



MURRAY
CITY COUNCIL

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

The Murray City Municipal Council met as the Budget and Finance Committee Tuesday, February 4, 2020 in the Murray City Center, Conference Room #107, 5025 South State Street, Murray, Utah.

Members in Attendance:

Diane Turner	Budget Chair - Council District 4
Kat Martinez	Budget Vice-Chair - Council District 1
Dale Cox	Committee Member - Council District 2
Rosalba Dominguez	Committee Member - Council District 3
Brett Hales	Committee Member - Council District 5

Others in Attendance:

Blair Camp	Mayor	Jan Lopez	Council Director
Doug Hill	Chf. Admin. Officer	Jennifer Heaps	Chf. Comm. Officer
Pattie Johnson	Council Office	Brook Smith	Deputy Recorder
Brenda Moore	Finance Director	Robyn Colton	HR Director
G.L. Critchfield	City Attorney	Kim Fong	Library - Director
Karen Gallegos	Courts – Lead Clerk	Kristin Reardon	Police
Bruce Turner	Operations Manager	Danny Astill	Public Works Director
Ryan Madsen	IT Support Supervisor	Paul Thompson	Judge
Rob White	IT Director	Julia Pehrson	Library/Media
Melinda Greenwood	CED Director	Greg Bellon	Power – Assist. Gen. Mgr.
Craig Burnett	Police Chief	Joe Tarver	Assistant Police Chief
Jon Harris	Fire Chief	Laura Lloyd	Fire - Administrator
Kim Sorensen	Parks and Rec. Director		

Ms. Turner called the Budget and Finance Committee Meeting to order at 12:00 p.m.

Department Reviews

Budget Overview/Finance & Administration - Ms. Moore said citywide the budget is right in line where it should be at mid-year; she highlighted the following:

- **GF (General Fund)**
 - Current Ending YTD Fund Balance = \$12 million. Ms. Moore noted transfers to the Capital Projects Fund had not occurred yet.
 - Revenue ↑ 4% = Ms. Moore would provide reasons for the slight increase later in her report.
 - Personnel = 50%
 - Operations = 50%
 - Debt = 66% (Due to the timing of debt payments.)
 - Transfers In = 51%
 - Transfers Out = 1% (Golf Fund subsidy)
- **Capital Projects Fund**
 - Actual Fund Balance, ending = \$18 million.
 - Ms. Moore explained money transferred into the fund, in FY 2019, would become the FY 2021 Capital Projects budget; the account runs two years behind, therefore, transfers made in FY 2018 became the current working budget.
- **Parkway Fund** = 55%. Ms. Moore said the fund continues to improve.
- **Telecom Fund** = 74%. Related to UTOPIA; the fund was initialized to help residents pay for high upfront connection fees, which generates slight revenue.
- **Solid Waste Fund** = 53%. With increased rates the fund is slowly improving.
- **Risk Management** (Internal service fund) = 44%. A net position decrease to \$1.5 million was budgeted after determining only five times the maximum insurance cost was needed before the deductible was reached.
- **General Fund History** - Page six: A bar graph to compare *Revenue* with *Expenditures*, *Transfers In*, and *Transfers Out* - from FY 17 to FY 20. Ms. Moore noted *Transfers Out* differ greatly over the years, due to how well department savings occurred.

For the benefit of new Council Members, Ms. Lopez requested Ms. Moore explain functions of *Transfers-In*, and *Transfers-Out* accounts. Ms. Moore led a lengthy discussion to describe transfers between the GF, Capital Projects Fund, RDA Fund, Water Fund, Wastewater Fund, and the Power Fund; in summary, money transferred to the GF is a return on investment, and money transferred from the GF helps to fund the CIP (capital improvements program).

Ms. Turner noted the Wastewater Fund with a budgeted net position ending in negative \$655,494. Ms. Moore explained the negativity was expected and budgeted to catch up with increased rates, ongoing construction projects where construction costs currently outweigh revenue, and costs for the CVWRF (Central Valley Water Reclamation Facility) rebuild project; a positive net position was noted.

Increased revenue to the GF was reviewed:

- Sales Tax = 35%. ↑ 2% from last year. Only four out of 12 distributions have been collected.
- Sales Tax (Transportation) ↑ 100% from last year. Trending for \$1.5 million; budgeted at \$1.4 million. Ms. Moore confirmed the Salt Lake County option tax was approved last year and funds must be used for transportation needs. Mr. Hill explained some of the funding is kept at the county, money was sent to UTA, and a portion was sent to Murray. Ms. Lopez affirmed the allocation represented a quarter of

the quarter and also noted sales tax revenue from Christmas was not accounted for yet. Ms. Moore confirmed sales tax revenue allocations did not include November and December of 2019.

- Permits and licensing ↑50% from last year, due to the construction of the new fire station.

To benefit new council members, Ms. Turner requested a discussion to explain .2% Sales Tax (option) revenue. Ms. Moore explained Murray's sales tax is .2% higher than other surrounding cities; the implementation expires in 2030. The tax came about when sales tax distributions were changed legislatively, based on population, which affected Murray negatively. As a result, cities were given the option of executing the .2% sales tax to make up financial losses. Additional discussion followed as such:

- Ms. Dominguez asked about anticipated future sales tax revenue based on quarter of the quarter estimates. Mr. Hill led a lengthy discussion; in summary, Murray's overall portion of sales tax revenue is only 1%; the City receives just 50% of that. The other 50% goes into a general pot, which is distributed throughout the valley based on population. Since Murray's population cannot grow as fast as other cities, Murray's portion continues to decrease every year, even though residents continue to make purchases and growth in sales is evident. Other communities throughout Salt Lake County, and the State see double digit sales tax revenue increases, however, Murray does not. Ms. Moore confirmed Murray's sales tax revenue increases slower than the expenses. Ms. Dominguez wondered about alternative revenue. Mr. Hill said cities do not have many options for increasing revenue, so creative ways are often sought by way of utilizing various impact fees, which is often controversial, but helpful. Mayor Camp noted Salt Lake City has a higher sales tax rate than most cities in the valley.
- Ms. Turner noted total revenue in the GF was \$45 million, which did not include enterprise fund totals. Ms. Moore confirmed currently the GF is up 4% YTD, due to building permits. Ms. Lopez calculated total revenue would be \$107 million when including all enterprise funds.
- Ms. Moore referred to page nine to briefly discuss the CIP fund. She reviewed activity over the last four years and compared replacement and maintenance project costs with new infrastructure costs. She noted increases in 2019 and 2020, due to projects like the theater renovation, the new city hall, and new fire station.
- Ms. Lopez asked where a \$1 million allocation for renovating the theater could be found in the budget. Ms. Moore noted the allocation on page 11 of the CIP Fund under *Parks*, and also on page 62 in the Parks Division budget, under *capital*. She explained due to funding rules, the amount was split between *maintenance – theater planning* = \$10,000 and *buildings – theater* = \$990,000.
- Mr. Hill said a great deal of money was pulled from the CIP reserves last year to complete additional projects. He noted a warning given at that time that the CIP budget was not sustainable, due to the reduced amount of money transferring into the CIP each year. Ms. Moore confirmed. Mr. Hill added-if the level of spending continued as it has the last few years, there would be no funding to build anything else in the future – after four years. Ms. Lopez agreed. Ms. Moore said the fund is destined to run out of money eventually and noted much of CIP spending was to address the backlog of maintenance needed on existing buildings that had not happened during the recession.
- Mr. Hales asked about options for funding projects after the CIP Fund is depleted. Ms. Moore said cutbacks would occur and tax increases would be implemented because the need for maintenance on

existing buildings, replacement and maintenance on public safety vehicles; and, overall maintenance for streets and sidewalk repairs would be ongoing.

- Mr. Cox affirmed the importance of spending to catch up on major delayed maintenance needs - since years had passed without addressing those issues. He was hopeful once this particular spending slowed, CIP funds would flow more normally again, by way of department savings, combined with budgeted money intended for the pavilion replacement project, which was now complete; those funds could be allocated elsewhere now.
- Mr. Hill asked Ms. Moore if city hall bond payments would begin coming from CIP money this year. Ms. Moore said the city hall bond itself would not get paid until the building was occupied, which was anticipated in 2022, and payments would not come from the CIP Fund. She explained a slowdown in the .2% option sales tax transfer to the CIP would occur once bond payments begin.
- Ms. Lopez asked if the Murray MBA (Municipal Building Authority) would submit city hall bond payments. Ms. Moore confirmed a transfer of money for rent on the building would occur from the City to the MBA.

Finance & Administration Department – Ms. Moore highlighted the following budget information for five divisions within her department:

- Finance = 43%
 - Personnel = Below budget at 43%.
 - *Administrative Services Wages* (The account reflected negativity for outgoing service fees.)
 - Operations = 58%
 - *Administrative Services Operations & Maintenance* (The account reflected negativity for outgoing service fees.)
- Non-Departmental = 44%.
- Treasury Services - The division used to fall under *utility billing* before reorganization occurred. It is doing well under the Finance & Administration Department and benefits by being 95% allocated out.
 - Personnel = 46%.
- Utility Billing - The division is in the process of switching to a new computer system/Munis. Ms. Moore confirmed Utility Billing staff would attend after hours training. Utility Billing is now 100% allocated out.
 - Personnel = 47%.
- City Recorder = 46%

To benefit new council members, a long discussion was held to review why *Administrative Service Fees* are implemented for each department throughout the City, in addition to the following conversations:

- Mr. Cox wanted to be sure utility staff would receive comp-time for afterhours training. Ms. Moore confirmed.
- Ms. Turner noted a 451% increase to *postage* in Utility Billing. The expense was noted to include funding estimates for *contract services* regarding a new process for supplying, printing, and distributing utility bills; an outside billing service would be utilized from now on. The process to switch is still underway.

Municipal Court - Ms. Gallegos said the overall budget is doing well at 46% spent. She noted areas of savings this year as follows:

- Prisoner Transport ↓ 67% from last year. The court stopped daily transports to and from the prison. For example, in January 2019, 104 people were transported - compared to 22 people in January 2020. The court uses live video to conduct those hearings, which also decreased the expense of added security.
- Judge Coverage ↓ 61% from last year. Judge Thompson is now handling small claims, so a fill-in judge is no longer needed.

Mr. Hales led a discussion about small claims court. Ms. Gallegos confirmed the number of cases steadily increases each month. She discussed problems with the current heating system, which is 20 years old; a new one should be purchased next year. Other lengthy conversations occurred regarding the following:

- Ms. Dominguez asked about savings after the courts vacated the second floor of the building. Ms. Gallegos said rental/leasing costs were \$65,000 per year prior to vacating that area. Ms. Moore confirmed current rental/leasing costs were \$30,000 per year. Ms. Gallegos noted savings in utility expenses resulted, as well.
- Fingerprinting moved to Murray Police Department, which provided savings.
- Mr. Hill compared total revenue of \$1.2 million per year, to total expenses, which was slightly less. He said it was important to realize overall expenses of the court do not include costs for prosecution or bailiffs. So, court operations should not be considered as a source of revenue, due to the underlying costs budgeted elsewhere (Those expenses are recorded in budgets of the City Attorney, and police department.). Ms. Gallegos confirmed the Murray court pays for itself.
- Judge Thompson discussed a statewide study related to the dismissal of charges, suspended fines, and dropped cases. He noted municipalities that do not have their own courts, are required to have a prosecution office on site.

Attorney's Office, Prosecution, & Risk - Mr. Critchfield reported budgets for all three divisions were in line below 50%. No concerns to report. A brief conversation occurred about staff size. Ms. Moore responded to a question about *small equipment*, where she had not yet allocated funding. Other short discussions were noted about the cost of legal code books, outside legal assistance, and various risk claims.

Power Department – Mr. Bellon said the Murray Power Department is stable and operates with a conservative nature. The following was noted:

- Total Revenue = 55%
- Expenses:
 - Administration = 45%
 - Engineering = 52%
 - Distribution = 47%
 - Operations = 19%
 - Arborists – *Personnel* = 45%
 - Power Purchase = 45%
 - Meter Reading – *Personnel* = 31%
- Capital = 33%

As requested, Mr. Bellon discussed the ramifications of impact fees for new council members. Mr. Hill confirmed the State allows cities to charge residents with various impact fees as a mechanism for generating revenue. A discussion followed about services Murray provides without impact fees, for example, public safety, parks, and transportation. Mr. Hill noted Murray has significantly lower impact fees than most surrounding communities, especially related to new single-family home construction and purchasing. Ms. Lopez stated the City never raises or lower fees randomly; when City departments consider impact fees, they always conduct thorough related studies to backup proposed increases.

Other discussions occurred as follows: Ms. Martinez asked about REC (*renewable energy credits*). Mr. Bellon confirmed RECs are utilized at certain times of the year, and when they are most marketable. Ms. Dominguez asked about *Trans-Jordan Landfill Sales*. Mr. Bellon explained 70% of the energy provided is sold to a California entity to meet their own REC needs. Brief conversations occurred about availability and location of 5G wireless technology in Murray, cost differences between overhead and underground power line installations, Pal Lights, the street tree planting program; the SCADA (supervisory control and data acquisition) system, which is a computer program for gathering and analyzing real time data used to monitor and control utilities, the power plant, and substations.

Mr. Bellon said the power department is doing well and looks forward to attaining sufficient energy pricing for this summer, as dispatch works diligently to forecast those needs.

IT (Information Technology) – Mr. White reviewed two divisions:

- IT – The overall budget is doing well at 43%. Mr. White noted a few sub-accounts slightly over 50%, due to required software renewals, and small errors that would be adjusted. Few increases are expected next year. He said although, the City is on a 4-year computer rotation, the life of most computers has been extended greatly, due to external solid-state drives; a 5-year rotation is possible. Ms. Moore noted the budget for *small equipment* was at 91%. Mr. White confirmed police vehicle laptops are replaced every three years.
- GIS - The budget is fine at 48%. A brief discussion occurred about current staff size being adequate.

Mr. White noted the capital improvement project list after rollforward; he highlighted the following:

- The *Spillman Server Migration* to Linux project was placed on hold.
- IVR (Interactive Voice Response) System – Purchased and installation in progress.
- Drone purchase = \$10,000 + insurance. Used for GIS mapping, measuring, testing and pole inspections. Licensing occurred for specific staff use, and the public is aware of the drone.

Police Department - Chief Burnett said the overall budget is right in line and doing well with no major concerns. Highlights were:

- Revenue = 43%
- Expenses = 45%

Accounts already above budget, due to onetime expenditures were noted:

- Software Maintenance = 72% - Spillman Server.
- VECC (Valley Emergency Communications Center) / Versaterm = 100% - CAD conversion system.
- Firearms Maintenance = 100% - Firearms rotation and replacements.

Ms. Turner asked about animal control. Chief Burnett said direction would come after an upcoming meeting to discuss the future relationship; the 10-year contract with West Jordan expires this year. A lengthy discussion followed regarding the purchase of new patrol cars, reliability and comfort of specific cars related to prisoner cages inside cars, and hybrid longevity/cost challenges. A brief conversation occurred about the condition of the training center and gun safety education in schools.

Library- Ms. Fong said the overall budget is in good shape below 50%. The following was discussed:

- Staff =
- The library is building reserves to defray costs for the hope of attaining a new facility one day; the current balance is slightly over one million dollars. Ms. Moore confirmed the anticipated ending balance this year would be close to \$2.5 million. Ms. Fong said as time goes on, savings would slow slightly, due to increased operational costs.
- Ms. Turner noted current *Real Property Taxes* at \$2.1 million. Ms. Fong confirmed the revenue was their only source of income. Ms. Moore explained 91% of the revenue was already received because it is distributed in November. The rest of the year the library depends on property tax money collected late; and *personal property taxes* and *motor vehicle fee-in-lieu*, distributed by the State.
- Ms. Fong reviewed a capital improvement project list after rollforward. She noted the amount of \$100,802 to guarantee funding for annual repair and replacement of the 16 HVAC furnace/air conditioning units in constant need of attention. Ms. Fong said crack repairs in the parking lot are anticipated for next year's budget.
- Ms. Turner asked about a 79% decrease from last year in *adult periodicals*. Ms. Fong confirmed the subscription for e-magazines was paid for in advance last year, however, it was realized that patrons never used them; the subscription was cancelled.

Mayor's Office - Ms. Heaps said the overall budget is fine at 35%. She highlighted the following:

- Staff = 4 Full time employees. A part-time position is being considered.
- Operations = 47%
 - Professional Services = 78% Lobbyist are paid early each budget year.
- Capital Projects – Total Expenses = 36%. Mr. Hill confirmed capital expenses were associated with the construction of city hall. He noted *professional services*, and *City Hall* line-items that total \$1.2 million, where money so far was spent on architectural services, and related construction drawings. Groundbreaking for city hall is scheduled on May 4, 2020.

Brief conversations followed: Mr. Hill said the cell tower is still an issue of concern, with pending property issues, however, demolition should occur in April, with plans to move it; Ms. Greenwood will oversee the cell tower demolition. Ms. Lopez asked if a new intern was hired for this year's Legislative Session. Ms. Heaps confirmed. Ms. Turner asked about the line item *Mayor's Special Projects*. Ms. Heaps confirmed the account is utilized for things like annual events for city staff, and the boards and commissions volunteer dinner, both funded by the Mayor's budget.

CED (Community and Economic Development) – Ms. Greenwood said the overall budget is doing well. She explained all CED revenue is generated by various fees, permits, and business licenses, where projections are conservative. CED Revenue = 75%. Three divisions were reviewed:

- Community Development Administration = 22%

- Personnel – A 17% change occurred from last year. The decrease was noted in *Administrative Services Wages* because a 6-month vacancy occurred, which is now filled.
- Operations - A 54% change occurred from last year, due to a shift in *Administrative Services O&M* when the old ADS (Administrative Development Services) department was removed.

A lengthy conversation occurred about why the accounts *Contributions for Chamber of Commerce* and *Contributions for EDCU* are located in the CED operations budget. Mr. Hales requested the Council hold a work study about the Junior Chamber of Commerce. Ms. Lopez noted the request.

- Building Inspections = 44%
 - Operations - *Professional Services* ↑122%. A total of \$43,000 was noted as over budget, needed for structural engineering reviews. Adjustments to the expense would be considered in the coming year. The cost for outsourcing the review of engineering plans is expensive without an in-house analyst. Ms. Greenwood explained the high cost is also due to newer, taller, more complex buildings being constructed in the City that require complex structural reviews. Mayor Camp noted, however, as revenue grows in the division, the increase to *professional services* is not as relevant.
- Planning and Business License Division = 48%
 - Operations - *Small Equipment* = 109%. Over budget. Adjustments are needed for upcoming year. The increase is due to copy machine maintenance, for color printing, packet printing for the planning commission, business licenses renewals, and public hearing notices.

Ms. Martinez noted many regulatory agencies require patrons to print business licenses themselves; she asked if cities could require this. Mayor Camp thought the idea was good. Ms. Greenwood said revisions to the business license code were underway, other cost reductions were anticipated, but agreed it was something to consider.

Ms. Turner asked about a 133% increase to *weed control*. Ms. Greenwood confirmed the increase was due to a change in companies providing the service, and problematic weed growth after a wet spring. She noted *weed reimbursements* revenue of \$6,198 this year so far that resulted from increased weed liens. Ms. Moore confirmed. Mr. Hill led a brief discussion regarding proposed legislation to eliminate a city's ability to enforce weed and parking citations; the outcome is uncertain at this time. In response to a comment, Ms. Greenwood explained the City is willing to work with hardship situations, however, once weeds become health and fire safety issues enforcement is necessary.

Redevelopment Agency - Ms. Greenwood said after one year of employment with Murray City, more research is still needed to understand historical RDA properties to decipher their status. The following RDA areas exist:

- Central Business District
- Fireclay
- East Vine Street
- Cherry Street
- Smelter

Site

Mr. Hales led a lengthy discussion about a previous meeting when a six million dollars figure was said to be

allocated for *low income housing/affordable housing*; he wondered where that notation was found in the budget book. Ms. Moore thought the amount was closer to \$1.2 million. Mr. Hales was certain the amount was \$6 million. Ms. Greenwood recalled the meeting. Mr. Hill recollected the discussion was related to what the earmark was for spending; he thought it was closer to \$2 million. Mr. Hales affirmed money was set aside. Mr. Hill confirmed. A thought occurred that perhaps since the exact amount was not available at that time, \$6 million was just conveyed swag. Ms. Greenwood apologized and said she was swaging at the time she stated the amount was \$6 million; she said she would swag much lower in the future. Ms. Moore confirmed the exact restricted total of \$1.2 million on page 55. Ms. Greenwood agreed and *unrestricted – RDA* funding was 1.5 million. Mr. Hales verified a total closer to \$3 million. Ms. Greenwood confirmed.

A lengthy conversation occurred about how and when affordable housing funds should be spent, historical legislative rules related to RDA areas, legal statutes, and changes that have occurred. Ms. Greenwood reiterated much research is needed before she can give an accurate report. Ms. Turner asked where the affordable housing money was coming from. Ms. Greenwood explained when TIF (tax increment financing) money comes in, 20% is automatically allocated to the *low-income housing*. The other 80% is used for other projects in RDA areas. The discussion continued to address ways of spending money down, what happens when funding is not spent accordingly, legislative requirements and functions of NeighborWorks, which helps utilize money for affordable housing in Murray. Ms. Greenwood hopes to bring new items to the RDA that would better benefit the community and use affordable housing funds. She said trying to get the 20% / 80% math to work in Murray is always a challenge because RDA funds can only reach a certain amount.

Mr. Cox affirmed *homeless shelter contributions* to the Smelter Site would be used to reimburse the General Fund. Ms. Moore confirmed an allocation of approximately \$7,000 automatically occurs once sales tax revenue was attained.

Parks and Recreation, Facilities - Mr. Sorensen said the overall budgets is good. He discussed budgets for 10 divisions as follows:

- Parks = 67%
 - Ms. Lopez noted *utility* expenses were high at 82%. Mr. Sorensen confirmed, high water use and the new tiered-rate plan for water affected all parks in Murray.
- Park Center = 35%
 - Revenue - *Aquatic Fees* = 1003%. A change was made in the way private and specialty swimming lessons are billed and conducted.
 - Expenses - *Equipment Maintenance* = 97%. High, due to a failing boiler that was replaced.
- Recreation = 51%
 - Expenses - *Awards* = 70%. Youth programs that require photos and trophies.
- Arts and History = 45%. A discussion occurred about ZAP (Zoo Arts and Parks) funding and the lack of it allocated to Murray.
- Outdoor Pool = 47%
 - Revenue ↑ 19% from last year. Due to an abundance of good weather.
- Senior Recreation Center = 39%
 - Expenses - *Vehicle Maintenance* = 117%. The small budget of \$500 is spent, due to the purchase of new tires for the van.
- Cemetery = 48%
 - Expenses - *Utilities* = 56%. The new irrigation system is working well.

- Facilities = 22%
- Golf Fund = 40%
- Golf Superintendent = 52%

Ms. Turner noted the *Capital Projects transfer* of \$60,000 into the Golf fund as a subsidy. Mr. Sorensen confirmed the Murray golf course is running smoothly and provides welcome green space.

Mr. Sorensen highlighted the following from a lengthy capital improvement project list after rollforward:

- Pavilions #1, #2, #3, and #4 - demolished and ready for concrete. New pavilions will arrive throughout February and March, ready for use in May. Pavilion #5 is still in the design phase.
- The outdoor swimming pool parking lot will be resurfaced.
- Plans to renovate the Murray Theater are coming along well with completion in spring of 2021; Fundraising has been coordinated with Pathways.
- Equipment replacement projects - Cemetery, Park Center, and various City park playgrounds.
- Kidzone – carpet replacement.
- Purchase one 4-wheeler with plow and salter.

Fire Department - Chief Harris said the department overall is underspent at 46%. The following was noted:

- Staff – Two new part-time employees were hired: an education specialist, and one fire inspector.
- Retirements – Two
- Paramedics – One certification occurred, and one more employee will attend paramedic school.
- Overtime = 58%. The item is over budget. To stay on budget cost saving measures will be considered by reducing paramedic staff. However, rather than pay overtime, the possibility of hiring three more firefighters per shift is also a considered option.

Ms. Dominguez asked about staff totals in the past, comparatively. Chief Harris said current staff totals match those of 2008; then reductions occurred approximately five years ago, until now.

Chief Harris reviewed a capital improvement project list after rollforward that included various equipment needs. He led a brief discussion regarding continued cleanup costs at the new fire station location, which is over-budget. Negotiations continue, regarding cost estimates with the DEQ (Department of Environment Quality) who conducted hazmat cleanup, and where additional testing is required. Initial cleanup costs were anticipated to be as much as \$250,000, but current costs are closer to \$280,000. Testing is not complete. Change orders and a shortage of workers created delays, as well as, a required retaining wall and 18 inches of fill, are elements still waiting final cost calculations. The project is on schedule to be completed in mid-March 2020. A conversation continued about finalizing Leed Certification and energy diagnostics; annual physicals for fire fighters and improving mental health; and CERT (community emergency response team) classes.

Human Resources – Ms. Colton reported the overall budget is in line at 43%. There were no significant changes to report. She led a brief discussion about current sexual harassment training underway that created an increase of 31% to *professional services* account. All city employees are required to complete the on-line training course and test.

Ms. Martinez asked about *drug and alcohol testing* and wondered if tests occur regularly. Ms. Colton said pre-employment drug testing is required for all full-time employees and discussed other random and mandatory drug test procedures.

Public Works – Mr. Astill led a discussion about a recent major snowstorm and how weather affected the City and City operations overall. He reviewed eight budgets within the Murray Public Works Department, stated all budgets are right in line where they should be, and highlighted the following:

- Streets = 21%
- Engineering = 46%
- Class C Roads = 42%
 - Sidewalks = 64%. Out of the \$360,000 appropriated for sidewalk projects \$230,000 had been spent so far; the account will be depleted as scheduled projects continue. Mr. Hill discussed the procedure for getting them improved. Residents may contact the engineering department to be placed on a list; he confirmed it often takes years to get sidewalk projects completed. Mr. Astill noted sidewalk repair areas are established according to a specific plan, for example, one current project has not been addressed in 20 years; however, there are exceptions to address urgent matters. Ms. Martinez asked about the process for installing ADA sidewalk ramps. Mr. Astill said those projects are on a running list and are tied in with conducting regular sidewalk repairs where they are needed.
- WATER FUND: The budget is doing well:
 - Revenue = 78%. Slightly higher than usual, due to the cyclical nature of water use in the summertime.
 - Expenses:
 - Operations – Administration = 39%
 - Operations – Maintenance = 49%
 - Meter readers = 49%. This is the first year the expense has been under the public works department. Mr. Astill said the change has been positive for staff.
 - Capital – Infrastructure = 8%. Pipeline projects will continue.
- WASTEWATER FUND:
 - Revenue = 53%. Slightly ahead, doing well, overall.
 - Impact Fees = 127%. Significantly high due to growth in the City. Mr. Astill noted the revenue will assist with costs for upgrading infrastructure.
 - Connection Fees = 382%. Ms. Moore confirmed high revenue is not from impact fees; *tap fees* are associated with sewer line connections, and new construction where those connections have been necessary.
 - Unbilled = \$216,641. The allocation is an accounting measure for money collected in the new fiscal year (the month of July) but was generated in June the previous fiscal year.
 - Expenses – Administration and Operations: Doing well overall at 34%. Mr. Astill had no concerns.
 - CVWRF (Central Valley Water Reclamation Facility) = 49%. No concerns. Mayor Camp noted CVWRF is experiencing a similar concern related to significant construction cost increases as they rebuild their plant; the issue may impact the City in the future. Mr. Astill confirmed cost increases are related to subcontractors.
- SOLID WASTE FUND: The budget is doing fine at 42%. Fee increases are helping build the fund.
 - Revenue = 53%. Up slightly, due to *green waste trailer fees* and *roll off dumpster fee* increases.
 - Expenses:
 - Administration – Personnel = 42%. Under budget and doing fine.

- Administration - Operations = 42%. A slight increase occurred in *refuse containers*, due to new home construction and the need to purchase more garbage cans for new customers.
- STORM WATER FUND: Mr. Astill said the budget overall is doing well.
 - Revenue = 47%
 - Storm Water Fees = 46%. Fees were recently raised.
 - Expenses – Capital – *Infrastructure* = 80%. High due to the Utahna project. The project is complete; however, final cleanup and landscaping needs to be finished.
- Central Garage = 46%. No concerns. The division is well within budget. Mr. Hales said the garage is very beneficial to the City. Mr. Astill confirmed police, fire and city vehicles are all using the shop regularly, where four employees oversee maintenance. Ms. Moore stated the goal of the budget is to ensure that when parts are needed, purchases can be made easily without budget adjustments.

Mr. Astill reviewed the entire capital improvement project list after rollforward that included things like clean air vehicles, street vehicles, radar speed signs, street projects, projects related to transportation, infrastructure and equipment. Lengthy discussions followed about the precise placement of speed signs and how that data is collected, and paving projects.

Adjournment – 5:30 pm

Pattie Johnson
Council Office Administrator II