



**MURRAY CITY MUNICIPAL COUNCIL
BUDGET AND FINANCE COMMITTEE
Fiscal Year 2019-2020**

The Murray City Municipal Council met as the Budget and Finance Committee Monday, April 8, 2019 in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

Members in Attendance:

Diane Turner	Budget Chair - Council District 4
Brett Hales	Budget Vice-Chair - Council District 5
Dave Nicponski	Committee Member - Council District 1
Dale Cox	Committee Member - Council District 2
Jim Brass	Committee Member - Council District 3

Others in Attendance:

Blair Camp	Mayor	Jan Lopez	Council Director
Doug Hill	Chief Administrative Officer	Jennifer Heaps	Comm. & PR Director
Pattie Johnson	Council Office	Blaine Haacke	Power – General Manager
G.L. Critchfield	City Attorney	Danny Astill	Public Works Director
Bruce Turner	Power - Operations Manager	Rob White	IT - Director
Greg Bellon	Power – Assist. Gen. Manager	Karen Gallegos	Court Clerk
Robyn Colten	Human Resources	Paul Thompson	Judge
David Carpenter	IT – Senior Programmer	Ben Teran	GIS Manager
Ryan Madsen	IT – Support Supervisor	Brenda Moore	Interim Finance Director

Ms. Turner called the Budget and Finance Committee Meeting to order at 12:32 p.m. and welcomed all in attendance. She said due to scheduling constraints, each department review would be limited to a certain amount of time, therefore, if subject matter exceeded that time, Ms. Lopez would keep a contingency list where issues would be rescheduled for further discussion on April 15, 2019 from 2:00 p.m. to 4:00 p.m.

Budget Overview – Brenda Moore

Budget books were provided to review the Mayor’s tentative FY 2019 – 2020 budget. A budget calendar was noted when the tentative budget would be considered in May 2019, and a final amended budget considered in June 2019. Ms. Moore explained target-based budgeting was utilized again this year, where revenue and expenses must remain below anticipated budget totals. She said a conservative revenue was

determined, and after considering proposed sales tax legislation, she thought the numbers were accurate. Staffing, wage information, and supplemental information was discussed, as she highlighted all of the following:

Budget Summary and Analysis

- PERSONNEL is 72% of the GF (General Fund), and 50% of the city-wide budget.
 - Salary and Wages
 - COLA (Cost of living adjustment) = 2.7%. (should the council choose a 3% COLA, the impact per 1% would total \$508,665 and would affect next year's budget as a recurrent cost)
 - Step Increases:
 - Cost of the step plan = \$330,000.
 - Total employees on step plan = 404
 - Eligible for pay increases = 388; of those:
 - Eligible for a 5% increase, implemented on anniversary dates + COLA = 98.
 - Anniversary date increase of 2.5% + COLA = 150.
 - COLA only = 140. These employees are topped out (already paid above market) and not eligible for step increase.
 - Overtime, Standby, and Specialty Pay (budgeted for the first time) as follows:
 - Retirements = 8 payouts.
 - Christmas Bonuses = \$100 per employee.
 - Sick Leave = Payout occurs once 200 hours is accrued, depending on length of employment.
 - Vacation is limited to 320 hours on anniversary date.
 - Benefits
 - City-wide cost is 32% of personnel costs.
 - Insurance ↑6% due to increases from PEHP.

Ms. Moore said the step plan was effective so far in retaining employees, there were no new vacancies to report in the police department, and only one vacancy was expected in the fire department, due to retirement. New positions, title changes, adjustments, and staffing changes were noted:

- Wastewater Superintendent – 1 new full-time.
- Metering Technician – 1 new full-time.
- Council Office Administrator – 1 part-time.
- Plans Examiner – 1 part-time.
- DEA (Drug Enforcement Agency) – Grant funded (reimbursement) positions now fall under police department budget.
- Business licensing – 1 position increased to 40 hours per week.
- CED (Community & Economic Development) – 1 title change to existing position.
- Three-meter readers now allocated to the Water Fund. (50% split with Power Fund and Water Fund)
- Golf Professional - Not replaced.
- Park Center - 1 full-time program coordinator - not replaced.
- Power department - Engineering Manager position not yet funded.

Additional notations:

- GF ↑ 4% from last year.

- GF Personnel costs ↑ 7%.
- GF Operations ↓ of 3%.
- Optional .2% Sales Tax Revenue: Funds collected would be allocated just to the fire station bond payment, and CIP (Capital Improvements Projects) Fund this year.
- Sales Tax: No increase.
- Property Tax: A total would be determined in June of 2019. Revenue expected to increase with new growth; property tax revenue generated in an RDA area would be allocated to the RDA.
- Auditor: The budget was moved from Finance and Administration, to the City Council.
- Solid Waste Fees ↑ implemented on July 1, 2019 if approved by the council.

Ms. Turner asked if a rate study was conducted. Mr. Hill said Ms. Steck; former Finance Director, completed the rate study before her departure; results would be coming to the council by July 1, 2019.

Mr. Brass confirmed the rate increase was driven by the high cost of recycling throughout the country, where tipping fees increased enormously. Ms. Moore agreed, and continued as follows:

- Class C Roads ↓ to \$1.5 million, from \$2.2 million. (The percentage of road miles in the city is decreasing compared to other high growth cities.)
- Golf Fund - Subsidy = \$165,000.
- Enterprise funds = 8% of revenues would be transferred to the GF.

Ms. Turner thought \$32,000 was high for the auditor's budget. Ms. Moore confirmed, without a finance director this year, the audit would require more time to complete.

Budget Addendum - No significant change from last year, except:

- Murray City School District = \$40,000. ↑ from last year's \$30,000 to pay for a music specialist.
- United Veterans Council of Salt Lake City = \$2,500 to waive costs for a Veterans Day Parade.

Ms. Lopez asked where the allocation of a \$25,000 donation from the Golf Fund, to a software company was located. (The \$25,000 donation of tee times, was exchanged for the trial use of a computer program used for scheduling tee times on-line.) Ms. Moore explained the transaction was assigned as an expense within the golf budget, and a new line item was created in case a permanent software purchase was desired in the future to continue the app.

Ms. Turner noted two scholarship donations given to Murray High School from the Power Department; she wondered why a donation was not offered to Cottonwood High School in her district. Ms. Moore was not certain. Mr. Haacke explained two donations were always given to Murray High School students who pursue further education in engineering; he said donations could be divided between the two high schools, however, a lengthy discussion occurred as summarized:

- Mr. Brass noted Cottonwood High School did not utilize Murray power.
- Ms. Turner agreed.
- Mr. Hales mentioned other donations given to both high schools each year from the mayor's office.
- Mr. Nicponski thought the \$4,000 total could be equally divided between the two schools.
- Mr. Turner explained donations were specific to Murray High School because not all students attending Cottonwood High School live in Murray; they are bused from other cities.
- Ms. Turner confirmed.

Fund Summary - Ms. Moore reviewed financial activity and noted the following related to the GF, Internal Service Funds, Special Revenue Funds, and Enterprise Funds:

- A GF balanced budget must occur each year; the ending balance matched the beginning balance.
- CIP Fund: Spending was anticipated to complete capital projects.
- Retained Risk: Spending ↓ to maintain a fund balance of \$1,250,000 = 5 x the \$250,000 deductible.
- Library Fund: Building the fund balance to save for a new library building.
- RDA Fund: The council would approve the RDA budget separately, in May 2019.
- Water Fund: Ending fund balance is building.
- Wastewater Fund: Bond spending is expected to fund various projects.
- Power Fund: Remains the same.
- Golf Fund: Zero balance.
- Telecom Fund: Maintaining itself by paying out revenue from 168 UTOPIA fee connections.
- Solid Waste: Ending fund balance is decreasing and will need to be addressed.
- Storm Water: Ending fund balance is ↑ slightly.

Ms. Turner noted a transfer of \$321,000 from the RDA Fund to the GF and thought it was for the reimbursement of projects completed the previous year, and a bond payment. Ms. Moore confirmed.

Mr. Brass mentioned the Smelter Site RDA project area would expire in 2023, so any balance must be paid off in three years, and a significant amount of money would need to be budgeted. He said a further discussion would occur in May 2019 regarding the issue.

General Fund Summary

- Most items were well maintained, with the exception of increases to licenses and permits.
- Sales Tax – Transportation ↑ 5% for transportation related projects.
- Expenditures: A high level summary was noted for: personnel, operations, city issued debt, and UTOPIA dept.

General Fund Revenue Summary – A line-by-line breakdown of budgeted income was provided. The following was discussed:

- Property Tax: No change.
- Other Taxes & Fees:
 - Personal Property Tax = \$300,000. The item was budgeted for the first time this year, which has been approximately \$300,000 each year. Revenue is generated from private businesses, that includes inventory for things like desks, and office equipment to be taxed. The county conducts audits on this type of revenue to confirm listed items, however, an estimate was hard to determine because taxes are self-assessed.
 - Telecom Franchise Tax ↓ 10% due to fewer people with landline telephones.
 - Motor Vehicle Fees ↓ 5%.
- Licenses & Permits: Ms. Turner noted the estimated actual FY 2018-2019 balance was \$800,000, but the tentative budget was \$600,000. Ms. Moore said, due to the unknown amount of new construction that occurs from year to year; building permit revenue was not easy to predict, because of significant fluctuation.
- Intergovernmental:
 - Victims Advocate = \$35,000 in grant funding.

- State Liquor Allocation = \$70,000.
- Charges for Services: Based on past collections and estimates.
 - Passport Fees ↑\$30,000.
- Fines & Forfeitures:
 - Justice Court Fines ↓ 1%.
- Miscellaneous:
 - Interest Income ↑ 300%. PTIF (Public Treasures Investment Fund) was paying slightly over 2%.
- Debt Issuance = \$5,898,578 (Bond proceeds for the new fire station.)
- Transfers In = 8% of revenue would be transferred from each enterprise fund except solid waste.

General Fund Expenditures Summary

- Other:
 - Non-departmental: The GF bond payment = \$2,516,077. Includes principal, UTOPIA bond, interest, and agent fees.)
 - Transfers out = \$5,294,937. Allocated for capital projects.

Mr. Cox noted pending pay for the interim HR director position; he asked if Ms. Colton would receive an increase. Ms. Moore explained Ms. Colten would not receive the Mayor's proposed increase, due to the grade level pay as a manager, however, as Senior Deputy HR Director, she would eventually get a pay raise.

Department Budget Reviews – The council requested department directors share mission statements at the time of their individual FY 2019-2020 budget discussions. Highlights were as follows:

Power Department – Blaine Haacke
Mission Statement: *Keep the Lights On*

Budget Information:

- Balanced budget = \$37.6 million in revenue.
- A rate increase was not expected. The last increase occurred in 2009, which was based on the fear of significant natural gas price increases when CRSP (Colorado River Storage Project) rates were expected to double - over the following 10 years. That never happened, and no increase since then.
- The power department is debt free.

General Assumptions:

- Projections: Most line items were the same as last year to maintain a stable budget.
- Revenue: Metered sales were the same as last year, with less than 1% growth in kilowatt hour sales; unlike cities, Lehi, St. George, and Kaysville that are seeing double digit growth.
- Regardless of little growth in Murray, revenue will not change or decrease.
- Wages ↑ 5% to include COLA and step-plan pay increases.
- Power and generation purchases: No change.
- Staffing: One full-time meter technician position was requested for succession planning, due to an expected retirement. The hope is to hire within, which would bring the total employees to 50.
- In-lieu of tax transfer = \$2.95 million to the GF or (8% of revenue).
- In-house shared services transfer = \$1.5 million allocated to the GF; contributions for utility billing, human resource and attorney office services.

Capital Projects Expenses:

- Total = \$650,000.
- Projects: Intentions are to perform all general duties inhouse, such as, purchasing, warehousing, dispatching, administration, meter reading, generation, and substation maintenance/repairs. Mr. Haacke noted the value of having a 24-hour dispatch, unlike surrounding cities. Regardless of the \$700,000 expense, not only do dispatchers take service calls and respond fast, they watch monitors closely for substation activity and can dispatch snowplows accordingly.
- Bucket Truck = \$200,000. A 15-year-old truck for trimming street trees needs to be replaced.
- Traffic Signals = \$300,000. Located at Vine Street and Murray Blvd., and 5900 South and 700 West.
- Downtown underground power line project = \$150,000 (preparation for new city hall facility).

Mr. Haacke shared the need to purchase a new transformer in approximately two years; the existing transformer at the central substation is sinking.

Line Item Review: Most items reflected 0% increases; Mr. Haacke detailed significant items:

Revenue:

- Overall revenue = \$37 million (same as last year).
- Interest Income = \$700,000, due to \$18 million in reserves.
- Pole Attachment Fees ↑ \$219,000 (due to pole attachment fee increase).

Expenditures:

- Risk Assessment ↓ 28% due to the insurer only covering operations costs; they are not covering assessments anymore. A new insurance provider is needed.
- Traffic Signal Maintenance ↑ 100% for maintenance assessments provided by Salt Lake County.
- Cell Phone = \$6,000. (Every employee has a cell phone. Those with personal phones are reimbursed up to \$65 per month because most are on-call 24x7. Those with a city owned phone, \$5 per month is collected for personal calls.)
- Arborists = \$1.1 million. Tree maintenance, line clearance, and tree trimming prevents costly outages, compared to clean-up after storms. Eight full-time city employees conduct all work.
- Purchase Power = \$21 million, or \$1.7 million per month. Resources include:
 - Hunter Plant = \$30 MWh (per megawatt hour). An increase is not expected, debt paid in full.
 - CRSP = \$30 MWh
 - Two Landfills = \$4.5 million per year, resource cost = \$60 MWh, with renewable energy credit.
 - UAMPS = \$10,000. The membership fee allows for market purchasing by the hour, used for buying and selling energy.
 - Natural gas turbines = \$200,000.
 - Nuclear = \$20,000
- Personnel: One new meter reader technician position. The line-item expense would be allocated to the Public Works Department because meter readers collect data for both water and power.

Attorney's Office – G.L. Critchfield

Budget information:

- Dues and Membership ↑ 10% to reflect rearrangements in city attorney and prosecution budgets.
- Retained Risk Expenditures:
 - Personnel ↑ 6% for the creation of a risk analyst position.
 - Professional Services = \$150,000 for the cost of outside resources related to risk claims.
 - Liability Insurance: Estimated cost = \$435,000. A future budget change is expected, due to the

current property insurance carrier who has discontinued coverage for the power department. The city's insurance broker would suggest a new provider, as well as, attain new market costs for covering all city property, including the power department. Of the \$435,000 estimate, approximately \$184,000 is for property insurance, with a \$250,000 deductible. A budget amendment would be necessary in the future.

- Retained Risk Fund: Mr. Critchfield said a committee would be organized to handle the fund, discuss claims, and create policies and procedures for all to follow. A city-wide risk program would create a mindset for all employees that compliance and minimizing risk in the city is vital. A proposed draft ordinance would be coming to the council for consideration to establish the risk program, and the committee, to bring about a decrease in claims.

Ms. Turner noted the risk manager began working on the retained risk program four years ago; she wondered if there was any quantifiable way to prove the program was valuable. Mr. Critchfield said city departments were pleased with results so far. He was confident that moving the risk position to the attorney's office was more effective than how things were handled in the past and would continue to improve with the proposed ordinance provisions. He stressed the importance of having a robust and healthy risk program, with proper risk spending.

Pending cases include a police matter, an employment termination issue, a personal injury at the swimming pool, and a land use matter. Mr. Critchfield said outside legal services are utilized in many of these cases, and is typically \$80,000 per year, although, each case is different when negotiating occurs.

Mr. Hill confirmed Mr. Knight kept accurate statistics and could provide risk trends the city was experiencing during a future Committee of the Whole meeting. He said it was costly to provide various employee programs, and often incidents are human resource issues, not to be handled by risk; therefore, a meeting occurred between the two departments to analyze the cost of implementing such programs next year, such as, sexual harassment training, and workplace violence. As a result, a line item was created in the HR budget reflecting an increase to provide for such programs.

Ms. Turner appreciated Mr. Critchfield's valuable work. She expressed concern about his compensation and researched other cities for comparable information to make sure he was paid fairly. Mr. Critchfield was satisfied. She asked if all city attorneys and staff were pleased with their compensation. Mr. Critchfield confirmed.

Public Works – Danny Astill

Mission Statement: Promote a high quality of life by providing superior governmental services in a professional, innovative and proactive manner.

Streets:

- Operations: Signs ↑43% for replacing outdated speed signs. The cost for buying and/or repairing radar signs was discussed because older signs are not compatible with new technology and ongoing maintenance is required.
- Capital Projects: One lane striper truck: \$180,000; one bobtail truck: \$190,000; one sidewalk plow/salter: \$15,000; and concrete storage bins: \$15,000.

Ms. Turner asked if funding was available for purchasing new radar signs. Ms. Lopez said funding was provided from the CIP Fund. Mr. Astill confirmed purchasing was more affordable than repairing old signs, which is funded from the operations budget. Mr. Nicponski asked the cost of a new sign. Mr. Astill stated

\$5,500 each and explained new models with better lighting features are more effective.

Engineering: Personnel costs are increasing with the step plan, and other expenditures remain even with previous year.

Class C Roads: CIP = \$1,945,000. FY 2019 projects include road maintenance, overlays, and rebuilds. Financial limitations were noted as to what specifically the city can spend Class C Road monies on. City crews are restricted only to projects that cost less than \$167,000.

Water Fund:

- Major projects would be accomplished with a low interest \$8.6 million water bond from the Division of Water Resources that requires a 15% cash match from the city. Projects include two well rebuilds, and new builds, upsizing State Street and additional pipelines.
- Total Revenue = \$9.7 million.
- Expenditures – Water Administration:
 - Personnel: Overtime close to maximum, due to increased snow plowing this year.
 - Operations: Water Rebate Program ↑75%, due to addition of smart controllers.
- Expenditures - Water Operations and Maintenance:
 - Equipment Maintenance = \$251,000.
 - Utilities = \$395,000. (well within budget)
- Staffing ↑ from 19 employees, to 22. (addition of meter readers)

Mr. Astill noted increases to many line items in ‘operations’ and ‘personnel’ budgets because the metering division is now under Public Works. Costs for ‘equipment’ and ‘software’ are yet to be determined; the change was positive overall and better support would be provided. Decisions are underway about how meter information would be collected, whether drive-by, or air units on top of telephone pole, as well as, what system should be utilized. Meter readers also calculate power use data, so further discussion is expected about shared services and budgeted costs.

Wastewater Fund:

- Total Revenue = \$5.3 million.
- Expenditures:
 - Personnel ↑ 24% based on a request for three new employees; including a superintendent position, due to ongoing required regulations.
 - Shared Services ↑ 39%, due to a change in treasury, and customer utility billing services.
 - Professional Services ↑18% for consulting, associated with new development in the city.
 - Central Valley Water Reclamation Facility – Debt service ↑ due to the continued rebuild.

Ms. Turner asked about the 100% increase to line item ‘write-offs’ revenue. Ms. Moore explained the expense was a normal cost of business for various uncollectable accounts; money not collected was never budgeted in prior years.

Ms. Lopez noted an RDA transfer. Mr. Astill confirmed revenue of \$2 million was for sewer line work completed in Fireclay years ago; the reimbursement finally occurred.

Ms. Turner wondered about the 89% increase to line item ‘collection line materials.’ Mr. Astill explained the increase was for wastewater material, like manhole covers, and sewer line repair work, to resolve

any issue located in collection lanes of streets. He assured all cost adjustments were made accordingly.

Solid Waste Fund:

- Net Position ↓ \$150,000 based on inflated recycling fees, contracted services, and a billing problem that occurred with ACE Disposal. A resolution would be brought to the council at a later time to address the negative position.
- Refuse Containers ↑44% to replace old garbage cans and provide containers for new subdivisions.
- Capital Projects: A small compact loader is needed for solid green waste to improve the shredding of tree branches, which is best suited for neighborhoods and would reduce risk claims.

Storm Water Fund:

- Net position is good.
- Operations: A state audit required regulatory changes. The hope is to avoid a fee increase by meeting inspection demands in a timely manner with current staff.
- Compensation ↑ 21% from last year, which is the step plan and a sizeable increase in 'shared services wages.'
- Maintenance ↑7% for street sweeper, other equipment, and stormwater line cleaning.
- Professional Services ↑40% because at times maintenance work requires professionals and engineers to ensure problems are resolved, and projects do not fall behind. Challenges remain to keep up, due to continuous development.
- Risk assessment ↓37% because of the higher level of service and decreases in disasters.
- Transfers Out: The 8% of revenue transfer to the GF would not occur this year.

Ms. Turner asked about the rotation of clean-energy vehicles. Mr. Astill said it was not occurring. Mr. Hales noted the high cost of clean energy vehicles. Mr. Astill confirmed. Ms. Turner thought a rotation might be better suited for smaller vehicles within the central garage division. Mr. Astill responded viable opportunities would be considered. Ms. Turner requested clean energy vehicles be put on contingency.

Central Garage:

Staffing: No change. Four employees.

Capital Projects: A refrigerant machine, to recycle freon and recharge vehicles; and one roof mounted swamp cooler was noted.

Courts – Karen Gallegos

Budget Information:

- Overall, current budget is doing well.
- Staffing: Two employees left, which leaves a total of eight. Everything is operating adequately.
- Car Allowance ↑333% to provide standard amount equivalent to all department directors.
- Travel and Training ↑ 15% for required training.
- Professional Services ↓100%. Traffic school was discontinued.
- Building and Grounds: Reduced to \$20,000 from 28,000. City employees oversee the facility now.
- Defense Counsel = \$61,000. If necessary, counsel is provided for those who cannot afford it.
- Judge Coverage: Utilized for small claims court when Judge Thompson is not available.
- Rent and Lease Payments ↓ \$40,000, due to vacating the second floor.

Mayor Camp praised Ms. Gallegos for taking on new responsibilities, adjusting and reorganizing court administration details after staff changes occurred. Judge Thompson agreed and thanked the police for

taking over fingerprinting procedures.

Human Resources – Robyn Colton

Mission Statement: It is the mission of the human resources department to provide the following quality services to the employees of Murray City: Resources for administering benefits, policies, and procedures; recruitment of qualified individuals, retention of valuable employees; training, development and education, to promote individual success, and increase overall value to the organization in a safe and helpful working environment.

- Personnel: Currently, two full-time staff, due to a departure; the HR director position is vacant.
- Software Maintenance ↑ 19% for the purchase of managing software, geared for on-line city directory updates, and various required employee training programs.
- Professional Services ↑ 100% to \$30,000 for future sexual harassment training.

Information Technology – Robert White

Mission Statement: Provide service to the city of Murray, with the understanding that all city employees and elected officials are our customers. We will do our best to assist clients with the right IT needs and issues, as quickly as possible, and ensure they are treated with integrity and respect. We will continue to maintain a highly effective and reliable network, and servers, to look for, and promote innovative ideas for uses in information technology environment, and to ensure that we maintain a cutting edge – not bleeding edge technology.

Mr. White reported one day's worth of work was recently dedicated to restoring the city's IT system, due to a Russian hacking, the infection spread to 20 servers within five hours. The entire system was shut down to resolve the problem. Ninety-nine percent of affected information and material was recovered, due to a good backup system.

Budget Information:

- Staffing: Satisfactory with the addition of new Data Base Administrator, Mr. Cook.
- Software ↑18% for the Munis System contract renewal, which increased \$10,000.
- Small Equipment ↑ 67% for personal computer replacements, annual police laptop replacements, and all associated programs, as well as, to replace one server, which occurs annually.
- Capital Projects: Ranging from \$16,000 to \$100,000 in cost; thermal printers for police (to avoid freezing in winter), an interactive voice system, for utility billing processes; also, the Spillman server migration to Linux, antivirus, and a program to support electronic document management.

GIS (Geographic Information Systems) – No change to the budget, and staffing is at maximum.

- Capital Projects = \$12,000 for a plotter (the old plotter would be given to the storm water division).

Finance and Administration – Brenda Moore

Mission Statements for the following were read as:

- Finance Department: *Murray City Finance Department strives to be an accountable steward by cooperating with city departments, elected and appointed officials, in providing accurate timely and relevant financial information for the use of citizens, council management and employees.*
- Utility Billing: *We are the face of the city, a direct reflection of its integrity, resource of general city*

information. Our mission is to serve the citizens of Murray in a courteous compassionate and efficient manner. Our primary function is to provide accurate and timely utility information to the residents and business owners within the city.

Finance Department – Brenda Moore

Budget Information:

- Personnel ↑ 7% - The vacant position for Director of Finance and Administration was budgeted as a high-level position, which now includes family health insurance coverage.
- Staffing is adequate with a total of five employees.
- Travel and Training ↑ 11%.
- Administration Allocation ↓ 69% after reanalysis of operations and maintenance to the GF and other enterprise funds.
- Cell Phone Allowance ↑ 80% for the possibility of adding three more cell phones.

Ms. Lopez noted several line-items with zero budgets. Ms. Moore explained this was because things like a financial software support program, equipment maintenance contracts, and professional services (for the audit) are not needed this year; she noted telephone cost allocations were changed city wide, therefore it was not budgeted either.

Recorder

Budget Information:

- Staffing: Three full-time employees, with one part-time position to be added this year.
- Travel and Training ↑ 290% for ongoing required conferences for recorder and purchasing agent.
- Public Notices ↑ 16% = \$1,500, to \$11,000.
- Postage ↑ 87%. The issuance of passports continues to increase in number.
- Credit Card Fees: No change.
- Administration Allocation = 40% of operation and maintenance costs, which are allocated to other departments.

Treasury

The department split from the Utility Billing Department; and the budget did not change.

Staffing: Two full-time employees.

Utility Billing

Budget Information:

- The budget remains the same as last year, with the exception of a decrease in postage and one allocation change.
- Staffing ↓ from 10 employees to five, due to moving treasury staff and meter readers.
- Contract Services = \$147,000 for a new utility billing service.
- Postage ↓ 90%. Outsourcing would save the city approximately \$150,000 per year. The department will still have a small postage machine, and a machine to open letters.
- Meter Readers: The budget was moved to the Public Works Department.

Adjournment: 4:03 p.m.

Pattie Johnson
Council Office Administrator II