



MURRAY CITY MUNICIPAL COUNCIL

BUDGET AND FINANCE COMMITTEE

FISCAL YEAR 2021-2022

Electronic Meeting Only

Monday, May 6, 2021

The Murray City Municipal Council met as the Budget and Finance Committee Tuesday, May 6, 2021, to hold its Budget and Finance Committee meeting electronically in accordance with Utah Code 52-4-207(4), due to infectious disease COVID-19 Novel Coronavirus. The Budget and Finance Committee Chair has determined that conducting a meeting with an anchor location presents substantial risk to the health and safety of those who may be present at the anchor location because physical distancing measures may be difficult to maintain in the Murray City Council Chambers.

Members in Attendance:

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

Excused:

Rosalba Dominguez	Budget Vice-Chair - Council District 3
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Others in Attendance:

Blair Camp	Mayor	Jennifer Kennedy	Council Director
Jennifer Heaps	Mayor's CCO	Brenda Moore	Finance Director
Pattie Johnson	Council Office	Chief Jon Harris	Fire Department
G.L. Critchfield	City Attorney	Melinda Greenwood	Comm. /Econ. Dev. Director
Blaine Haacke	Power – General Manager	Chief Craig Burnett	Police Department
Robyn Colton	Human Resources Director	Jackie Sadler	MCEA

Ms. Martinez called the Budget and Finance Committee Meeting to order at 12:30 p.m.

Power Department – Mr. Haacke noted Senior Staff Management Mr. Bellon and Mr. Turner were in attendance to discuss budget details. Mr. Haacke presented a balanced budget with no significant change, there were a few major line item changes, and large capital requests. He said there was no intention of implementing a power rate increase this year for Murray customers. The following was noted from their reports:

- The budget of approximately \$40 million is the largest budget in the City where most of the focus is aimed at purchasing power for Murray customers; and paying the City's monthly power bill of approximately \$1.5 million.
- *Staffing:*
 - One generation substation manager position was reclassified because a journeyman substation technician was hired.
 - Two open positions will be filled: a meter reading technician and an engineering manager. Both positions are included in the budget.
- *Capital Projects:* Total = \$5 million. Funds will be used for the following:
 - Replace and purchase vehicles.
 - Building repairs and upgrades.
 - Design and engineering for Central Substation rebuild.
 - Upgrade to AMI (Automated Metering Information) metering system. The cost for infrastructure will be divided between two fiscal year budgets; \$3 million per year. Mr. Haacke explained with a citywide total of 18,000 meters, staff is excited to see increased reliability, better efficiency, and outages will be identified quicker. It was noted that Murray customers will also be able to monitor personal usage hour by hour, from day to day with the new system.
- *Revenue* = \$37.4 million. Mr. Bellon detailed the list of revenue resources. There was a brief discussion about the following:
 - *UAMPS* (Utah Associated Municipal Power Systems) ↑ 78%. He explained the budget item reflects excess in energy sales; the total of \$400,000 was an estimate of what is sold back to UAMPS members. Staff monitors energy needs hour by hour and cooperates well with the UAMPS group.
- *Transfers In: Use of Reserves* = \$7.8 million. Funds will ensure the system is working at its best.
- *Transfers Out: Contribution to General Fund* = \$2.9 million.
- *Expenditures: Operations:* The budget is healthy with only the following changes:
 - *Professional Services: Administration* = \$100,000. The hope is to have a Master Plan developed for the Power Department by an outside firm. They will determine current needs and needs up to 20 years from now.
 - *Power/Distributions: Material Overhead* = \$50,000. Mr. Turner explained funds will be used for a continued maintenance program conducted by an outside source called OSMOSE. Wood power poles throughout the City are tested for sound structure.
 - *Travel and Training:* ↑ 200% for required SCADA (Supervisory Control and Data Acquisition) training.
 - *Supplies:* Increase of \$10,000 for supplies related to the SCADA system.
 - *Purchase Power* = \$22.3 million. The total expense is the cost to utilize all City resources in order to purchase power for the year. The following was also noted:
 - *Coal Fire Plant - San Juan* – Mr. Haacke said the final phase out will happen during the fall of 2022 because of recent legislation.
 - *Natural Gas Turbines* ↑ 14%. As other energy prices continue to rise, they budgeted \$400,000 to address the anticipated large summer load.
 - *Meters Division:*
 - *Overtime:* ↑ 150% due to anticipated work for upgrading customer meters.
 - *Small Equipment:* ↑ 33%. Upgrade current transformers and purchase equipment needed for testing old meters.
 - *Travel and Training:* Restored for advanced meter training.

CED (Community and Economic Development) – Ms. Greenwood reviewed budgets for three divisions and discussed CIP (Capital Improvement Projects) requests:

- ***CED: Travel and Training:*** Increased slightly to \$2,500.
- ***Building:***
 - *Staffing:* All building official positions are now filled.
 - *Uniform Allowance* = \$1,200. Uniforms for new employees.
 - *Books & Subscriptions:* Increased to \$4,800 for new Blue Beam computer software.
 - *Travel & Training:* ↑27% for new inspector training needs.
 - *Supplies:* Increase of \$1,500 to restore the budget to a pre-pandemic level.
 - *Small Equipment:* ↑ 16%. Replace two laptops and purchase larger monitors for plan reviews.
 - *Credit Card Fees* = \$9,500. The increase is for migration to a new software program.
 - *Professional Services:* ↑ 43% for increased outsourcing of structural and plan reviews.
- ***Planning and Licensing:***
 - *Staffing:* Due to inadequate staffing, there was a request to fill a new senior planning position.
 - *Books & Subscriptions:* Increase to \$3,500 to purchase and renew computer software.
 - *Supplies:* ↑ 23% to better align the budget with usage.
 - *Small Equipment:* \$800 increase to restore the budget to a pre-pandemic level.
- ***CIP:*** Four requests were noted:
 - Vehicle replacement = \$15,000.
 - Downtown Environmental = \$116,000. Grant funding is anticipated, but money was set aside.
 - Building Abatement = \$54,000.
 - Document scanning project in preparation for moving to the new city hall facility = \$50,000.

A brief discussion occurred about how often business license fees are evaluated and if the current rate is well serving to the City.

RDA (Redevelopment Agency) – Ms. Greenwood reported no significant changes and noted the following RDA information:

- The Central Business District ends in 2034.
- The 4800 South development would be allocated to the budget.
- Five other RDA areas remain mostly non-active: Fireclay, Smelter Site, East Vine Street, Cherry Street, and the Ore Sampling Mill. More information would be provided during an upcoming RDA meeting.

Fire Department – Chief Harris presented a flat budget with only a 1% difference from the previous FY (fiscal year). He noted because they received federal COVID CARES Act funding several line items would be underbudgeted. He discussed the following:

- *Staffing:* The total remains the same at 64.
- *Wages: Part-time:* ↑ 22% to address the expansion of the fire sprinkler inspections program.
- *Overtime:* A brief conversation occurred about how regular overtime and the *FLSA* (Fair Labor Standards Act) *overtime*, which is attained automatically, was split to better track the use of overtime. The combined budget for FY 2022 is \$11,667 over FY 2021.
- *Operations:*
 - *Knox Box Equipment* = \$60,000. The cost will be divided over two budget years. Chief Harris

explained the new digital device mounted near the front doors of many City businesses allow firefighters access after business hours. This way physical keys are no longer a worry. Funding would help in the process to switch Murray businesses to the updated device.

- *Professional Services*: ↑ 6%. Total increase = \$1,000. Due to the increase in pre-cancer testing and mental health therapy, the expense was previously paid by *Honor 365*. A brief discussion took place about why, when, where, and how public responders get help, and for what reasons.
- *CIP*:
 - New fire truck = \$742,000. Preordered last year and should arrive in October of 2021.
 - Equipment for the new fire truck = \$80,000.
 - Two trucks have been ordered:
 - Type 6 Brush truck = \$185,000. Used for wild land deployment.
 - Truck for Battalion Chief = \$60,000. Includes rear control center.

Mayor's Office – Ms. Heaps reported no changes to staffing, or to the overall budget.

City Council Office – Ms. Kennedy discussed the following changes:

- *Travel & Learning*: Restored with an increase of \$34,000. Ms. Kennedy explained the increase was due to the probability of attending annual conferences in person again, for both local and out of state meetings; as well as, the possibility of having up to three new council members who would attend conferences. The increase would also include approximately \$1,400 as Council Member Cox proposed that the City Council budget help pay Youth Chamber registration fees for the Local Officials Day conference held at the State Capitol. The cost would be based on the number of students attending.
- *Professional Services*: ↓ 18%. \$16,000 was moved to the CIP for the agenda management system.

Police Department – Chief Burnett confirmed the overall budget was restored to prior pandemic levels after significant budget cuts, with only slight increases. He reported the department had grown, and responsibilities had changed so adjustments were made. A discussion occurred about the current mental health program the department would be implementing to improve public safety, as well as what resources are available for the mental health of officers.

- *Staffing*:
 - Add additional lieutenant position back into the department who would oversee administrative items, a new mental health unit, and community programs. This is the result of new legislation and regulations that mandate all police officers be specifically trained because of increased mental health issues. New requirements would be included in the new Versaterm reporting system.
 - Reclassify a records supervisor position to office administrator.
- *SWAT Supplies*: Restored to \$20,000. Ms. Martinez inquired about what supplies are needed for SWAT teams and what they are used for. The Chief detailed items, cost, quality, and upkeep of different supply types.
- *Small Equipment*: A slight increase of \$2,000.
- *Travel & Learning*: Reinstated.
- *Radar Gun and Speed Sign Replacement*: Restored to \$6,500.
- *Crossing Guard Supplies* = \$4,000.
- *CIP*:
 - *Vehicles*: Replace 12 = \$480,000.
 - *Small Equipment* = \$50,000. Replacement of car computers, cameras, printers, etc.

- *Armored Vehicle Rehab* = \$50,000. The hope is to refurbish a surplus military vehicle.

Human Resources – Ms. Colton left the overall budget at pre COVID levels; and reinstated the following:

- *Travel & Learning* = \$2,000. Funds are for a new employee training.

Murray City Employees Association – Ms. Sadler read a prepared thank you letter from the association. (Attachment #1) A concern was noted about employees who would not receive pay increases either because they were red-lined or have reached top scale pay. A request was made that such employees receive a 2% bonus of some sort as a reward for dedicated work. In addition, a request was made that golf cart fees of approximately \$670 be waived for this years' golf tournament event.

Ms. Sadler led a discussion about how bonuses were given in the past to long-term and seasoned employees to encourage continued length of stay. Mayor Camp commented that red-line bonuses were discontinued once the new step-plan was put in place because the step-plan took into account that top scale employees received COLA increases based on their pay, which was a higher percent than other employees. He said it was late in the budget process this year to bring about a bonus issue now, which was not brought to his attention for discussion prior to this years' budget preparations. He affirmed that top scale employees are being paid adequately for their experience and staff worked hard to ensure that pay steps were there to compensate fairly.

Mr. Cox requested Ms. Moore look into what a 2% bonus would look like for red-line employees, to establish if bonuses were fundable. He felt with more employees eventually topping out, the matter could be addressed within a few months by having a separate budget opening, since it was late for this budget process. Mr. Hales confirmed the old bonus amount given was \$600. Ms. Moore noted the current step-plan should convey that red-lined employees are paid above market value; and a step 12 status was above market pay. Mr. Cox said even though a person might reach top scale pay, due to seasoned experience, workers should be extended monetary gratitude; he pressed on that they look into the matter. Ms. Martinez agreed the Council should look at the issue more deeply and research the matter diligently. Ms. Sadler appreciated Mayor Camp explaining why the past red-line bonuses were discontinued.

Adjournment: 2:57 p.m.

Pattie Johnson
Council Office Administrator II

ATTACHMENT #1



MURRAY CITY EMPLOYEES ASSOCIATION

5025 South State Street
Murray, Utah 84107

May 06, 2021

Dear Mayor Camp and Council Members,

The Murray City Employees Association (MCEA) would like to submit this letter to say thank you for all the support you have shown to the employees this past year. We are grateful for all the accommodations that were made to keep us safe and employed. We are grateful to the City Council for voting yes to amend the holiday schedule policy to allow employees four hours of holiday pay on December 24th for Christmas Eve.

We understand that insurance and dental rates will be increasing this year by 6% and .5%, respectively. Last year was a very challenging year for many, and usage went up. Hopefully, this next year will help us get back on track and we can get a refund again, like we did in 2019.

We are grateful to the Mayor for his proposal of a 3% COLA increase for all employees, along with the proposal to maintain the step plan increases. Of the 400 eligible positions for the step plan, only 62% of all positions will earn an increase. 34% of the eligible positions won't be receiving anything because they have reached the top of their range. According to the Mayor's proposed budget, "The City has a step plan to compete for and invest in trained and seasoned personnel in local government. Since the step plan was established, the City has seen a decrease in employee turnover."

Now that one third of our workforce is "trained and seasoned", they are not being rewarded for their hard work and longevity. In times past, an employee in this type of position was given a "red line" bonus. We would ask that you look into ways to reward these employees, whether it be a yearly bonus, or something else.

We would also like to ask if the MCEA could get the golf cart fees waived for our annual golf tournament that we sponsor every year. Last year we paid \$670 in golf cart fees. This cost is about the same every year.

We thank you for your efforts to provide increased communication with the employees and hope this trend continues. The purpose of the MCEA is for "enacting a more harmonious working relationship among all employees and elected officials." We are open to your suggestions to help us bridge this gap. Please continue to keep us informed on changes and proposed changes as this will help enact a more harmonious working relationship.

We appreciate your continued support of all Murray City Employees, the MCEA, and your participation in our functions and events.

Sincerely,
The Murray City Employees Association