

Minutes of the Work Session meeting of the Syracuse City Council held on June 8, 2010, 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
D. Matthew Kimmel
Douglas Peterson
Larry D. Shingleton

Mayor Jamie Nagle
City Administrator Rodger Worthen
City Recorder Cassie Z. Brown

City Employees Present:
Police Chief Brian Wallace
IT Director TJ Peace
Recreation Director Kresta Robinson
Finance Manager Amber Fowles
Detective Corey Rowley
GIS Technician Troy Moyes
Administrative Intern Brant Hanson

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 tentative Fiscal Year 2010-2011 budget for the Recreation Department, review the tentative Fiscal Year 2010-2011 budget for the Planning Department, consider setting a policy in accordance with Senate Bill 43, review garbage can rates, and discuss Council Business.

Tentative Fiscal Year 2010-2011 Recreation Department budget.

Recreation Director Robinson stated that she is aware that the Council was provided with the tentative budget nearly a month ago and she hoped they had the opportunity to review her Department budget. She stated she is willing to answer any questions they may have.

Councilmember Peterson asked if the costs for officials are covered by the revenues generated by each sports program, to which Ms. Robinson answered yes.

Mayor Nagle asked if there is any documentation of the relationship between revenues and expenditures for any given program ran by the Recreation Department. Ms. Robinson stated that she is aware that revenues decreased in her Department over the past fiscal year (FY), but she has been working to review the record keeping with Finance Manager Fowles and the two of them found some errors in the accounting processes set up for her Department. She stated that once those errors are corrected it will be easier to understand the relationship between revenues and expenditures for every program. She stated that current revenue numbers may not be completely accurate because prior to Ms. Fowles being employed with the City there were instances where expenditures were paid directly from revenue accounts, which should not have been happening. Ms. Fowles agreed and stated that she will work to implement correct accounting processes for each Department. Ms. Robinson then explained that the City subsidizes some of the programs via paying the salaries of the full time employees associated with a given program, but other than those costs each program is self-sufficient.

Councilmember Peterson asked where the revenues generated by membership dues are deposited, to which Ms. Fowles answered the general fund.

Councilmember Hammond asked Ms. Robinson if she has data to show where the people actually live that are paying for Community Center memberships. Ms. Robinson explained that 95 percent of the members are from Syracuse City. She added that she charges a \$15.00 non-resident fee for participants and Community Center members not living in Syracuse City.

Councilmember Hammond asked if the waiting list for participation in various sports programs is very long. Ms. Robinson stated that she is typically able to assign all people on a waiting list to a team as long as they register for a program prior to the first game or activity taking place.

Councilmember Shingleton asked if the City charges a surcharge for football equipment rental that the participant would get back upon returning the equipment to the City. Ms. Robinson stated that she no longer charges a surcharge; instead she requires each participant to sign an agreement committing to returning the football equipment at the end of the

season. She stated that if a participant does not return their equipment they will receive an invoice of \$500 to cover replacement costs. She stated that last year all football equipment was returned.

Detective Rowley asked how the City's football registration fees compare with those charged by other cities. Ms. Robinson stated that her registration fees are very comparable to the fees charged by other cities because most of the Recreation Directors in the area confer about those types of things. Councilmember Shingleton stated that he has talked to people outside of Davis County who have told him that other cities charge participants as much as \$200 for football and up to \$10 or \$20 more for all other sports programs. Ms. Robinson stated that many of the programs that cost \$200 to participate in are run by parent organizations rather than a city. Councilmember Clark added that last year the Council voted to increase participation fees for football by \$10.00 and \$5.00 for all other sports.

Mayor Nagle stated that she is really interested to understand the relationship between revenues and expenditures so that the Council can better understand the City's return on investment. She stated that right now she does not feel like she has a grasp on the amount of money that the Recreation Department generates for the City and whether those revenues are truly covering the costs to run programs. Councilmember Peterson stated that he thought that type of analysis had been performed prior to the Council voting to raise participation fees. Councilmember Clark stated the Council was told that programs are 'breaking even', but that does not include paying salaries for full time employees. Ms. Robinson stated that is correct and she added that it will be easier to provide the kind of information that Mayor Nagle is asking for once she and Ms. Fowles have a chance to correct the accounting processes for her Department.

Councilmember Hammond asked if it is possible to adapt any of the sports programs for young children with special needs. Ms. Robinson stated that once the Unlimited Play park is built in the City she will work to implement programs that can utilize the park. She stated that currently she faces the issue of limited resources and it is difficult to create new programs. Councilmember Hammond suggested that parents could get involved to address Ms. Robinson's problem of limited resources. Councilmember Peterson added that parents could be informed of the contracts that the City often enters into for contract employees that are running a program at the Community Center, whereby the contract employee receives 70 percent of the revenues generated while the City receives 30 percent. He stated that his wife currently works a contract employee and he often tells people that ask him about new programs that they should approach the City about organizing the program as a contract employee. Ms. Robinson stated that she has been sharing that same information with residents that ask for new programs. Mayor Nagle stated that she would also like to make sure that the City is 'breaking even' with contract employees and she wondered if the 30 percent of the program revenues that the City receives is covering the City's costs.

Councilmember Shingleton stated that he was at a meeting a couple of weeks ago and someone approached him and told him that they had visited the Community Center to see about renting the facility for a boutique. He stated that they were turned away because the building was scheduled to close early on the dates that the resident wanted to hold the boutique. Ms. Robinson stated that she was also informed of that situation and she has since corrected the problem. She stated that the staff member that assisted the citizen did not know that the building was available for after hours rentals.

Councilmember Clark stated that at the last City Council meeting a City employee spoke about the issue of placing the Arts Council under the Recreation Department umbrella. He stated he believes there is some validity to that recommendation and he would like for the Council and Ms. Robinson to consider it. Ms. Robinson stated that it is a good idea and the Arts Council would fit nicely within the Recreation Department, but she wanted the Council to be aware that when the Arts Council uses the Community Center they do so free of charge, which could decrease the City's building rental revenues over the course of a year.

Mayor Nagle stated that she knows that Ms. Robinson is very busy and she does a lot for the City, but she would like for her to focus on operating smartly and becoming aware of the revenues generated by every recreation program to determine if each program is cost neutral. She stated that she is aware that Ms. Robinson and Ms. Fowles have a lot of work to do to understand the relationship between revenues and expenditures, but the Council is making decisions on the budget based on numbers that are currently available to them. Ms. Fowles explained that all Recreation Department revenues are currently lumped into one account and she and Ms. Robinson have talked about breaking those revenues down by program into individual accounts. Councilmember Clark stated that information would be very helpful.

Councilmember Kimmel inquired as to why the costs for officials seem to increase each FY. Ms. Robinson stated that as program participation increases so do the costs for officials. She added that she has been given access to more facilities like extra football fields and baseball fields, which means that additional officials are needed.

Ms. Fowles then explained that Ms. Robinson was not aware that she had a vehicle expense line in her budget because that amount has always been budgeted for her. She stated that therefore Ms. Robinson did not request any funding for vehicle expenses in the tentative budget; she proposed to increase Ms. Robinson's budget by \$1,200 to cover maintenance costs for the two vehicles assigned to Ms. Robinson's Department. Councilmember Kimmel asked what those vehicles are

used for. Ms. Robinson stated that she has a truck that is used to transport equipment to the various facilities and a bus that is used for the Senior Program activities.

Councilmember Peterson asked why there is no budget for the Senior Program in the tentative budget. Ms. Robinson explained that program is totally self-sustaining. Ms. Fowles explained the Senior Program is set up as a 'rolling account', but she would like to change that so there is a revenue and expense line for the program in order to account for all the money that is associated with it.

Tentative Fiscal Year 2010-2011 Planning Department budget.

Mayor Nagle inquired as to the number of employees that are assigned to the Planning Department budget. GIS Technician Moyes explained that his Department includes himself, the Business License Clerk, an Administrative Assistant, the Code Enforcement Officer, and occasionally the City Engineer. Mayor Nagle asked if the City Engineer receives a wage from the City, to which Mr. Moyes answered no and explained that he is paid via the Professional and Technical budget line.

Mayor Nagle explained that one of the issues that the City dealt with relative to the 2700 South reconstruction project was how the project was engineered and how that engineering ultimately cost the City a large change order to the project. She explained that she called a meeting with the City Engineer, City Administrator, and Public Works Director and the City Engineer's response was that the City has told them in the past to do the least amount of engineering possible for every project so that the City not paying excessive engineering costs. She stated that one of the things that she has strongly emphasized since that time is that an ounce of prevention is worth a pound of cure. She explained the City will never know what the bid for the 2700 South road project would have been if more engineering work would have been done in preparation for seeking bids. She stated she would have rather the City spent \$1,500 on engineering costs up front to make sure that the bid request and specifications being presented to contractors was sound. She stated that, with that being said, she wondered if the amount budgeted for engineering services in the coming FY will be sufficient to address her concerns. Mr. Moyes explained that the engineering costs included in his budget are used strictly for site plans and plat amendments rather than road projects. Mayor Nagle stated that her same concern applies to planning items. Councilmember Clark asked Mayor Nagle if she wants the engineer to do the most work possible on every planning item that comes through the City or if the Council should be setting some parameters for the engineer. Mayor Nagle stated that in her opinion the parameters are not for the Council to determine; she would like to recommend that the people that are actually working with the engineer set the parameters and implement them. She stated that they should also expect accountability in that process. She stated that the responsibility should be left to people like the Public Works Director and City Administrator. Councilmember Clark asked if engineering services are provided on internal projects or new developments. He stated that if the City is going to increase the level of engineering services provided for external projects, it may be necessary to increase development application fees.

The Council then had a brief discussion about impact fee levels for developments – specifically that an analysis may be necessary to ensure that the City is charging the correct amount for engineering fees built into impact fees.

Councilmember Clark then stated that he feels the Council needs to inform City staff of the parameters that should be implemented relative to engineering costs. He then stated that staff needs to be able to identify when additional engineering fees are justified. City Administrator Worthen explained there is a specific difference between residential development projects and City public works projects. He added that he felt that most of the concerns that the Mayor has are related to public works projects. Councilmember Clark asked if the budget document has detailed information about the specific public works road projects that are included therein. Ms. Fowles stated that she can break down the public works budget to identify the budgeted amount for individual projects. She added that during the review of that Department's budget it would be a good idea to determine the parameters for engineering costs. She then added the engineering costs included in the Planning Department's budget are based on the actual costs spent over the past FY.

Councilmember Clark stated he has concerns about the lack of funding for training. He stated that he has the same concern relative to nearly every Department's budget. Councilmember Kimmel inquired as to what the training and education budget for the Planning Department will be used for. Mr. Moyes stated that it will pay for one City Planner conference and the Planning Commissioners' attendance at the Utah League of Cities and Towns (ULCT) planners conference.

Councilmember Peterson asked if the salary for a Code Enforcement Officer is included in the budget, to which Mayor Nagle answered no. Councilmember Peterson stated that he does not like the idea of totally eliminating code enforcement in the City. Mayor Nagle stated that the proposal is not to eliminate code enforcement; rather one position will be eliminated and the duties that were assigned to that position will be assigned to another employee. She stated that the Code Enforcement Officer only had enough code enforcement work to keep him busy on a part time basis. She explained that work levels in the Building Department are currently very low due to the economy, but the City must have a second Building Inspector. She explained that second Building Inspector is only busy on a part time basis as well so the part time

code enforcement duties will be assigned to that person. She stated that this change is a result of listening to the Departments when they are expressing how things can be done differently and better.

Consider setting policy in accordance with Senate Bill 43.

Ms. Fowles explained that she included an informational memo regarding this issue in each Councilmember's packet. She briefly reviewed the memo and explained that if an employee retires from an agency that is part of the Utah Retirement System (URS) they can begin drawing a pension. She stated that if that same employee goes back to work for another agency that is part of the URS the new employer would have previously been required to pay the amount they would have been paying to URS into a 401 account instead. She explained that Senate Bill (SB) 43 removed that requirement and agencies now have the option to decide how much they will contribute to a 401 account on the retired employee's behalf.

Councilmember Peterson stated that he is aware that this situation only exists for one employee in the City and that person is Police Chief Wallace. He stated that if the City would have hired another person for that position the City would have been contributing the full retirement amount to the URS on that employee's behalf. He stated that there should be no difference between another employee and the Police Chief simply because he has previously retired from another agency.

Councilmember Shingleton stated that the bottom line is that the City now has the opportunity to determine how much to pay into a 401 account on Chief Wallace's behalf. He stated that Ms. Fowles memo explains that the City could save anywhere from \$1,500 to \$15,700 based on the amount of money the Council decides to contribute to Chief Wallace's 401 account.

Councilmember Clark stated that those that have retired from an agency participating in the URS and then accept a job with another agency that participates in the URS are commonly known as 'double dippers'. He asked if it would be possible for the City to employ double dippers in the future. Ms. Fowles explained that someone that has retired from an agency that participates in the URS would need to be hired by Syracuse City prior to July 1 in order for this legislation to apply to them.

Mayor Nagle stated this issue is not about money as much as it is about personnel. She stated that she does not care who the employee is that is affected by this legislation. She then stated that the argument has always been that Public Safety employees should be allowed to retire earlier than regular public employees because they tend to 'burn out' on their jobs much earlier. She stated that is obviously not the case, which is proven by the fact that so many Public Safety employees go back to work for Public Safety entities after their first retirement. She stated that is what created double dipping, which had a negative impact on the URS. She stated that her opinion is that double dipping hinders other employees' opportunity for promotions and younger employees entering the work force do not have good opportunity to advance in their career because so many people are retiring in place. She stated that she hoped the Council will consider her position when making a decision regarding this issue. She stated that allowing an employee to stay in a certain position for so long clogs the promotional opportunity line, especially in an agency the size of Syracuse City. Councilmember Peterson stated he did not believe that retiring in place was still allowed. Mayor Nagle stated that an employee can retire and go to work for another agency the next day, but the new legislation now dictates that if the employee wants to go back to work for the same agency that they retired from they must wait a year to do so.

Ms. Fowles stated she hoped the Council would make a decision based on the situation and what is right for the City rather than the knowledge that only one single employee will be impacted.

Councilmember Kimmel asked if it is legal for the City to ask a job applicant if they have retired from an agency that participates in the URS. Mayor Nagle stated that information could not be used in the decision making process when hiring a new employee, but the City would ultimately become aware of the fact that someone was retired from a URS participating agency once they accept a job with the City and fill out their employment paperwork.

Mayor Nagle then asked the Council how they would like to proceed. Councilmember Clark stated he would like additional time to re-read SB43 to better understand the implications of the new legislation. Mayor Nagle agreed the legislation is somewhat confusing even though the ULCT has tried to clarify it several times. Ms. Fowles added that she will be attending a training session next Tuesday to receive further clarification regarding the legislation. She stated that she could provide a report to the Council following that training, at which point they may have sufficient information to make a decision.

Chief Wallace explained that wages for a Police Chief are typically negotiated by the City hiring the Chief and the Chief himself. He stated that in 2001 or 2002 there was a 12-month window of time in which Chiefs were allowed to retire in place. He stated that he and many Chiefs took advantage of the option at that time. He explained that the Council and the City Administrator that were in place at that time committed to maintain his salary and contribute the same amount they had been contributing to the URS into a 401 account instead. He stated that he has talked with Police Chiefs from other cities or

jurisdictions and some of them have had their 401 account contributions decreased, while others' contributions have remained unaffected.

Councilmember Hammond stated that he would like to know what other cities in the area are doing in response to this new legislation. After a short discussion the Council determined to table the issue until June 22.

Review garbage can rates.

Councilmember Clark stated that he asked City Recorder Brown to add this item to the agenda. He explained that at the last Wasatch Integrated Waste Management (WIWMD) Board meeting he was provided with a spreadsheet that compares the garbage rates of cities throughout Davis County and other counties and cities. He stated that Syracuse City's rate is lower than the rates charged by some nearby cities and he wondered if the City's costs should be reviewed to determine if the amount being charged is sufficient to cover the City's costs. He stated the question is whether Syracuse City is subsidizing garbage collection for its residents or if other cities are charging more money in order to realize some revenue.

Mayor Nagle asked Mr. Worthen if he could direct the Public Works staff to review the City's garbage rates to determine if they are sufficient to cover the City's costs. Mr. Worthen stated that he believed that type of review had been done during the process to prepare the budget for the Public Works Department. Councilmember Clark asked if the rate charged by the City is covering the City's costs, such as the purchase and delivery of a new garbage can. He stated that there may be some costs that were previously being misappropriated, as has been the case in other Department budgets. Mayor Nagle agreed and stated that she thinks the Council will receive a lot of new information, both troubling and pleasing, over the next year as Ms. Fowles is given the opportunity to thoroughly review the accounting processes of the City.

Councilmember Kimmel stated that a decision to increase garbage rates is the same as raising taxes. Councilmember Shingleton argued that is not correct. Councilmember Kimmel disagreed. Councilmember Peterson stated that if the City were increasing garbage rates to generate revenues that would be maintained in the enterprise fund, that could be equated to a tax increase; but, if the City increases rates simply to cover the costs to operate the garbage collection program, that is not the same as a tax increase.

Council business.

Museum Board bylaws: Councilmember Hammond inquired as to the status of the Museum Board bylaws. Mr. Worthen stated that the City Attorney provided his proposal to the City and that he made some minor adjustments and recommendations and sent it back to him for further review. He stated he hoped to have the final draft available for review by the Council at the July 13 meeting.

The meeting adjourned at 6:55 p.m.

Jamie Nagle
Mayor

Cassie Z. Brown, CMC
City Recorder

Date approved: July 13, 2010