

CLEARFIELD CITY COUNCIL MEETING MINUTES
6:00 P.M. WORK SESSION
April 19, 2011

PRESIDING:	Don Wood	Mayor
PRESENT:	Marilyn Fryer	Councilmember
	Kathryn Murray	Councilmember
	Mark Shepherd	Councilmember
	Doyle Sprague	Councilmember
	Bruce Young	Councilmember
STAFF PRESENT:	Chris Hillman	City Manager
	Brian Brower	City Attorney
	Adam Lenhard	Community Development Director
	Scott Hodge	Public Works Director
	Greg Krusi	Police Chief
	Tracy Heun	Community Services Director
	Gary Cohen	Aquatic Center Manager
	Steve Guy	City Treasurer
	Jessica Hardy	Accountant Technician
	Kim Read	Deputy City Recorder
EXCUSED:	Bob Wylie	Administrative Services Director
	Nancy Dean	City Recorder

VISITORS: There were no visitors.

Mayor Wood called the meeting to order at 6:10 p.m.

DISCUSSION ON THE 2011/2012 FISCAL YEAR BUDGET

Chris Hillman, City Manager, stated he would be presenting the General Fund budget with the Council. He mentioned there were no significant changes being made to the General Fund from this year. He stated Finance was presenting a balanced budget and explained the work that had taken place during the previous two months which resulted in this conclusion. He expressed his opinion the City was currently under budget for this current fiscal year and anticipated the City would end the year with a small surplus. He stated it appeared the sales tax revenue had a slight increase because the last distribution was seventeen percent higher than the previous year based upon numbers from the Census. He reported revenues remained below levels experienced a few years ago and there were no capital projects included in the proposed budget. He reported staff was not recommending a property tax increase and was suggesting the City maintain the Certified Tax Rate. He suggested the City hold a Truth in Taxation hearing if it intended to recoup funds from any unpaid property taxes.

Mayor Wood inquired how the City would accommodate the tax increase by Davis School District resulting in a decrease of funds received by the City. Mr. Hillman reported the City received approximately \$180,000 less than the projected budgeted figures of collected property taxes because of the School District's increase. Steve Guy, Treasurer, reported Clearfield City's property tax collection rate was approximately eighty-nine percent.

Mr. Hillman pointed out the proposed budget didn't include using the unreserved fund balance to balance the budget and pointed out there no were significant cuts in services. He reviewed the proposed General Fund, RDA, Municipal Building and G.O. Debt Service Funds fund with the Council. He pointed out the expenses in the General Fund were decreasing by approximately one million dollars from last year to this year.

Mr. Hillman continued to review the proposed budget document. Tracy Heun, Community Services Director, reviewed the unfunded capital projects specific to Barlow Park, Steed Park Tennis Courts, West Park Village Park and Train Watch Playground with the Council. Scott Hodge, Public Works Director, reviewed the street seal coat capital projects which were unfunded in the proposed budget. He mentioned the City would be completing some street maintenance during the fiscal year. Mayor Wood expressed concern there were significant needs specific to road improvements and suggested using some reserve funds to complete various projects. A discussion took place whether appropriating funds in this budget for road projects was warranted. Mr. Guy reported on the amount of funds currently in the fund balance which could be used toward road improvement projects.

Mr. Hillman explained how the City could use the reserve fund balance toward road improvement projects. Mayor Wood inquired if asphalt costs would increase with the increase in fuel costs. He suggested the City proceed in completing the seal coats using the reserve fund balance while Mr. Hodge completes some research specific to bid results and the cost of asphalt. Mr. Hillman stated based on the Council's discussion the \$300,000 for road improvements would be included in the tentative budget and emphasized the funds from the reserve fund balance was based on 18 percent of next year's revenues and cautioned the Council if those revenues were decreasing the 18 percent would also decrease.

Tracy Heun, Community Services Director, left the meeting at 6:55 p.m.

Mr. Hillman reviewed the funded capital equipment replacement included in the proposed budget for the dispatch center and Aquatic Center. Gary Cohen, Aquatic Center Manager, distributed a handout specific to funding the exercise equipment at the Aquatic Center and reviewed it with the Council. He stated the request would be to purchase ten elliptical trainers for \$50,000 and one step mill for \$5,000. He commented funds would be recognized for the trade in value for the old equipment. He emphasized his proposal would complete Phase 2 of the equipment replacement program and pointed out the fund could easily accommodate the

purchase. Councilmember Sprague complimented Mr. Cohen for his initial idea of the registration fee to be used for replacement equipment.

Gary Cohen, Aquatic Center Manager, left the meeting at 7:08 p.m.

Mr. Hillman requested Mr. Guy explained the funded capital equipment request specific to Information Technology. Mr. Guy reported the budget included an additional firewall to more securely protect the police department. He also stated the disaster recovery item was for an additional server which would maintain the City's database in the event the original server went down. Mr. Hillman suggested the Council address specific questions with Bob Wylie or Sean Montierth.

Greg Krusi, Police Chief, reviewed his unfunded capital equipment requests for the Police Department with the Council. Mayor Wood inquired if the Police Department was still seeking grants which could help fund some of the needed equipment. Mr. Krusi responded he would continue to pursue grants but expressed his opinion it appeared there weren't many which could be used for the department's specific purposes.

Mr. Hillman announced Tracy Heun had left the meeting to attend the Parks & Recreation Commission meeting and suggested the Council address any questions specific to City Parks/Recreation facilities with her at a later date. He informed the multi-media upgrades for the City Council Chambers had been eliminated from the proposed document. Adam Lenhard, Community Development Director, explained the need for updating the multimedia component in the Council Chambers and commented the project would continue to be brought to the Council during future budget processes.

Mr. Hillman reviewed the remainder of the proposed budget booklet with the Council. He read an email received from Mr. Wylie regarding specifics of the proposed budget to the Council. He stated the original renewal rates for health insurance was originally at nine percent and the second proposal was seven percent with adjustments related to co-payments which resulted in a two percent increase in co-pays specific to doctor visits. He indicated the City was continuing moving forward to a "consumer" program resulting with those who are using the insurance would be paying for it. He commented the City would consider implementing a HSA, Health Savings Plan, next budget year.

He stated there were no merit or cola increases in the proposed budget and recommended the City use any personnel savings to fund a performance based lump sum as a one time expenditure. Mayor Wood pointed out the employee would receive anywhere from one to two and one-half percent based on the employee's evaluation. Mr. Hillman explained the performance evaluation currently used to the Council and stated Summer Palmer, Human Resource Manager, was currently looking for a new evaluation system. Councilmember Murray clarified withholdings would take place on the lump sum payment.

Mr. Hillman continued to read Mr. Wylie's email and explained the election costs and reviewed additional items included in the email.

Mr. Hillman reviewed the highlights associated with the CDRA tentative budget and explained the philosophy in assessing the EDA's and RDA's for their overhead costs to the City. Mayor Wood expressed his opinion using those funds for administrative costs diminished the available revenue for the CDRA to generate additional development. Mr. Hillman explained how those costs had been identified in the project area budgets yet not transferring those funds for reimbursement to the City. He stated Mr. Guy had created a spread sheet reflecting the various City employees' costs specific to the project area. A discussion took place specific to the operating costs for the EDA's and RDA's.

Mr. Hillman continued to read Mr. Wylie's email to the Council. He suggested the Council consider the Mayor's philosophy regarding the EDA's and RDA's and if directed, staff could adjust figures during next year's budget process.

Tracy Heun, Community Services Director, arrived at 7:54 p.m.

The meeting adjourned at 7:54 p.m.

**APPROVED AND ADOPTED
This 14th day of June, 2011**

/s/Don Wood, Mayor

ATTEST:

/s/Nancy R. Dean, City Recorder

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, April 19, 2011.

/s/Nancy R. Dean, City Recorder