

Minutes of the Work Session meeting of the Syracuse City Council held on June 9, 2009, at 6:00 p.m., in the Council Work Session Room, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Alan Clark
Doug Hammond
Lurlen A. Knight
Douglas Peterson
Larry D. Shingleton

Mayor Fred Panucci
City Administrator Rodger Worthen
City Recorder Cassie Z. Brown

City Employees Present:

Finance Director LaMar Holt
Information Technologies (IT) Director TJ Peace
Recreation Director Kresta Robinson
Community Development Director GJ LaBonty
Police Chief Brian Wallace
Fire Chief Craig Cottrell
Senior Program Coordinator Tiffany Vigil
Adult Sports Program Coordinator Chad Smout

The purpose of the Work Session was for the Governing Body to review the agenda for the Regular Council Meeting to begin at 7:00 p.m., review the City Council Calendar, review the City Claim Statement, review and discuss the Tentative Fiscal Year (FY) 2009-2010 Budget, and discuss Council Business.

Calendar

Councilmember Knight reported that he will be out of town from June 17 through June 19.

Councilmember Hammond reported he will be out of town beginning tomorrow through June 13.

Councilmember Shingleton reported that he will be out of town June 11 through June 14.

Councilmember Hammond asked Recreation Director Robinson to briefly review the calendar of events for Heritage day. Ms. Robinson briefly reviewed the calendar of events and added that a hard copy of the calendar was included in the June newsletter, which each of the Councilmembers should have had delivered to their home.

Tentative Fiscal Year (FY) 2009-2010 Budget

City Administrator Worthen explained that he and Finance Director Holt have continued to review the Tentative Fiscal Year (FY) 2009-2010 budget to find additional cuts that could be made. He stated that to date they have found an additional \$37,000 that could be cut from the budget. He explained that one item to be cut is the Fire Chief's new truck, but that elimination does not affect the general fund because the vehicle purchase was budgeted for in the capital expenditure area of the budget.

Mayor Panucci asked if the \$37,000 in cuts is included in the tentative budget adopted by the Council or if additional cuts have been made since that acceptance. Mr. Holt explained that the \$37,000 in potential cuts would reduce the total for the tentative budget that was accepted by the Council.

Mr. Worthen then explained that this discussion was necessary because Councilmember Clark sent an email to the Council and staff asking questions about what cuts had been made to this point. He stated that he asked all Department Heads to provide a comparison of their tentative budgets for FY 2009-2010 and the adopted budgets for the last two fiscal years. He stated that behind every budget line item a service is provided, meaning that any cuts made to the line items translate into reduction of service.

Councilmember Knight inquired as to the definition of 'vehicle expenses' as identified in various department budgets. Mr. Holt explained those budgets are used to purchase gas and pay for maintenance of vehicles. Councilmember Knight asked if any money had been included in the budget to maintain the fire truck the way the Council had indicated they wanted it maintained.

Mayor Panucci stated that the section of the report dealing with the Police Department includes some handwritten reductions and he asked if those reductions had been made since the cottage meetings were held, to which Mr. Holt answered no. Police Chief Wallace added that the reductions are the difference between last years adopted budget and the tentative FY

2009-2010 budget. Mayor Panucci asked if there is still a \$600,000 shortfall considering the reductions that have been made, to which Mr. Holt answered yes.

Councilmember Clark explained that several citizens approached him at the conclusion of the cottage meetings and told him that they did not believe that the City had already reduced its budget. He stated that he wanted staff to compile a list of those things that had been eliminated from the budget so that he can provide that information to citizens. Mr. Holt stated that is what has been provided; no new reductions have been found.

Mayor Panucci asked where the \$37,000 in cuts came from. Mr. Worthen stated that the \$37,000 represents additional cuts that could be made, but that have not been identified in the tentative budget document. He stated the \$37,000 includes the elimination of any Christmas bonuses for employees as well as cuts to supply budgets. Mr. Holt added that it would also include the elimination of all travel budgets for the Administration as well as the Council. He stated there is not much more that can be cut from the budget.

Councilmember Knight stated that he felt the City should not participate in the Davis County Animal Control Services program. He stated that program could be managed in house. Councilmember Shingleton agreed and added that South Ogden City manages their own animal control program and the program generates revenue for the City. Councilmember Knight stated that is correct and he added that South Ogden City works with two other cities and the program pays for itself. Councilmember Peterson asked how a City would go about starting an animal control services program. Community Development Director LaBonty asked if the Code Enforcement Officer of the City would be responsible for animal control. Councilmember Clark stated that for the amount of money the City pays to the County for the service a new employee could be hired. Mr. LaBonty explained that the Code Enforcement Officer currently spends half of his time working in the Public Works Department and the other half performing code enforcement. Councilmember Hammond asked what type of work the Code Enforcement Officer does in the Public Works Department. Mr. LaBonty explained that he is assisting with parks maintenance. Councilmember Hammond stated that means a fairly high wage is being paid for that work. Councilmember Knight stated that he simply feels that the amount of money the City is paying to the County is high and the City should consider its options. Councilmember Shingleton agreed and explained that he has two problems with the contract with Davis County; one is that the County did not talk to the City about the increase to the cost for service; and two is that the City may be able to work with a couple of other cities to turn the program into a revenue generator for the City. Councilmember Clark stated that it is not necessary to make a decision on the issue right now, but he would like to look at it closer. Councilmember Peterson agreed and added that bringing the program in house right now would not affect the FY 2009-2010 budget. Councilmember Knight stated the City could tell the County that their services are no longer needed and manage the program in house for the remainder of the year. He added that he knew the City's Police Department has been involved in large animal control situation in the past and sometimes there was no involvement from the County. Councilmember Shingleton added that the City could rent farm property from a resident for the storage of large farm animals and owners would be charged a fee to get their animals back. He stated that the same would be true for someone trying to get a dog out of the dog pound. He then stated that South Ogden City operates their animal control program with one full time employee and several volunteers. Mr. Worthen stated he would contact the South Ogden City Manager and get more details about their program.

Councilmember Clark then asked if there has been any discussion among the Utah League of Cities and Towns to hold some of their training sessions in the northern area of the State rather than holding all trainings in St. George. Mr. Worthen stated he had not received any information on that subject.

Mayor Panucci then stated that he asked Ms. Robinson to put together some information for him regarding the fees charged for recreation programs and the associated revenue generated by those programs. He stated that he would like to discuss increasing recreation fees by \$3.00, \$5.00, or \$7.00 each. Councilmember Clark asked what a 'contract official' is. Ms. Robinson stated that the City participates in the Wasatch Front Football League (WFFL) and they required that contract officials be used to officiate football games in the City. She added that the same is true for basketball for those in sixth grade and older. Councilmember Hammond asked where money goes that is unexpended at the end of fiscal year. Ms. Robinson stated that her unexpended funding goes back into the City's general fund. Councilmember Hammond asked Ms. Robinson if she has a trust fund account, to which Ms. Robinson answered yes and explained that is where she deposits donations from various individuals or entities. Councilmember Hammond asked how much money is in the trust fund. Mr. Worthen stated that the current balance is approximately \$12,000. Councilmember Hammond asked if there are other trust fund accounts in the City. Councilmember Clark stated he did not know why Councilmember Hammond was asking these questions because trust fund monies must be used for a specifically identified use. Councilmember Hammond stated that is incorrect and that trust fund monies can be used for any purpose. Mr. Holt explained there are five trust funds and some of those trust fund monies could be used in the general fund while others are definitely off-limits. He stated that money in the museum trust fund could not be used in the general fund, but money in the fingerprint trust fund probably could be used in the general fund.

Councilmember Peterson inquired as to the total dollar amount available in the trust funds, to which Mr. Holt replied there is anywhere between \$25,000 and \$50,000 in trust funds in a give year. Councilmember Hammond stated that Mr. Holt had told him in the past that the total amount was closer to \$100,000. Mr. Holt explained the balances have decreased with the economic slowdown. Councilmember Clark asked where the money comes from that is deposited into the recreation trust fund. Ms. Robinson explained there are donations made during Heritage Days and the booth rental fees for Heritage Days are deposited in the trust fund as well as money generated by contract programs, such as tumbling.

Councilmember Knight stated that he is confused about the football program. He stated that the information provided to the Council shows that football generates \$46,620 in revenue. Ms. Robinson stated that is based on a \$105.00 participation fee. She stated that any increase in revenues will be dependent on the number of participants.

Councilmember Peterson asked if program fees are covered by user fees, to which Ms. Robinson answered yes. She added that programs are self sustaining; the only thing that user fees do not pay for is employee costs.

Councilmember Peterson asked why the budget for the senior program is \$0.00. Ms. Robinson stated that the senior program was converted to a self-sustaining program and the City no longer subsidizes the senior program activities.

Councilmember Peterson asked if the City purchases hats and shirts for football coaches. Ms. Robinson stated she understood that was being removed from her budget and she planned to make those purchases with trust fund monies. She added that the WFFL requires that all coaches wear matching uniforms that identify the team and City they are coaching for. Councilmember Hammond asked what benefit the City receives from participating in the WFFL. Ms. Robinson stated the City's teams are allowed to play other cities' teams as well as some additional benefits.

Councilmember Shingleton pointed out that some other cities do not run their own soccer program and the youth in their community participate in AYSO instead.

Councilmember Peterson asked how much additional revenue will be generated if all recreation fees are increased by \$3.00. Councilmember Clark inquired as to how many kids currently participate in the City's recreation programs, to which Ms. Robinson answered 3,828. Councilmember Shingleton stated that if fees were increased by \$5.00 per user the City would realize an increase of revenues of just under \$20,000. Mayor Panucci stated that amount of money could assist in paying the salary of a coordinator, which is the only thing being subsidized in the Recreation Department.

Councilmember Shingleton inquired as to the user fee charged for the baseball program. Ms. Robinson stated that the fee varies anywhere between \$30.00 and \$50.00 depending on the age of the participant. Councilmember Shingleton stated that Farmington City charges between \$50.00 and \$60.00 to their baseball participants and Kaysville City charges \$70.00. Ms. Robinson explained that Kaysville's baseball season is much longer than Syracuse City's; Syracuse offers nine games while Kaysville City offers 15 or 16 games. Councilmember Shingleton then stated that Kaysville charges \$50.00 for their soccer program. Ms. Robinson explained that Syracuse City's soccer fee is \$40.00. Mayor Panucci stated it sounds like there is some room to increase program fees to assist in covering the cost of program coordinators. Councilmembers Clark and Hammond stated they were comfortable increasing user fees by \$5.00 with Councilmember Clark asking if the increase would be applied to all program across the board. Mayor Panucci asked Ms. Robinson if she felt that some programs could be increased by more than \$5.00. Councilmember Knight suggested increasing fees by \$7.00 each. Councilmember Shingleton reviewed user fees charged in other cities and suggested that the City use fees from every other city besides Layton to determine how much the fees should be increased. Councilmember Hammond asked Ms. Robinson what amount she felt the fees should be increased by. Ms. Robinson stated that she felt that Syracuse City's fees were already pretty comparable with the fees charged in other cities. She added that she felt that people pay \$5.00 more for their kids to participate in programs, but she cautioned the Council to not raise the fees too high, which could adversely affect participation levels. Councilmember Hammond asked if a \$7.00 increase across the board would be too much. Ms. Robinson stated that amount would probably be acceptable. Councilmember Clark stated he would prefer to increase fees by \$5.00 rather than \$7.00. Councilmember Knight asked what will be done to assist families that can not afford the increase. Ms. Robinson stated that she does provide some scholarships through her trust fund. Councilmember Shingleton stated that people with three or more children participating in a program could receive a discount. Mayor Panucci stated he did not think that would equitable and that he did not like the idea of giving discounts. Councilmember Shingleton then stated that he would not have a problem raising fees by \$7.00. Councilmember Peterson stated he would prefer to raise fees by \$5.00 with Councilmember Clark agreeing. Councilmember Knight asked how many people will not be able to participate if fees are raised by \$7.00. Ms. Robinson stated it would be impossible to answer that question. Councilmember Knight stated that he sat his kids down and explained to them that, due to the current economy, they could not participate in every program and they would need to choose which programs they wanted to participate in. Ms. Robinsons stated that she had heard of a lot of people doing that same thing. Councilmember Clark stated that he would be comfortable increasing user fees by \$5.00 for all programs, with the exceptions of football; he would be comfortable increasing that participation fee by a higher amount. Ms. Robinson stated that the City could charge \$10.00 more for football and people will pay it. After a short discussion the

Council decided to increase the football participation fee by \$10.00 and all other sports program fees by \$5.00. The Council instructed City Recorder Brown to advertise a public hearing for June 23, 2009 for the Council to consider amending the fee schedule by increasing recreation user fees.

Mayor Panucci stated another option for the Council to consider is selling the senior program bus because the program has outgrown it. Senior Program Coordinator Vigil stated that the program used the van today for the first time in three months. She stated that it was outgrown three months after it was purchased. Mayor Panucci stated the City paid \$60,000 for the bus. Ms. Vigil stated that it only has 5,000 miles on it. Mr. Worthen added that the bus was purchased with Community Development Block Grant (CDBG) funding and he would need to check if the City can legally sell an asset acquired with grant funds. Councilmember Knight asked why the City does not rent the bus. Mr. Worthen stated that is not being done for liability reasons. Mayor Panucci stated that he would rather sell the bus. Councilmember Clark stated that the bus could be sold and the City could buy a 15-passenger van that could be used by the Police Department as well as the senior program.

Councilmember Hammond then stated that the Council received a letter from a citizen regarding comments made at a recent senior luncheon regarding what could happen to Ms. Vigil's job. He stated that he wanted to point out that the City Council has not considered eliminating Ms. Vigil's job and that information was presented during a senior luncheon as a scare tactic and it was misinterpreted. He stated that Ms. Vigil runs a great senior program and the Council is not looking at her job. Ms. Robinson stated that the reason the information was discussed was because she is very well aware that in tough economic times Recreation Departments often take the hardest hit. She stated that she prides herself on keeping her staff well informed and she had simply explained to them that the senior program and adult sports program may be reviewed because neither are large revenue generators. Mr. Worthen added that staff put together a draconian budget and, in the case that taxes are not increased, elimination or reduction of the senior program could be considered. Councilmember Knight stated that is the information he shared during the senior luncheon and he is sorry that those in attendance took that as a strong-arm tactic. He stated that the seniors think the world of Ms. Vigil. Mr. Holt stated that he was confused; he explained that the senior program has been on a list of potential cuts for over a month and the Council has reviewed that list and no changes have been made. Mayor Panucci stated that no decisions have been made about what items included on the list should be cut. Mr. Holt agreed, but stated that the items on the list were considered to be possible so it was not correct to tell people that those items have not been considered. Mayor Panucci stated those items have not been considered.

Councilmember Shingleton asked what the recent trend in sales tax revenues has been. Mayor Panucci stated that revenues are still down. Councilmember Knight added that the revenues realized in the last quarter were 19 percent below the revenues from the previous quarter. Mr. Holt added that the revenues received in the month of March were \$77,000 less than what was budgeted for. Mayor Panucci asked how that compared to last years sales tax revenues. Mr. Holt stated that March 2009 revenues were \$22,000 less than March 2008 revenues. He stated that the City's sales tax year to date total is \$10,800 less than it was at this time last year. He stated that in the current fiscal year the City has collected \$378,000 less than projected.

Councilmember Clark stated in the email that he sent to staff that was referenced earlier by Mr. Worthen he asked if the City could legally adopt a clause dictating that after a defined period of time property taxes, if raised this year, would be reduced by the amount they were raised by. He stated that time period could be four years or it could be based on an amount of money generated by the tax increase and a future Council would be left to determine if they wanted to maintain the tax rate or reduce taxes. Mayor Panucci stated that could be said, but that is the current method of operation; all Council's have the right to decrease, maintain, or increase the tax rate. Councilmember Knight stated that is correct, but added that people might feel better if the Council told them that property taxes would be reviewed after a defined period of time. Councilmember Clark stated that it would be like adding a sunset clause to the tax increase. Mayor Panucci asked what would happen if taxes are increased next year as well. Councilmember Clark stated that he was only talking about affecting the potential tax increase to be implemented this year. Mayor Panucci stated that would feel like 'passing the buck' to the Council that will be in place four years from now; that Council would be required to vote to ratify a tax increase implemented by a past Council. Councilmember Clark stated that he would like to mandate that the property tax rate be reviewed after a defined period of time. Mr. Worthen stated he would review State Code to determine the legality of such a mandate. Councilmember Knight reiterated that citizens would feel better about the tax increase if they knew it would be reconsidered after four years. Councilmember Peterson stated that it is a 'feel good' idea, but it does not have any teeth. Mayor Panucci agreed and asked how many times the Council has seen a municipality lower their tax rate. Councilmember Knight stated the sewer plant lowered their tax rate at one point. Mayor Panucci stated that the truth is that it would not happen. Councilmember Shingleton stated that is what people believe. Mayor Panucci stated that he would rather consider increasing the sales tax charged in the City and sunset that at a later date. Councilmember Shingleton stated that Riverdale City increased their sales tax by .02 and they have increased their revenues. Mr. Holt stated he would check to see if Syracuse City could do the same.

City Council Work Session
June 9, 2009

The meeting adjourned at 6:55 p.m.

Fred Panucci
Mayor

Cassie Z. Brown, CMC
City Recorder

Date approved: June 23, 2009

Governing Body/Administration Assignment List

- Mayor Panucci and members of City Administration will attend a County Commission meeting to discuss sharing Senior Citizen Program resources. (01-08-08)
- City Administrator Worthen and Finance Director Holt will work on developing a proposal regarding a Fleet Replacement Program. (01-08-08)
- Administration will advertise the creation of an audit committee and solicit community involvement. Once a member of the community has been selected, a resolution will be drafted to create the committee and appoint the members. (02-26-08)
- Councilmember Clark suggested the creation of a distribution list that people could add their name to in order to receive electronic copies of agenda, newsletters, etc. City Administrator Worthen will work with staff on that issue. (02-26-08)
- Human Resources Director Alldredge will research the options for including a “commitment clause” in the City’s tuition reimbursement policy. (05-27-08)
- City Recorder Brown will research the rates that other cities are charging to allow businesses to advertise in their newsletter. (06-10-08) (10-28-08)
- Administration will research the contract between the LDS Church and the City regarding the donation of the Founders Park land. (06-10-08)
- Council will revisit the proposal to create the positions of HR Generalist and Treasurer after the implementation of the electronic time keeping system. (10-14-08)
- Mr. Worthen will research EPA guidelines to determine when the City will be required to install a de-silting station. (10-28-08)
- Councilmember Clark will gather information from the WIWMD regarding participation in pilot recycling programs and report back to the Council. (01-13-09)