



AMENDED

**CITY COUNCIL MEETING WORK SESSION AGENDA
MAY 05, 2020 AT 6:00 PM
505 EAST 2600 NORTH
NORTH OGDEN, UT 84414**

PUBLIC IS INVITED TO ATTEND BY:

Click the link below to join the webinar:

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Webinar ID: 836 6242 6544

<https://www.youtube.com/channel/UCriqbePBxTucXEzRr6fclhQ/videos>

Welcome: Mayor Berube

Invocation & Pledge of Allegiance: Council Member Ryan Barker

WORK SESSION AGENDA

1. Public Comments*
2. Discussion and/or action to consider the opening of the Aquatic Center
Presenter: Council Member Swanson
3. Discussion on Fiscal Year 2021 Budget
Presenter: Jon Call, City Manager/Attorney
4. Discussion on Property Tax
Presenter: Evan Nelson, Finance Director
 - a. Public comments**
 - b. Mayor/Council comments
5. Discussion on Solid Waste
Presenter: Jon Call, City Manager/Attorney
6. Public Comments*
7. Council/Mayor/Staff Comments
8. Adjournment

****Please see notes regarding Public Comments rules and procedure***

The Council at its discretion may rearrange the order of any item(s) on the agenda. Final action may be taken on any item on the agenda. In compliance with the American with Disabilities Act, needing special accommodation (including auxiliary communicative aids and service) during the meeting should notify Annette Spendlove, City Recorder at 782-7211 at least 48 hours prior to the meeting. In accordance with State Statute, City Ordinance, and Council Policy, one or more Council Members may be connected via speakerphone or may by two-thirds vote to go into a closed meeting

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the North Ogden City limits on this 4th day of May, 2020 at North Ogden City Hall, on the City Hall Notice Board, on the Utah State Public Notice Website, at <http://www.northogdencity.com>, and faxed to the Standard Examiner. The 2020 meeting schedule was also provided to the Standard Examiner on December 22, 2019. S. Annette Spendlove, MMC, City Recorder

Public Comments/Questions

- a. Time is made available for anyone in the audience to address the Council and/or Mayor concerning matters pertaining to City business.
- b. When a member of the audience addresses the Mayor and/or Council, he or she will come to the podium and state his or her name and address.
- c. Citizens will be asked to limit their remarks/questions to five (5) minutes each.
- d. The Mayor shall have discretion as to who will respond to a comment/question.
- e. In all cases the criteria for response will be that comments/questions must be pertinent to City business, that there are no argumentative questions and no personal attacks.
- f. Some comments/questions may have to wait for a response until the next Regular Council Meeting.
- g. The Mayor will inform a citizen when he or she has used the allotted time.

NORTH OGDEN CITY STAFF REPORT

TO: City Council
FROM: Jonathan Call, North Ogden City Manager
DATE: 4/30/2020
RE: Budget Cuts

Since the April 14, 2020 Council budget discussion staff has been looking at options related to ways to reduce expenditures to help with the potential reduction in sales tax revenue. There are some decisions which the staff or Council have already made which help in the discussion process. In the initial discussions at the staff level we were looking at potential revenues significantly higher than we are now. Because of that we have eliminated several items, some requests for new positions, and several other requests.

We are now at a point where staff needs some guidance from the Council on the direction it would like to take regarding the remaining shortfall from sales tax and other revenues. The following is not meant to be an exclusive list of cuts and delayed expenditures, but is intended to provide some talking points for the Council to consider.

Potential Cuts

- Potential reductions in elected officials stipends
- Potential reductions in employee 401k matches
- Potential changes to vacation and sick leave cashing out (employees are currently allowed to cash out 40 hours in each category)
- Potential elimination of Market Wage adjustments (currently planned for 30 or so full and part time employees)
- Allow for employees to voluntarily reduce hours and keep employment status and benefits (also considering what is appropriate threshold to qualify for benefits)
- Mandatory reduction in hours.

Many of the items listed above would have an impact in the compensation packages for employees. For that reason I am hoping that Council members will come ready to discuss the various options as well as any additional items you may have seen in the past or even just a ranking of the above items of where you would recommend we focus the efforts in the budget process.



NORTH OGDEN CITY STAFF REPORT

TO: CITY COUNCIL
FROM: EVAN NELSON, FINANCE DIRECTOR
SUBJECT: PROPERTY TAX RATE

DATE: 5/5/2020

The Budget discussion on May 5th will include a discussion on the City's property tax revenue. Property tax is one of the major sources of revenue for the General Fund and related capital projects.

How It Works

The City has a property tax rate which is applied to the value of all taxable property in the City. As property values increase or decrease, the system is set up to adjust the tax rate to essentially guarantee that the City will receive the same amount of revenue. Revenue does increase, however, as new growth occurs. If the City Council determines that more revenue is needed than the guaranteed amount, they go through the Truth in Taxation process to modify the rate. Truth in Taxation is a process through which the public is notified of a proposed tax increase and given an opportunity to comment on the proposal in a public meeting.

Recent History

In recent years the City Council has elected to accept the certified tax rate. This is the rate that guarantees the same amount of revenue as the previous year, plus revenue generated by new growth. Here are the rates and calculated revenue amounts:

	2015	2016	2017	2018	2019
Rate	0.001485	0.001384	0.001289	0.001156	0.001082
Revenue	\$ 1,062,730	\$ 1,097,505	\$ 1,128,468	\$ 1,174,195	\$ 1,218,856

Property Taxes in 2020

As part of the budget process, the City Council will approve a property tax rate. Here are some options:

1. Accept the certified rate, resulting in an estimated increase in revenue of \$48,000 from new growth. Average annual residential increase = \$0.
2. Maintain the current tax rate, resulting in an estimated increase in revenue of \$73,000, which includes new growth. Average annual residential increase = \$11.54.
3. Select a different amount of revenue to generate. Every \$100,000 in increased revenue is estimated to require an average annual residential increase of \$15.81.

Please keep in mind that these amounts are estimates and averages only. The true impact would vary according to property value. The County will provide more accurate valuation and revenue data at the beginning of June, which will improve our calculations.

If the Council elects to go through the Truth in Taxation process to consider increasing the tax rate, final budget approval will be postponed until August, according to State law.

Even though final approval of the tax rate would not happen until August, staff would like to receive Council direction on the amount of property tax revenue to include in the Tentative Budget.

NORTH OGDEN CITY STAFF REPORT

TO: City Council
FROM: Jonathan Call, North Ogden City Manager
DATE: 4/30/2020
RE: Garbage Services and Fees

The Council has made the decision to move forward with offering in house garbage services. As shown in Council Meeting every indication is that we are actually able to provide this service cheaper than the current contract by \$20k-\$50k. It was also identified that there are some issues surrounding billings for additional cans as well as picking up additional cans around the City which may cause potential issues. This agenda item is intended to clarify those issues so staff has some direction moving forward.

Picking Up Cans

The Staff is very concerned about the possibility of collecting “extra” cans back into the Public Works Area. We currently have the capacity to hold somewhere between 100 and 150 cans in accordance with storm water protection provisions. We can possibly find additional locations, however, if we were asked to collect 3,000 cans from the residents we would pretty much only have the option of disposing of the cans by sending them to a plastic recycling facility.

Extra Can Fees

It was identified that there are some residents who pay for an extra can in a way which is more than the cost of the first two cans. Currently monthly billing is \$12.39 for two cans, and \$19.33 for an additional trash can. The additional can was intended in some ways to be cost prohibitive to assist in encouraging recycling based on discussions by previous councils. With recycling being eliminated the Council should revisit this discussion. Currently the City receives just over \$188,000 in money from the additional trash can fee. If that number was to reduce or be eliminated there needs to be some discussion of how to make up for that lost revenue, because the indicated cost savings are not likely to be enough to cover the difference.

Future Recycling

Tied to the discussion on picking up cans is the struggle with bringing recycling back online, if we ever decided to go that route again. Specifically the trash cans and recycling cans cost around \$83 to purchase. If we got rid of 3000 cans we would be required to spend \$249,000 to replace those cans to start a recycling program again. No one can anticipate the future of recycling at this point, however, staff thinks we need to make sure we are not adding costs by throwing away



cans so we want to be sure to keep the Council in the loop on those types of ramifications of throwing away extra cans we don't have anywhere to store.

Old Public Works Building

We are also evaluating covered storage options for the garbage trucks at the old public works site and we expect to propose some recommended changes to a few of the sheds to provide the cover for the new trucks without constructing entirely new buildings. We will have more information at a later date.