

WOODS CROSS CITY COUNCIL WORK MEETING
MAY 29, 2007
5:30 P.M.

The Woods Cross City Council Work Session held May 29, 2007 at 5:30 P.M. in the Woods Cross City Hall 1555 South 800 West, Woods Cross, Utah.

CONDUCTING:

Mayor Kent Parry

COUNCIL MEMBERS PRESENT:

Kent Parry, Mayor
Jennifer Decker
Rick Earnshaw

Donald D. Moore, Jr.*
Jon Hadlow
Tamra Dayley

*Excused from the meeting as noted in the minutes

STAFF PRESENT:

Gary Uresk, City Administrator and Budget Officer
Alan Low, City Recorder

VISITORS:

None

The Mayor welcomed those in attendance and stated this is a work meeting, notice of time place agenda of the meeting was sent to local newspapers and provided to each of the City Council members prior to the meeting.

DISCUSSION AND REVIEW OF FISCAL YEAR 2008 BUDGET

The City's Budget Officer led the discussion and the City Council discussed the City's Fiscal Year 2008 Budget.

Personnel Budget Issues

A. COLA

Tentative Budget includes a 6% increase 3% Merit & 3% COLA

In previous years we have only budgeted a 2% COLA but I have noticed a majority of cities budgeted a 3% last year I would like to bring ours up to 3% this year.

A 1% COLA increases the General Fund by \$13,000 and increases the cost to all funds by \$16,000.

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B. Health Insurance

1. Increase from Trust=6.5%
2. Employees Advant. 1 and Pref. 3 Family Plans pay \$25.00 per month
3. Increase in Health Insurance over last years budget=3% due to changes in the employees change in health plans

C. Salary Adjustments

A worksheet was provided to the Council

1. Discussed in the meeting

General Fund Capital Improvements

Improvements not funded

| | |
|-------------------------------------|------------------|
| 1. Repaint/Carpet City Hall | \$60,000 |
| 2. Remodel City Hall Front Counter | \$9,000 |
| 3. Laptop Computer (Emergency Prep) | \$1,500 |
| 4. 2 AR Rifles (Police) | \$2,000 |
| 5. Pave Mills Park parking lot | <u>\$120,000</u> |
| Total | \$192,500 |

The Budget Officer recommended adding 5 to the budget. Council Members Hadlow and Dayley recommended items 1 and 2 be given priority before item 5.

Construct City Shops
(Estimated Cost)

| | |
|------------------------------|--------------------|
| Sell Current Shop Site | (\$200,000) |
| Purchase New Site (10 Acres) | \$600,000 |
| Engineering & Design | \$200,000 |
| Construction | <u>\$1,500,000</u> |
| Total | \$2,100,000 |

| | |
|-------------------------------------|--------------------|
| Balance in Capital Improvement Fund | \$1,600,000 |
| Sale of Property to Duerden | <u>\$520,000</u> |
| Total | \$2,120,000 |

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Menlove Move

Anticipated Move Date March 2008

This new move date will split the sales tax impact on the General Fund between FY 08 and FY 09. I reduced the Sales Tax revenues in the FY 08 budget by \$560,000 to account for the loss in revenue by Menlove's move. This may be considerably less, but I would recommend we leave the budget as it is and make adjustments mid year when we get a better idea of what will happen.

The City Recorder and I visited with the State Tax Commission this week and the only way Woods Cross can receive any taxes from Menlove while they are located in Bountiful is to have the sales processed in Woods Cross. In my last discussion with Wes, he indicated he would not be able to do that because it would be too big of a hassle for the customers to have to drive over to the Woods Cross site to sign the papers. I will meet again with Wes to see if there is any way we can make it work.

URRMA Insurance

Cost Comparisons

| | ULGIT | URRMA | Difference |
|----------------|----------------|----------------|----------------|
| City Liability | \$47,100 | \$22,493 | \$24,607 |
| City Property | \$5,286 | \$9,600 | (\$4,314) |
| RDA Liability | <u>\$5,061</u> | <u>\$1,588</u> | <u>\$3,473</u> |
| Total | \$57,447 | \$33,681 | \$23,766 |

Items to Consider

- URMMA Self Insurance
- Police Fitness Requirements
- Longevity with the Trust

The city Recorder was asked to get a 5 year claims history from Utah Local Government Trust to help in the decision.

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WATER FUND

Proposed Projects

| Project | Year | Cost |
|---------------------------------|------|--------------------|
| 3.5 Million Gallon storage tank | 2008 | \$3,148,758 |
| Well #5 Drill & Equip | 2008 | \$726,092 |
| Install 12" line on 500 South | 2008 | <u>\$610,404</u> |
| Total | | \$4,485,524 |

Cash Available in Water Fund

| | |
|-----------------|------------------|
| Enterprise Fund | \$388,000 |
| Impact Fee Fund | <u>\$-74,000</u> |
| Total | \$314,000 |

5 Million Dollar Loan

| | |
|---|-----------|
| Annual Payment over 10 years | \$668,500 |
| Current Bond Payment (retired in 2011) | \$120,000 |
| Impact Fees Collected (10 building permits per month) | \$300,000 |
| Balance to be paid by user fees | \$248,500 |

\$248,500 would be a 46% increase in water rates
Increase of monthly fee from \$9.00 to \$13.20

Surrounding Cities' water rates

| | |
|-----------------|---------|
| Centerville | \$12.75 |
| Bountiful | \$7.15 |
| North Salt Lake | \$14.40 |
| West Bountiful | \$14.66 |
| Woods Cross | \$9.00 |

Would like to look at doing 2 wells in place of one.
Look at 20 year term with pay off early.
Phase in rate increases over 2 to 3 years. Raise \$2 to \$3.

Council Member Moore left the meeting at this point.

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Storm Sewer Fund

Proposed Projects—2008

575 West Project (see attached map) \$329,000

Storm Sewer Cash Available

| | |
|-----------------|------------------|
| Enterprise Fund | \$85,000 |
| Impact Fee Fund | <u>\$170,000</u> |
| Total | \$255,000 |

Payment for Capital Projects

| | |
|-------------------------------|------------------|
| Enterprise Fund (budgeted 08) | \$57,200 |
| Impact Fee Fund (budgeted 08) | \$32,100 |
| Fund Balance usage | \$49,700 |
| Increase User Fee | <u>\$190,000</u> |
| Total | \$329,000 |

**Increase User Fee from \$1.00 per month to \$3.00 per month=\$190,000
Impact will be greatest on Commercial & Industrial Users**

Comparison with other cities:

| | |
|-----------------|---------------|
| Bountiful | \$3.00 |
| Centerville | \$4.00 |
| Clearfield | \$4.00 |
| Clinton | \$1.75 |
| Farmington | \$6.00 |
| Kaysville | \$6.50 |
| Layton | \$3.60 |
| North Salt Lake | \$3.00 |
| Syracuse | \$2.00 |
| West Bountiful | \$2.00 |
| West Point | \$3.00 |
| Woods Cross | \$1.00 |
| Average | \$3.32 |

The increase could wait if necessary or could go up \$1.00.

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Recycling Program

| | | |
|-------------|---------------------|---------|
| Current Fee | 1 st Can | \$10.00 |
| | 2 nd Can | \$7.25 |

| | | |
|--|--------|-------------------|
| Recycling Proposal by Waste Management | \$2.35 | City provides can |
| | \$3.35 | WM provides can |

I recommend we have Waste Management provide the can

1. Less upfront capital cost for us
2. Less manpower usage in delivering cans
3. Cost is very reasonable

| | | |
|---------|------------|---------|
| New Fee | Single Can | \$13.35 |
| | Two Cans | \$20.60 |

Many who have a second can would trade their second can for a recycling can. If they do this, their rate will drop from \$17.50 to \$13.35.

Given to the Council is a proposal from Waste Management.

ADJOURNMENT

At 7:25 P.M. the Council concluded the work session with a motion by Council Member Earnshaw to adjourn. Council Member Dayley seconded the motion and all voted for the motion.

Kent Parry, Mayor

Alan T. Low, City Recorder