

MURRAY
CITY COUNCIL

Budget & Finance Meeting Budget Reviews

April 25th and 26th
2023



MURRAY
CITY COUNCIL

MURRAY CITY MUNICIPAL COUNCIL
BUDGET AND FINANCE COMMITTEE
FISCAL YEAR 2023-2024
NOTICE OF MEETING

PUBLIC NOTICE IS HEREBY GIVEN that the Budget and Finance Committee of the Murray City Municipal Council will meet on Tuesday, April 25, 2023 at 12:30 pm in the Council Chambers at the Murray City Center, 5025 South State Street, Murray, Utah.

Meeting Agenda

Pam Cotter conducting

Approval of Minutes

May 4, 2022 Budget and Finance Committee Meeting

May 11, 2022 Budget and Finance Committee Meeting

Budget Overview – Brenda Moore (45 minutes)

Department Budget Reviews:

1:15 pm	Parks and Recreation – Kim Sorensen
2:00 pm	Attorney's Office – G.L. Critchfield
2:15 pm	Break
2:30 pm	Public Works – Russ Kakala
3:15 pm	Fire Department – Chief Joey Mittelman
3:45 pm	Library – Brenda Moore
4:00 pm	Information Technology – Robert White
4:30 pm	Finance and Administration – Brenda Moore

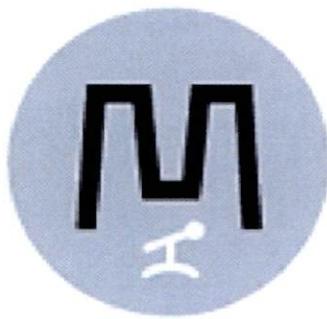
Adjournment

NOTICE

SPECIAL ACCOMMODATIONS FOR THE HEARING OR VISUALLY IMPAIRED WILL BE MADE UPON A REQUEST TO THE OFFICE OF THE MURRAY CITY RECORDER (264-2660). WE WOULD APPRECIATE NOTIFICATION TWO WORKING DAYS PRIOR TO THE MEETING. TDD NUMBER IS 801-270-2425 or call Relay Utah at #711.

On Friday, April 21, 2023, at 9:00 a.m., a copy of the foregoing notice was posted in conspicuous view in the front foyer of the Murray City Center, Murray, Utah. Copies of this notice will be provided for the news media in the Office of the City Recorder and sent to them by email. A copy of this notice will be posted on Murray City's internet website www.murray.utah.gov, and the state noticing website at <http://pmn.utah.gov>. Fiscal Year 2023-2024 Tentative Budget is available for inspection at www.murray.utah.gov.

Jennifer Kennedy
Council Executive Director
Murray City Municipal Council



MURRAY
CITY COUNCIL

Approval of Minutes



**MURRAY CITY MUNICIPAL COUNCIL
BUDGET AND FINANCE COMMITTEE
FISCAL YEAR 2022-2023**
Budget Reviews - Meeting Minutes

**Tuesday, May 4, 2022
Murray City Center
5025 South State Street, Conference Room, Murray, Utah 84107**

DRAFT

Attendance: Council Members and others:

Rosalba Dominguez – Chair	District #3
Pam Cotter - Vice Chair	District #2
Kat Martinez	District #1
Diane Turner	District #4
Garry Hrechkosy	District #5

Brett Hales	Mayor	Jennifer Kennedy	City Council Executive Director
Doug Hill	Chief Administrative Officer	Pattie Johnson	Council Administration
Brenda Moore	Finance Director	Kim Fong	Library Director
Tammy Nakamura	Mayor CCO	Jenefer Reudter	Legal Admin Supervisor
Briant Farnsworth	Deputy Attorney	Robyn Colton	HR Director
Emily Barton	Finance - Controller	Brooke Smith	City Recorder
Kim Sorensen	Parks & Recreation Director	Rob White	IT Director
Jared Hall	CED Director / RDA Agency	Blaine Haacke	Power - General Manager
Danny Astill	Public Works Director	Bruce Tuner	Power – Operations Manager
Greg Bellon	Power – Assistant General Mgr.	Karen Gallegos	Courts – Lead Clerk
Chief Mittelman	Fire Chief	Craig Burnett	Police Chief
John Pearson	Golf Course	Dave Carruth	Golf Course
Lori Edmunds	Cultural Arts	Bruce Holyoak	Park Superintendent
Soni Hirasuna	Recreation Director	Kristine Jones	Parks & Recreation
Cory Well	Water Division	Ben Ford	Wastewater Division
Cody Pearson	Fleet Maintenance	Lane Page	Parks Department
Jeff Martin	Parks & Recreation	Stephen Olson	Fire Department
Travis Bodtcher	Fire Department	Kristin Reardon	Police Administration
Doug Roberts	Police Department	David Florin	Fire Department
Mike Obrey	Police Department		

Conducting: Ms. Dominguez called the Budget and Finance Committee Meeting to order at 9:00 a.m.

Budget Overview: Ms. Moore provided an overview of the proposed budget. She reviewed governmental, enterprise and internal service funds, and stated that this budget includes a proposed property tax increase. She reminded Council Members that each enterprise fund was designed to be self-sustaining and explained how the GF (General Fund) charges administrative fees to each enterprise fund from all departments in the City for various administrative services. She noted the RDA (Redevelopment Agency) budget, and the MBA (Municipal Building Authority) would be discussed and considered during separate public hearings. Ms. Moore highlighted the following:

- **Fund Summary:**

- General Fund:
 - The GF is balanced, and no reserves would be utilized for the fiscal year 2022-2023 budget.
 - CIP (Capital Improvement Projects): \$11,830,640 will be utilized for various projects.
- Internal Service Funds:
 - Central Garage: \$30,000 will be used to purchase equipment, leaving a balance of \$40,000.
 - Retained Risk: No change, end balance: \$1,374,262.
- Special Revenue Funds:
 - Library: No property tax increase is being proposed this year.
 - MBA: \$10,617,000 was allocated for new city hall construction costs; remaining funds will be moved as construction continues.
 - RDA: No major projects this year.
- Enterprise Funds:
 - Power: \$14 million from reserves will be used for power projects and to purchase power.
 - Murray Parkway/Golf Course: The fund will begin generating revenue once the sprinkling system is paid for.
 - Solid Waste: The fund balance is starting to build up once again, which will help with long-range changes to garbage disposal.
 - Storm Water: \$1 million in ARPA (American Rescue Plan Act) money will be allocated to the fund that will help with anticipated projects.

- **General Fund Summary:**

- Last years' budget projections were that the City would utilize \$5.9 million of fund balance that included rollovers. Instead \$1.3 million was gained.
- This years' budget was balanced by implementing a 20% property tax increase of \$1,885,192; and by not transferring \$3,983,046 of the .2% sales tax revenue to the CIP.
- The GF would be balanced at \$13,900,165, which provides a 26% ending balance in reserves and includes a proposed 7% COLA (Cost of Living Adjustment).
- Sales Tax revenue transfer: Ms. Moore reviewed a decision made years ago that once the new city hall building was completed in 2023, the City's .2% sales tax revenue allotment would be transferred to the MBA for making city hall bond payments, instead of to the CIP. The annual city hall building payment is \$1.885 million on a 30-year bond. She explained originally the .2% transfer to the CIP was intended for catching up on maintenance projects and old vehicle replacements, with the understanding that it would stop by 2030.
- GF Revenue: The majority of revenue comes from Property Taxes = 20%; Sales Taxes = 40%; and Enterprise funds transfers = 8%. Ms. Moore noted property tax revenue as very steady and sales tax revenue as volatile. She said due to the number of car dealerships located in Murray, the City's sales tax could be negatively affected if people stopped buying cars. If we were unable to do the enterprise fund transfers, a possible 45% property tax increase could be required.
- GF Expenditures: Personnel costs = 65%. Operations = 20%. Debt Service = 8% that includes the city hall bond payment. Transfers Out = 7%. The City also pays the RDA for the property that the new city hall is sitting on.

- **Property Tax:**

- Ms. Moore said property tax does not adjust with inflation. The only increase in the amount of

property tax the city receives is due to growth and in the last three years the city increase in property tax revenue due to growth was \$109,000.

- Out of 17 cities in the Salt Lake valley, Murray sits lower than 12 others with a rate of .001608%. She noted differing factors like police and fire departments and libraries and water services can affect the amount of property tax cities charge. If Murray did not independently provide these services, citizens would be obligated to pay district and county fees for them.
- With a proposed 20% property tax increase this year, Murray's property tax rate would be .001930.
- A conversation occurred about how county property taxes are calculated for various house values; how they are evaluated, increased, and decreased, and how they are implemented and allocated to various entities. Council Members discussed citizen perception and the issue of other recent rate increases for power, water, and stormwater services. A 12-month consumer price index was analyzed since the last increase.
- The proposed property tax increase amount of \$1.8 million only covers the increased cost, due to salary pressures, for public safety personnel. The item was placed on contingency.

- **Personnel:** Ms. Moore highlighted items for consideration:
 - New position requests include: One police officer, two Public Works employees, one recreation coordinator and two positions related to the Murray Theater. All requests were placed on contingency.
 - Funding: Overtime, standby and specialty pay; holiday bonuses and retirements, the sick leave payout, and a 7% COLA increase. The COLA increase was placed on contingency.
 - Wage adjustments for two positions: One building official and one building inspector, because building inspectors often leave for higher wages. Total annual wage difference is \$16,973.
 - Funding the Step-plan: The goal for maintaining the step plan is keep employee pay ranges at average of market. The average merit increase is estimated to be approximately 2.01%.
- **CIP Fund:**
 - Funding sources that come from the GF are:
 - .2% of sales tax revenue – but that will discontinue in 2023.
 - Transportation sales tax revenue – Restricted to road projects only.
 - Any fund balance amount over 26%.
 - There was a conversation about how the CIP originated, how it operates, how it is regulated and how funding should be implemented to help departments save for projects or equipment that generally take multiple years to pay for.
 - A five-year projection chart was viewed. Ms. Moore noted that if all requests are funded the ending fund balance for FY 22–23 will be approximately \$5.2 million.
 - Next year's CIP requests total \$15 million, which would leave a negative balance of \$5.1 million. Ms. Moore explained the negative fund balance is reflective of significant requests like remodeling Ken Price ball field and the Armory project.
 - Park Impact Fees: No new projects have been budgeted because revenue must be used on new facilities and new amenities.

Ms. Moore acknowledged the current uncertain economic situation and concluded with concern that sales tax revenue may not increase like it did in 2019 and pre-pandemic years.

Department Budget Reviews:

- **Attorney's Office** – Mr. Farnsworth presented a flat budget. He confirmed there were no concerns regarding attorney retention. He noted one significant increase to the City's liability insurance deductible, which increased from \$250,000 to \$350,000.
- **Parks and Recreation Department** – Mr. Sorensen reviewed the following highlights for all divisions in his department.
 - Part-time Wages: An increase of 15% is proposed within all parks divisions. This is due to a new minimum starting wage of \$12 per hour that was implemented several months ago. Mr. Sorensen said the increase has helped to retain part-time and seasonal workers, but it has not resolved the labor shortage. The previous starting wage was \$8.50.
 - Parks Division:
 - Travel & Learning: ↑138% due to new CDL (Commercial Driver's License) requirements.
 - Maintenance of buildings and grounds: ↑ 67%. Parks workers will begin assisting the Power department arborists who no longer have time to maintain all city park trees in landscaped areas and along the Jordan River. The increase also occurs in cemetery and golf course budgets for tree maintenance expenditures.
 - Fun Days: ↑ 25% to cover inflated costs for fireworks, stage rental and porta potty rentals.
 - CIP Requests:
 - Armory renovation = \$500,000. Funding will allow development plans to move forward with repurposing the building. The facility would become a center for hosting weddings, private meetings, and dinner party events. The request was placed on contingency.
 - Storage Building = \$1.2 million. A new storage facility would replace the Armory. The item was placed on contingency.
 - Parks Center: Budget is status quo.
 - Recreation:
 - Travel & Learning: ↑116% to allow recreation coordinators and staff to attend the Utah Recreation Parks Association Convention.
 - Staffing: One full-time recreation coordinator position was requested.
 - Miscellaneous: \$10,000 for annual recreation banquet.
 - Arts & History: The budget is status quo other than:
 - Operations: Local Arts Programs: ↑40% to cover escalating costs.
 - CIP:
 - Murray Mansion: Request = \$500,000 for final upgrades.
 - Senior Recreation Center: Meals: ↑22% due to inflation. Lunch tickets will increase \$1.
 - Cemetery: Buildings & Grounds Maintenance: ↑250% for tree maintenance.
 - Theater Division:
 - The new division would oversee the Murray Theater and the outdoor amphitheater. There was a lengthy discussion about the history of the Murray Theater and how renovation ideas came about. Other items that were discussed included: renovation costs, operating expenses, theater programming, parking concerns, and fundraising options. It was noted that this project is listed in the Parks and Recreation Master Plan.
 - Staffing: Two positions are requested; one theater manager and one technical manager.
 - Funding: Mr. Sorensen stated the City would not bond for the project. Currently plans are underway to organize fund raising and to design the venue. So far Salt Lake County grant funding is \$3.6 million + City savings of \$2 million = \$5.2 million.

- Renovations are contingent upon CIP funding approval. The item was placed on contingency.
- **Public Works** – Mr. Astill discussed all division budgets and highlighted the following:
 - Streets:
 - Travel & Learning: ↑50% for new CDL testing and training requirements.
 - Staffing: Request for two positions; one lead concrete worker, and one crew member.
 - Class C Roads: \$400,000 budgeted for sidewalks and ramp replacements.
 - Water Fund:
 - Staffing: Two requests: One part-time office administrator and one part-time position to move into full-time.
 - Building & Grounds: Landscaping costs have increased. Because the City does not have enough manpower to keep up with all City properties much work will be contracted out.
 - Wastewater Fund: Projected revenue is expected to meet all budget needs for the coming year. Reconstruction is ongoing to upgrade the Central Valley Water Reclamation Facility and recent fee increases contribute to that project.
 - Solid Waste Fund: Requested additional part-time and seasonal help. Mr. Astill noted the cost has doubled for garbage cans and a shortage of garbage cans has caused a delay in getting more.
 - Storm Water Fund: No significant changes were made to the budget. Storm water improvement projects continue to move forward.
- **Human Resources** – Ms. Colton said the budget remains neutral except for one minor change:
 - Professional Services: ↑200% to hire a health insurance broker to help analyze health, dental, life and disability insurance costs. The City recently did this and as a result, the City saved \$170,000 on health insurance premiums.
 - Ms. Turner led a conversation about why a 7% COLA was requested. Ms. Colton said comparatively the proposed amount was right in line with what other cities are implementing this year. If the City did not keep up with the market rate, Murray wages would fall behind other city wages that would cause a loss in personnel to Murray. Mr. Hrechkosy agreed the City should be competitive in pay and believed most private companies would only implement a COLA between 3% and 5% this year; he requested the item be placed on contingency.
- **Information Technology** – Mr. White discussed all division budgets and highlighted the following:
 - IT:
 - Overtime: ↑100% for relocating all computer systems to the new city hall building that will occur after hours and on weekends.
 - Software Programs: ↑18% for transitioning to Microsoft Office 365 Government and for increasing software maintenance agreement costs. The increase includes \$45,000 to improve the City's cyber security. Mr. White noted ransomware is on the rise for municipalities and offsite backups have been instituted as well.
 - Travel & Learning: ↑22% to allow more staff to attend conferences and various classes.
 - GIS: Status quo budget with the exception of Full-time Wages which is ↑10%.
- **Courts** – Ms. Gallegos reported an unexpected clerk position not reflected in her budget. CIP requests were discussed:
 - Replace kitchen cabinets = \$10,000. Cabinets in the kitchen that is also the jury room, are rotting and damaged from major water leaks. Leaks are repaired and countertops also need replacing.

- Upgrade Audio System. \$19,119 is currently available in savings, but they need a total of \$81,000. The request was placed on contingency.
- **Power Department** – Mr. Haacke reported no significant increases and highlighted the following:
 - Power purchases: Annual Cost = \$25 million. Staff pre-purchased power to avoid escalating fuel prices.
 - CIP: Request = \$7.9 million. Several major CIP and maintenance projects were requested that include upgrading the meter reading system, vehicle replacements, several substation rebuilds, hydro repair, LED streetlights, and emergency substation equipment.
- **CED (Community and Economic Development) and RDA** – Mr. Hall discussed all division budgets and highlighted the following:
 - CED: The budget remains status quo.
 - Building: No major changes to report. One position request for an administrative assistant to help with building inspections due to lack of building inspectors.
 - CIP: Code enforcement is saving for a new truck.
 - Planning & Licensing: No major changes to the budget. There is one unfilled planner position and promotions are being considered.
- **Fire Department** – Chief Mittelman said the budget is in good shape and highlighted the following:
 - Personnel: ↑ 5%. After two significant retirements, the department is being reorganized so there is currently no assistant fire chief.
 - Part-time Wages: ↑36% for restarting the cadet program and increasing fire prevention efforts.
 - Overtime: ↑20% to better align with actual costs.
 - Physicals: ↑35% due to increased medical and screenings costs; the line item now includes expenses for mental health evaluations that used to be itemized in professional services.
 - CIP: Request = \$1 million. Five purchase requests include one staff vehicle, replace one ambulance with new ambulance, upgrade car radios to match new system, breathing apparatuses and extrication tools.
- **Police Department** – Chief Burnett discussed changes to the budget:
 - Personnel: ↑ 6%. Request for one additional officer.
 - Training Center Supplies: ↑14% due to inflation.
 - Medical Services: ↑500% (\$15,000). The request will ensure that a new required mental health program can be implemented with the Partridge Group.
 - Life Skills Program: ↓29%. The program replaces the DARE program and is less expensive.
- **Library** – Ms. Fong reported small adjustments to her budget:
 - Staffing: Duties will increase for one customer service librarian. One person will be promoted from associate librarian to assistant librarian; wage increases pending after work reviews.
 - Part-time Wages: ↑16%. To ensure that all part-time employees make \$12 per hour.
 - Library Programs/Materials: ↑8% due to inflation.
 - CIP: Request = \$155,000. Remodel staff area and replace 16 HVAC system units as they fail.
- **Mayor's Office** – No significant change. Mr. Hill explained the Budget Addendum to the Council.
 - Budget Addendum: Donations to non-profit entities are considered by the Council during a public

hearing. The Council reviewed donations to several entities and groups. A new request was noted by Mayor Hales to include the Murray Volunteers of America facility that is a women's shelter in Murray. There was a discussion about in-kind gifts, dollar amounts, and types of organizations that receive gift funding that resulted in putting the entire Budget Addendum on contingency for further review.

- **City Council Office** – Ms. Kennedy noted very little change in the budget and explained:
 - Oath of Office: Since it would not be an election year, accounts related to the ceremony would be reduced:
 - Miscellaneous: ↓18%.
 - Meals: ↓13%.
 - Supplies: ↑20% due to inflation.
 - Small Equipment: ↓68%. A new printer was purchased this fiscal year.
 - Travel & Learning: Ms. Martinez led a discussion to propose that the City Council's travel and learning budget be reduced from \$46,000 to \$20,000. She said this would cut \$26,000 from the travel budget that would better match other programming in the City. She felt uncomfortable with the current amount because comparatively it is significantly higher than other departments with more employees like police, fire, public works, and the parks department who also require travel and training. She suggested alternating attendance each year, rather than sending all Council Members to Washington, D.C., and St. George; then Council Members could report back to the entire group about what was learned. Ms. Moore agreed the Council travel budget was significantly more comparatively. It was noted that the amount budgeted was not always spent because not all Council Members attend all conferences due to conflicting schedules. There was consensus that resulted in no support for the proposed budget reduction request.
- **Finance and Administration** – Ms. Moore explained various line items related to four divisions:
 - Finance:
 - Full-time wages: ↑18% for an expected retirement payout and a one month overlap of the position.
 - Professional Services: ↑100% for payment to the City's auditor for services throughout the rest of the fiscal year. Last year the payment came from non-departmental expenses.
 - Travel & Learning: ↑11% for two people to attend a State and National conference and online classes.
 - Treasury: Full-time Wages: ↓24% due to one retirement.
 - Recorder: Part-time Wages: ↑121%. Two part-time positions are required in the passport office.
 - Utility Billing: Contract Services: ↑60% to outsource all utility billing printing and mailing services.

Final Questions or Discussion Items: Council members discussed and confirmed items placed on contingency to be addressed Wednesday, May 11, 2022 at 3:30 p.m. Items included the COLA amount, property tax increase, new position requests, finance department salaries, courtroom audio upgrade, Mayor's Budget Addendum, Parks Department storage building, Armory building plan and Murray Theater remodel.

Adjournment: 5:03 p.m.

Pattie Johnson
Council Office Administrator III



MURRAY CITY MUNICIPAL COUNCIL
BUDGET AND FINANCE COMMITTEE
FISCAL YEAR 2022-2023
Budget Contingency - Meeting Minutes

DRAFT

Tuesday, May 11, 2022
Murray City Center
5025 South State Street, Council Chambers, Murray, Utah 84107

Attendance: Council Members and others:

Rosalba Dominguez – Budget Chair	District #3
Pam Cotter - Budget Vice Chair	District #2
Kat Martinez	District #1
Diane Turner	District #4
Garry Hrechkosy	District #5

Brett Hales	Mayor	Jennifer Kennedy	Council Executive Director
Doug Hill	Chief Administrative Officer	Pattie Johnson	Council Administration
Brenda Moore	Finance Director	Karen Gallegos	Courts – Lead Clerk
Tammy Kikuchi	Mayor CCO	Chief Mittelman	Fire Chief
Danny Astill	Public Works Director	Robyn Colton	HR Director
G.L. Critchfield	City Attorney	Brooke Smith	City Recorder
Kim Sorensen	Parks and Recreation Director	Emily Barton	Finance
Isaac Zenger	IT	Kim Fong	Library Director
Lori Edmunds	Cultural Arts	Advisory Board Members	
Residents			

Conducting: Ms. Dominguez called the meeting to order at 3:30 p.m. to discuss contingency items from the previous budget meeting. The following items were reviewed:

Property Tax Increase – Ms. Moore summarized that the proposal for a 20% property tax increase would net the City approximately \$1.885 million. The Reason for this request is because of general inflation in police and fire salaries that has been ongoing since 2019.

Council Members analyzed what the allocation to the GF (General Fund) would look like if the proposed property tax increase of 20% was lowered to 10% or 15%. They discussed how reducing it now would affect other aspects of the budget and affect future property tax increases. Ms. Moore said she preferred implementing a 20% increase because annual costs to the City continue to rise; and the longer a property tax increase was delayed the higher the next one would be.

She said the .2% sales tax revenue transfer to the CIP (Capital Improvement Projects) Fund was initially scheduled to stop in 2030. Instead, the transfer would go to the MBA (Municipal Building Authority) in 2023 when the new city hall building is completed so it can be used to make the bond payments. She said if the proposed increase was not approved, the Council may be faced with implementing a 30% or 50% property tax increase in 2030 to address lost revenue. This is why she believed increasing the tax

incrementally was the best option. She feared that a coming recession might cause a significant reduction in the City's sales tax revenue, which could result in her request for another tax increase in the future. She said it was challenging not knowing where inflation would be next year and pointed out that the majority of the City's revenue comes from sales tax, so the minute people stop buying cars the City could be in trouble financially.

Ms. Moore said the last property tax increase was 46% and it was done in 2018. Smaller scheduled increases were delayed due to the pandemic so the proposed 20% would help to catch up on cost increases. She agreed reserves would need to be used to balance the budget if the proposed amount was reduced to 15% and more so at 10%.

There was a lengthy discussion about how funding the step plan was most significant to overall cost increases for the City; and that citizens had already been subjected to a significant fee increase for sewer rates. There was understanding that a 10% property tax increase was not sustainable; a 15% property tax increase could be manageable and still leave the City's reserves in good standing; but reluctance was expressed about touching the City's reserves altogether. There was a conversation that the proposed 7% COLA (Cost of Living Adjustment) which was reduced to 5.5% by consensus, should be reanalyzed again if the 20% property tax increase was implemented.

New Position Requests – Ms. Moore reviewed the following that resulted in a consensus to fund all positions below:

- **Police Department**: One police officer – This would bring the force count back to the 2010 level and will allow full staffing of patrol and detectives. Total annual cost with benefits = \$101,791.
- **Public Works**: Two positions requested:
 - One lead worker position – Total annual cost = \$102,645.
 - One equipment operator – Total annual cost = \$98,939.
 - Both positions are intended to create a concrete crew that would conduct work separate from work that is contracted out.
- **Recreation Division**: One recreation coordinator – Total annual cost = \$89,295. The position would create better continuity for programs previously run by interns and would allow for more programs to be offered. It was noted that the position is not new but was brought back to match staffing totals from 2010.
- **Theater Division**: Two positions requested:
 - One theater manager – Total annual cost = \$117,669.
 - One theater technical supervisor – Total annual cost = \$103,664.
 - Ms. Moore noted that if the theater renovation project was not approved for funding the positions would not be filled.

Finance Department Salaries – Initially it was thought that wages for the finance director and the controller position were comparatively low, so the Council requested information from Ms. Colton for analyzing pay amounts to ensure that wages were in line with other municipalities. Ms. Colton reviewed a table to discuss how the step-plan related to both positions. She compared the existing pay amounts to survey information, other municipalities, the market minimum, and the value minimum based on a value score. She explained the City does not have a policy to implement market adjustments each year, but to stay within market pay ranges they are adjusted to position pay by implementation of an annual COLA increase. She noted that many sister cities would offer as much as an 8% COLA this year. There

was consensus that the information was helpful and both salaries would remain unchanged for now.

Update Audio in Courtroom – Mr. White confirmed that the sound system at the Murray Municipal Court needed improving. Ms. Gallegos said there was often disruption in the courtroom that stemmed from people not being able to hear. Mr. White agreed that the existing technology was outdated and the upgrade would benefit many and last for many years. He said equipment like monitors and televisions would need to be improved also to meet AVA (Audio Visual Aid) requirements that would ensure the City is ADA (American Disabilities Act) compliant for the deaf and hard of hearing. He presented information from Gencomm, the company selected for the system purchase, and suggested the best and most cost-effective AVA and ADA option would be one that included: blue tooth, cochlear hearing aids, digital network in the court room and management services. Total cost = \$92,000.

Ms. Moore explained the Courts usually receive \$15,000 per year in CIP funding but money was not allocated for the last two years, due to the pandemic when projects were on hold. With their current savings balance of \$19,000, combined with available CIP money, the expense would not be paid for with property tax money or any other funding method. There was a consensus to fund the CIP request.

Budget Addendum – Mr. Hrechkosy felt every piece to the addendum was worth funding and asked how the new request for Volunteers of America would impact the Murray community; and if the donation amount was enough. Mayor Hales described his visit to the Women's' Shelter which is operated by Volunteers of America. The shelter was well organized, impressive, and helpful to women in crisis. Ms. Turner thought having the center in Murray was important and if necessary, the amount could be increased next year. Ms. Dominguez suggested a representative visit a Committee of the Whole meeting to do a presentation.

Ms. Cotter led a conversation about whether contribution amounts should be reanalyzed for the Boys & Girls Club of Greater Salt Lake and the Murray Chamber of Commerce. She noted each group expanded beyond Murray in several ways. For example, the Murray Boys & Girls Club located in Murray changed its name and receives funding from the Gail Miller Family Foundation. The Chamber expanded to holding functions outside of Murray and requested more funding for events not always held in Murray. Mayor Hales suggested both groups be invited to a Council work session to give updated reports on financials and operating details. Ms. Dominguez said these organizations depend on sponsorships and suggested a possible match sponsorship for specific events.

Mr. Hrechkosy requested all entities be invited to report to the City Council - specifically about how funds provided by Murray are utilized; and what percentage of Murray's donation is of their total fund raised. All Council Members were in favor of hearing from all entities. Ms. Turner confirmed the Chamber had visited the Council in previous years, and Cottonwood High School denied funding from Murray in the past. Ms. Martinez would coordinate with Ms. Kennedy to have all entities provide updates about donation spending and contributions could be reevaluated later. There was consensus to leave all addendum items in place as presented.

Parks Storage Building and Armory Building Plan Development – Mr. Sorensen reviewed that the Parks division had been using the Armory building for a storage facility; and the Recreation division was storing equipment at the old ice rink. A new storage building would accommodate storage for both divisions. This would free up the ice rink that could eventually be repurposed as something else and help move

development plans forward for the Armory to become a new event center. Mr. Sorensen stressed the City has needed a storage space like this for many years and rough estimates indicate that the project would cost approximately \$4 million to complete.

He clarified the CIP request for \$1.2 million would fund construction of a new park storage facility; the CIP request for \$500,000 would fund only the plan development phase of the Armory. A request to fund construction of the Armory would occur in the next budget year.

Mr. Hrechkosy favored the idea of generating revenue for the City and providing a nice center for citizens to rent. All agreed. Ms. Dominguez asked if the Armory project was part of the Parks Master Plan. Mr. Sorensen confirmed. There was favor about new possibilities and a consensus to fund both requests.

Murray Theater Remodel – Ms. Martinez requested a timeline review about the Murray Theater. Mr. Sorensen explained beginning conceptions in 2015 when the City first purchased the theater with RDA funding – and up to current thought processes for the overall renovation. An architect and a contractor were hired in 2019 when grant funding was awarded to Murray City. However, due to the pandemic Salt Lake County pulled the anticipated TRCC (Tourism, Recreation, Culture and Convention) funding of \$3.6 million that delayed the project until now. With reinstated grant money, combined with City savings of \$2 million, funding is currently \$5.6 million. An organization called Pathways was hired to fundraise for the City; Wheeler Equipment has given a \$20,000 donation and parking requirements would include using the post office parking lot to provide 36 additional parking stalls. Currently, the architect has nearly completed a design that would go to bid in June 2022. Once a contractor is selected, he projected that the new theater would be ready in 8 months and open in July 2023.

There was a conversation about the estimated cost of \$10 million. Ms. Dominguez asked if more TRCC funding could be requested from the County. Mr. Sorensen thought it was possible and anticipated that the City would also receive ZAP (zoo, arts, and parks) funding this year. The Council analyzed how the Theater would compare to other theaters like the Egyptian Theater in Park City and Utah Theater in Logan.

Mr. Sorensen said programming ideas include local arts productions, art shows, concerts, movies and plays. Ms. Dominguez wondered about contracting with a management company who could best evaluate renting customers and help ensure that revenue is generated for the City. Mr. Sorensen thought it was a possibility. Ms. Turner expressed concern about a lack of donations and felt involving community participation would be helpful. Ms. Martinez agreed getting larger donors first was key, then smaller asks would come later.

Mr. Hrechkosy led a conversation about the actual operating costs and shared concerns about the theater not producing as expected. Mr. Sorensen said annual operating costs were accurate at \$600,000 to \$800,000, assuming most events were community related. He said programming details could change after the feasibility study was analyzed.

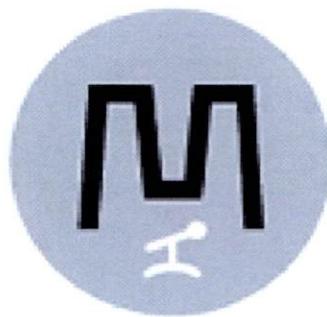
Mr. Hrechkosy wanted to ensure that the Council was being financially responsible if the project was to be funded. He said it was important to him that citizens not become burdened with a venue that might not be financially successful in the future, considering many other cost increases being implemented. He wanted to be supportive but felt the venue was not the solution to the challenges of making downtown Murray a vibrant area like Sugarhouse; and that getting the right programming was imperative for the

theater to generate revenue. He said rather than calling the venue the Murray Theater, and to benefit the project financially, the City should agree to naming it after a significant donor who might consider supporting the project. There was further discussion about whether to move the project forward and more consideration about whether the theater could be the starting point for revitalizing the area.

Conclusion – Ms. Moore would make the appropriate adjustments to the budget as discussed and provide an updated version for Council Members prior to the next council meeting. Mr. Critchfield noted since there was a decision to include two theater positions in the budget, a continued discussion about the theater would not be necessary as planned at the next Committee of the Whole. Mr. Sorensen would report in Committee of the Whole after the feasibility study was completed. Ms. Dominguez added that Council Members should tour the existing facility that would help them understand the renovation project overall.

Adjournment: 5:00 p.m.

Pattie Johnson
Council Office Administrator III



MURRAY
CITY COUNCIL

Adjournment



**MURRAY CITY MUNICIPAL COUNCIL
BUDGET AND FINANCE COMMITTEE
FISCAL YEAR 2023-2024
NOTICE OF MEETING**

PUBLIC NOTICE IS HEREBY GIVEN that the Budget and Finance Committee of the Murray City Municipal Council will meet on Wednesday, April 26, 2023 at 12:30 pm in the Council Chambers at the Murray City Center, 5025 South State Street, Murray, Utah.

Meeting Agenda

Pam Cotter conducting

Department Budget Reviews:

12:30 pm	Power Department – Greg Bellon
1:15 pm	Community and Economic Development and Redevelopment Agency – Jared Hall
2:00 pm	Court – Karen Gallegos
2:15 pm	Break
2:30 pm	Police Department – Craig Burnett
3:00 pm	Mayor's Office – Doug Hill
3:15 pm	City Council Office – Jennifer Kennedy
3:30 pm	Human Resources – Robyn Colton

Review Contingency List – Jennifer Kennedy

Final Questions/Comments for the Budget Officer

Adjournment

NOTICE

SPECIAL ACCOMMODATIONS FOR THE HEARING OR VISUALLY IMPAIRED WILL BE MADE UPON A REQUEST TO THE OFFICE OF THE MURRAY CITY RECORDER (264-2660). WE WOULD APPRECIATE NOTIFICATION TWO WORKING DAYS PRIOR TO THE MEETING. TDD NUMBER IS 801-270-2425 or call Relay Utah at #711.

On Friday, April 21, 2023, at 9:00 a.m., a copy of the foregoing notice was posted in conspicuous view in the front foyer of the Murray City Center, Murray, Utah. Copies of this notice will be provided for the news media in the Office of the City Recorder and sent to them by email. A copy of this notice will be posted on Murray City's internet website www.murray.utah.gov, and the state noticing website at <http://pmn.utah.gov>. Fiscal Year 2023-2024 Tentative Budget is available for inspection at www.murray.utah.gov.

Jennifer Kennedy
Council Executive Director
Murray City Municipal Council