Minutes of the Centerville City Council work session held Tuesday, April 16, 2019 at 5:30 p.m. at Centerville City Hall, 250 North Main Street, Centerville, Utah.

MEMBERS PRESENT

Mayor
Clark Wilkinson

Council Members
Tamilyn Fillmore
William Ince
Stephanie Ivie
George McEwan (arrived at 5:50 p.m.)
Robyn Mecham

STAFF PRESENT
Brant Hanson, City Manager
Lisa Romney, City Attorney
Jacob Smith, Management Services Director
Mackenzie Wood, City Recorder
Katie Rust, Recording Secretary

BUDGET WORK SESSION

Jacob Smith, Management Services Director, explained amendments to the FY19 Budget that will be needed to adjust for unplanned revenues and expenditures. He provided a list of FY20 General Fund revenue assumptions (attached). Councilmember Fillmore said she believes the current City Council should set an example, and make the truth-in-taxation process not as scary, by putting an annual property tax increase in place to keep up with the desired level of service. Councilmember McEwan pointed out that the last two recessions occurred in 2008 and 2001, and commented that the economy is overdue for another recession. Councilmember Fillmore agreed, and stated the City Budget is too reliant on sales tax revenue. She suggested a better balance is needed between sources of revenue. Councilmember McEwan said he believes the truth-in-taxation process is more frustrating to voters when the tax increase is not meaningful.

Councilmembers Ivie and Mecham stated they are not ready to implement a property tax increase this year. Councilmember Ince said he is inclined to not support implementing an increase this year, but to be very clear to citizens that an increase will occur next year. Councilmember McEwan suggested a cycle in which voters expect some sort of property tax increase every two or three years, tied to specific resources. The Council discussed communicating in the next Budget Newsletter the intent to go through the truth-in-taxation process next year for FY21. Mayor Wilkinson said he would like the City to be able to increase its reserves, and said he thinks the solution is a combination of increasing revenues and reducing costs.

Mr. Smith explained anticipated FY20 expenditures of note. Councilmember Ince asked why Centerville is the only city in the area that has followed direction to stop the spring curbside pickup service. The Council discussed benefits and drawbacks of the curbside pickup service, and the City Manager agreed to discuss the issue with staff. Mr. Smith suggested that painting the 765 fire hydrants in need of fresh paint this summer would be a good opportunity to utilize volunteer labor.
The draft budget prepared by staff will include half implementation of the recent Compensation Study, with a General Fund impact of $180,000. Councilmember Mecham said she thought the Council's intention was to provide growth potential with the new pay ranges, but not to move employees to the same spot in the new pay ranges that they are currently in. Brant Hanson, City Manager, responded that experience and years of service need to be recognized. He pointed out it is less expensive to keep the employees you have than to train new employees. Councilmember Fillmore said this City Council recognized that a Compensation Study was needed, and recognized at the outset that the results may be very costly. Councilmember McEwan stated that government employers are not always able to afford retaining employees solely with pay. There are other factors involved. Mayor Wilkinson commented that Centerville offers generous health insurance benefits. Mr. Hanson stated government jobs are enticing because the benefits are usually better, and added that there are a lot of cities that offer very competitive benefits. Councilmember Ince said he believes the City should significantly implement the Compensation Study, but he is not comfortable with full implementation across the board. Mr. Smith stated staff will present a balanced budget with half implementation of the Compensation Study included. As an example of cost-saving changes in the budget, Mr. Hanson said he recommends leasing two of the four new Police Department vehicles in FY20.

**ADJOURNMENT**

The work session was adjourned at 6:58 p.m.

Mackenzie Wood, City Recorder

Katie Rust, Recording Secretary

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