

1 **Minutes of the**
2 **Finance and Administration Committee Budget Review Meeting**
3 Bountiful City Public Safety Building Training Room (and electronically via Zoom)
4 April 6, 2020 (4:00 p.m.)
5

6 Present:

7 Committee Members: Randy Lewis (Chair), Millie Segura Bahr, Kate Bradshaw,
8 Kendalyn Harris
9 City Manager: Gary Hill
10 Assistant City Manager: Galen Rasmussen
11 Department Personnel: Shannon Cottam, Shawna Andrus, Lloyd Cheney,
12 Todd Christensen, Greg Martin, Francisco Astorga,
13 Alan West, Clint Drake, Tyson Beck, Ted Elder
14

15 Official Notice of this meeting had been given by posting a written notice of same and an agenda at
16 the City Hall and providing copies to the following newspapers of general circulation: Davis County
17 Clipper, Standard Examiner, and the Utah Public Notice Website.
18

19 Committee chair Randy Lewis called the meeting to order at 4:00 p.m., and welcomed those in
20 attendance. He provided a brief introduction of the budget process. Mr. Hill expressed concern with
21 the potential for adverse economic impacts to some categories of revenues (particularly sales tax)
22 from the COVID-19 pandemic situation. In anticipation of the potential for an economic slowdown,
23 each department head is preparing a 5% and 10% budget reduction scenario. Projections will be
24 ready for action by June 2020.

25 Overall, personnel services citywide include applicable merit increases, a 2% cost of living allowance
26 (COLA), a leveling of retirement costs for Tier 2 benefits to match Tier 1 benefits for affected
27 employees. The budget includes a 6% increase in health insurance premiums which is down from a
28 10% increase as originally projected.

29 **PRESENTATION OF BUDGETS**

30 Legislative Department Budget

31 Gary Hill presented the budget of the Legislative Department. Major increases in personnel services
32 include a 2% COLA and a 6% health insurance increase. Changes in operations and maintenance line
33 items include reductions due to no municipal election season in fiscal year 2020-2021.

34 Committee chair Lewis called for a motion on the Legislative budget. The budget was passed with a
35 motion from Committee member Bradshaw with a second from Committee member Bahr. Voting
36 was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

1 Legal Department Budget

2 Clint Drake presented the budget of the Legal Department. Small changes in in the budget include
3 those in computer expenses and the legal and auditing (public defender fee) category. This public
4 defender category was adjusted for expected volume of activity and judge designations

5 Committee chair Lewis called for a motion on the Legal Department budget. The budget was passed
6 with a motion from Committee member Bahr with a second from Committee member Bradshaw.
7 Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

8 Liability Insurance Fund Budget

9 Clint Drake was asked to present the budget for the Liability Insurance Fund. Revenues from premium
10 reimbursements from departments are projected to increase by 5%. Liability claims are lower than
11 budget as a result of wise department management and efficient claims administration.

12 Committee chair Lewis called for a motion on the Liability Insurance budget. The budget was passed
13 with a motion from Committee member Bradshaw with a second from Committee member Bahr.
14 Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

15 Workers' Compensation Fund Budget

16 Clint Drake presented the budget for the Workers' Compensation Fund. Revenues from premium
17 reimbursements from departments are projected to increase by 5%. Workers compensation claim
18 activity was reviewed in general noting that claims have increased by about 2%.

19 Committee chair Lewis called for a motion on the Workers' Compensation Fund budget. The budget
20 was passed with a motion from Committee member Bahr with a second from Committee member
21 Bradshaw. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

22 Executive Department Budget

23 Gary Hill presented the budget of the Executive Department. Personnel services changes between
24 budget years are due primarily to the 2% COLA.

25 Committee chair Lewis called for a motion on the Executive Department budget. The budget was
26 passed with a motion from Committee member Bradshaw with a second from Committee member
27 Bahr. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

28 Further discussion was held on a proposed reserves policy for City funds. Gary Hill presented a
29 proposed fund balance/reserve policy that was developed in a collaborative effort from Gary Hill,
30 Galen Rasmussen and Tyson Beck. Staff hopes the policy will be adopted as a part of the annual
31 budget.

1 Human Resources Department Budget

2 Shannon Cottam presented the fiscal year 2021 budget request of the Human Resources Department.
3 Personnel services categories are up due to the 2% COLA and a 6% health insurance premium
4 increase. Shannon noted that in operations and maintenance categories the main increase was in the
5 computer software line item which stems from allocated costs from the Information Technology
6 Department. Memberships are also up due to the need to remain compliant with Department of
7 Transportation testing and training standards.

8 Committee chair Lewis called for a motion on the Human Resources Department budget. The budget
9 was passed with a motion from Committee member Bahr with a second from Committee member
10 Bradshaw. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

11

12 Information Technology Department Budget

13 Alan West presented the budget for the Information Technology Department. Notable increases in
14 the personnel services area include the COLA and merit increases for eligible employees. There is also
15 an increase in budgeted expenditures to address licensing of servers.

16 Committee chair Lewis called for a motion on the Information Technology Department budget. The
17 budget was passed with a motion from Committee member Bradshaw with a second from Committee
18 member Bahr. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

19 Computer Replacement Fund Budget

20 Alan West provided a brief overview of the purpose of the Computer Replacement Fund. There is a
21 replacement plan and funding in place to keep equipment up-to-date in each department. Software
22 will be moving to an Office 365 platform for all computers in the City in the new budget year.

23 Committee chair Lewis called for a motion on the Computer Replacement Fund budget. The budget
24 was passed with a motion from Committee member Bahr with a second from Committee member
25 Bradshaw. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

26 Finance Department Budget

27 Tyson Beck was asked to present the budget of the Finance Department. Personnel services increases
28 are driven largely by the proposed COLA and merit increases with additional impact from health
29 insurance premium increases. Operations and maintenance category changes include payment for an
30 Other Post Employment Benefit (OPEB) actuarial study; software reallocation costs, and similar items.
31 The planned purchase of a folder/insert machine which is used by Treasury, Finance, Planning and
32 Engineering was in the fiscal year 2020 budget but will be moved to fiscal year 2021 capital budget.

1 There was a brief discussion on how positions, including the Assistant City Manager are budgeted
2 between departments and funds.

3 Committee chair Lewis called for a motion on the Finance Department budget. The budget was
4 passed with a motion from Committee member Bradshaw with a second from Committee member
5 Bahr. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

6 Debt Service Fund Budget

7 Tyson Beck presented the budget request for the Debt Service Fund. The City currently has no
8 General Obligation debt and this fund simply has a residual cash balance upon which interest income
9 is earned with some related bank fees being applied.

10 Committee chair Lewis called for a motion on the Debt Service Fund budget. The budget was passed
11 with a motion from Committee member Bahr with a second from Committee member Bradshaw.
12 Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

13 Municipal Building Authority Fund Budget

14 Similar to the Debt Service Fund, Mr. Beck noted that the Municipal Building Authority Fund was a
15 fund used to account for debt service and activities associated with construction of municipal
16 buildings. The associated debt has been paid off and the residual cash balance earns interest income
17 and incurs a small amount of account fees.

18 Committee chair Lewis called for a motion on the Municipal Building Authority Fund budget. The
19 budget was passed with a motion from Committee member Bradshaw with a second from Committee
20 member Bahr. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

21 Cemetery Perpetual Care Fund Budget

22 Tyson Beck mentioned that the Cemetery Perpetual Care Fund's main revenue source currently is
23 sales of cemetery lots. When all lots in the cemetery are sold the fund will be operated on interest
24 income only with an operational purpose of maintenance of the cemetery property in perpetuity.

25 Committee chair Lewis called for a motion on the Cemetery Perpetual Care Fund budget. The budget
26 was passed with a motion from Committee member Bahr with a second from Committee member
27 Bradshaw. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

28 Landfill Closure Fund Budget

29 As noted by Mr. Beck, this fund accumulates monies to cover the ultimate closing and ongoing
30 monitoring of the City's landfill. The fund's cash balance earns Interest income only.

1 Committee chair Lewis called for a motion on the Landfill Closure Fund budget. The budget was
2 passed with a motion from Committee member Bradshaw with a second from Committee member
3 Bahr. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

4 Treasury Department Budget

5 Ted Elder presented the Treasury Budget. Mayor Lewis recognized Ted for his service representing
6 Bountiful City on the Utah Money Management Council and that he is the incoming president for the
7 Utah Public Treasurer’s Association. Increases in the personnel services category of the department
8 are primarily due to the COLA and merit increases for eligible employees. Travel and training has
9 been increased to allow staff training on MUNIS software which is used in the department. Increases
10 are also present in the budget from software cost allocations.

11 Committee chair Lewis called for a motion on the Treasury budget. The budget was passed with a
12 motion from Committee member Bahr with a second from Committee member Bradshaw. Voting
13 was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

14 Engineering Department Budget

15 Lloyd Cheney and Todd Christensen presented the Engineering Department budget. The personnel
16 services category now includes a new part-time administrative position and intern costs. Travel and
17 training costs are budgeted to maintain professional licenses plus training on the MUNIS software
18 platform used in the department. The capital fund budget includes the planned purchase of a new
19 large format copier to replace existing equipment that has exceeded useful life. A review of fees was
20 made.

21 Committee chair Lewis called for a motion on the Engineering Department budget. The budget was
22 passed with a motion from Committee member Bradshaw with a second from Committee member
23 Bahr. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

24 Planning Department Budget

25 Francisco Astorga outlined the budget request for the Planning Department. The Personnel services
26 area decreased between the current and proposed budget years due to staffing changes. Changes in
27 operations and maintenance categories include reassignment of costs (on a contract basis) for the
28 current Assistant City Planner who was serving on staff while a former employee was on military
29 assignment. The contract arrangement in the budget will result in one more staff member for one
30 additional year.

31 Mr. Astorga reviewed the list of development fees and noted adjustments to Planning Commission
32 fees, site plan review fee increases, and conditional use permit fee changes.

1 Councilwoman Harris commented on the future need to discuss if additional personnel are needed to
2 for economic development efforts. Gary Hill noted that a future conversation would be held to
3 identify the Council’s economic development goals, and how resources could be arranged to meet
4 them.

5 Committee chair Lewis called for a motion on the Planning Department budget. The budget was
6 passed with a motion from Committee member Bahr with a second from Committee member
7 Bradshaw. Voting was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

8 Redevelopment Agency (RDA) Budgets

9 Francisco Astorga presented the budget request for the RDA Revolving Loan Fund and the RDA
10 Operating Fund. The budget for the Revolving Loan Fund includes a loan budget of \$500,000 in fiscal
11 year 2021 which is consistent in amount with prior years. Other accounts detail in the fund records
12 activity in existing loans.

13 The RDA Operating Budget was discussed with particular note on a budgeting change in the Special
14 Projects line item. In fiscal year 2021 the Special Projects line will now include only money to fund
15 contingencies and projects have been moved to the Capital expenditures area. A review of projects
16 was then made as outlined in the Long-term capital plan section of the budget document including
17 plans with Bountiful Town Square and other projects in the RDA area.

18 Committee chair Lewis called for a motion on the RDA Fund budgets. The budget were passed with a
19 motion from Committee member Bradshaw with a second from Committee member Bahr. Voting
20 was unanimous with Committee member Lewis, Bahr and Bradshaw voting aye.

21 The meeting adjourned at 6:02 p.m. on a motion made by Committee member Bahr and seconded by
22 Committee member Bradshaw. Voting was unanimous with Committee members Lewis, Bahr, and
23 Bradshaw voting “aye”.