



## **MURRAY CITY MUNICIPAL COUNCIL COUNCIL INITIATIVE WORKSHOP**

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A Murray City Council Initiative Workshop was held on Tuesday, February 15, 2011, in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

### **Members in Attendance:**

Jim Brass	Council Chairman
Jeff Dredge	Council Vice Chairman
Darren V. Stam	Council Member
Jared A. Shaver	Council Member
Krista Dunn	Council Member

### **Others in Attendance:**

Frank Nakamura	City Attorney
Michael D. Wagstaff	Council Executive Director
Janet M. Lopez	Council Office
Jennifer Brass	Citizen
Charles Crutcher	Power
Tim Tingey	Comm & Econ Dev Director
Jan Wells	Mayor's Office
Doug Hill	Public Services Director

Mr. Brass called the Council Initiative Workshop to order at 5:00 p.m. and welcomed those in attendance.

### **Discussion Item - Budget Metrics & Reporting - Jeff Dredge**

Mr. Dredge explained, for background, that when Ms. Wilson first became Finance Director he was the Budget Chair, and he discussed with her the possibility of the Council receiving regular reports with certain metrics regarding the City's financial position. She began with a spread sheet that tracks the sales tax that the Council receives monthly now.

Mr. Dredge stated that he thought it might be of value to bring in someone with more background in developing these types of metrics, to advise on what we ought to be tracking. He said that there may be things the Council should know that are not being considered. With these thoughts he talked with Neal Abercrombie, who was formerly with the Utah League of Cities and Towns (ULCT), and now is a professor at

the University of Utah. He asked if Mr. Abercrombie had a master's level class that might take on a project to consider what would be valuable metrics for the City to track on the financial side of operations. Just recently, Mr. Abercrombie related that he had a class for this project and was ready to prepare a syllabus. This did happen quickly, however, before he agreed to this project, he wanted to get the Council's opinion on going forward with it.

Mr. Dredge detailed that it would be done at no cost to the City. The students would take a look at what other communities track, and how they report to their councils. When the research is completed, they will present some suggestions for Murray.

Ms. Dunn asked what the class would help with. She asked if it is something for the Council to use, to request from the administration, or is it something we will work on together. She wondered how the administration would be involved, and how much help they want with financial matters.

Mr. Dredge said that initially, in talking with Ms. Wilson, it was important for us to determine what the salient points to follow would be. He originally thought it would be a report for the Council. He talked with Ms. Wilson to see if there was any resistance to the idea, because he does not intend to create any additional work load for her. He named a few possible items that he would like to track: tax revenue and how it flows, debt level, and capital improvement funds. There are other aspects to consider. He would like a proactive look rather than a reactive look at what is happening in financials.

The metrics are the reporting. These are reports that show how the City is doing versus the budgets, Mr. Dredge explained. We have asked for reporting from UTOPIA, and his suggestion is a similar report for the City finances. The makeup of that report might become a better product with outside help in developing it.

Mr. Brass mentioned the ULCT "stop light" report on salient economic indicators. With certain measures of the economy they give it a red light, green light, or yellow light depending on whether things are up, down, or bad. It is not a bad idea. As we are getting ready to move forward with a long term plan for the City, as has been discussed with the administration, indicators on revenue, and everything mentioned by Mr. Dredge would be good. He suggested the Council look at the enterprise funds, too. Do the rates need adjustment, to ensure that we do not fall behind? How are reserves, and are we contributing at a good or bad rate, and why, he asked?

It is suggested to use the ULCT concept on economic indicators, not necessarily their exact report. Mr. Brass said that knowing where we are, sooner than later, will help in the planning process.

Mr. Dredge noted that Mr. Abercrombie asked how much of the reporting should be past performance or a forward look based on economic indicators. Ms. Dunn said she would like to see both. Others agreed.

Mr. Shaver commented that the reports are so infrequent, and after the fact, that nothing can be done about it. Seeing it more regularly, as it is happening, will help to make better decisions during the budgeting process. Mr. Shaver repeated that what and how often is to be decided.

Ms. Dunn said that seeing the sales tax figures from Ms. Wilson, are useful to project what may happen in the future.

Mr. Dredge mentioned business licensing. He asked if it would be of value to see the trend in business licensing, revenue and new businesses. He suggested we could analyze whether the City is adding or losing businesses. He said that someone had asked at an earlier meeting if it is possible to get information on available retail space in town. Would it be of value to see what is empty? He envisions monthly reports that are stripped down with quarterly reporting being more detailed. These are only possibilities. He is in favor of turning these ideas over to a group of smart students, being graded, and see what they suggest.

Mr. Stam clarified that the students would research what other entities are looking at, and make suggestions on what should be considered, along with the suggestions of the Council.

Mr. Wagstaff indicated that Mr. Abercrombie has engaged in this same conversation with other communities, and his feeling is that it will become a tool that can be modified as necessary.

Mr. Shaver remarked that he is for it, particularly since it does not have to be paid for.

Mr. Dredge was doing some research on his own to see what other communities do in this area, and he found that most of the information was from Canada, involving Canadian cities. He found fewer cities in the United States, at least where it was published and one could obtain it. The information he saw was really good.

Ms. Dunn stated that if the group has done this for other cities, then Murray could use some of the metrics already being used elsewhere. Mr. Wagstaff clarified that other cities were interested in the same type of study, and had approached Neal with the same timing.

Mr. Brass confirmed that the premise for getting Mr. Abercrombie involved was

to determine what metrics the Council should be tracking. He suggested the Council should let him decide that.

Ms. Dunn said that Murray is different from other cities in certain areas. Mr. Wagstaff explained that a student or group of students would be assigned to Murray to work through the Council and the City needs.

Mr. Brass mentioned that Ms. Dunn's point is well taken, in that, Murray is the only city in this valley that has power, water, sewer, fire, and police.

Mr. Dredge will coordinate with Mr. Abercrombie. He asked Jan Wells if the administration would like to be involved, and give some input on how much staff time is taken up. She mentioned that there would be certain tools to make these things happen, based on whatever recommendations come out of it. There are ways the administration would definitely appreciate a chance to integrate with them. Mr. Brass stated that budget-wise everyone is trying to end up at the same place.

Mr. Brass adjourned the Council Initiative Workshop at 5:15 p.m.

Janet M. Lopez  
Council Office Administrator