed the road, culinary water, sewer, pressure irrigation, drainage, impact fees and payment in lieu budgets. Steve Marchbanks discussed the parks, cemetery, and buildings budget requests as well as the impact fee budgets for those departments. Wade Allred discussed the Class C roads budget. Jeremy Estes stated that they are asking to replace 17 vehicles in the Fleet Department. Lee Barnes discussed the requests from the water department. Mr. Munger discussed the centralization of the Public Works Department.

Council Questions

Councilor Johnson discussed the new logo and the cost of the rebranding process. He feels there are a lot of fees associated with the rebranding of the new logo. Councilor Revill stated that was one of the priorities that was brought up at the Council Retreat so there wouldn't be old and new logos throughout the City. Councilor Condie stated that when he talked to people, no one understood the old logo. He feels they can put a story behind the new logo and identify Lehi. Councilor Hancock stated that he loves the new look of the police cars. Councilor Johnson agrees that it looks nice, but is concerned about the expense of rebranding. Councilor Hancock inquired if budget request for FY2016 will finalize the rebranding process. Robert Ranc replied that staff had planned to replace the logos as needed, but the direction that the Council gave at the retreat was to implement the rebranding

process by the end of FY2016. He reported that the budget request of \$151,273 will make that happen.

Councilor Johnson discussed the need for maintenance on items that the City has requested. He proposed having someone on staff to do research and analyze what makes sense for the future. Councilor Revill inquired what that process would be. Councilor Johnson stated that he is not sure, but it seems like a rational approach to have someone who does that.

4. Adjournment

With no further business to come before the City Council at this time the meeting adjourned at approximately 8:35 p.m.

Approved: May 26, 2015

Attest:

Bert Wilson, Mayor

Marilyn Banasky, City Recorder