

Minutes of the Roy City Council Budget work session held in the City Basement Conference Room of the Roy City Municipal Building on May 14, 2019 at 5:30 p.m.

Notice of the meeting was provided to the Standard Examiner at least 24 hours in advance. A copy of the agenda was posted.

The following members were in attendance:

Mayor Robert Dandoy
Councilmember Burrell
Councilmember Saxton
Councilmember Yeoman

City Manager, Matt Andrews
City Attorney, Andy Blackburn

Also present were: Management Services Director, Camille Cook; Police Chief, Carl Merino; Fire Chief, Jeff Comeau; Parks and Recreation Director, Travis Flint; Public Works Director, Ross Oliver; City Recorder, Morgan Langholf; Jodi Fusselman, Administrative Assistant

A. Presentations

1. FY 2020 Proposed Budget

City Manager Andrews thanked those in attendance. He stated wanting to provide Councilmembers with an opportunity to ask questions about the budget in an open and transparent manner. He continued that during the last Council meeting the tentative 2020 Budget had been presented. He added that while he would not reiterate all the objectives of the Budget, he wanted to make sure the Councilmembers had a chance to hear more about the details of the Budget. He added the Staff had closely examined the Budget and selected areas where individuals often had questions.

City Manager Andrews explained that the first portion of the presentation was meant to introduce the General Fund. He explained that the General Fund was intended to cover Administration, Fire, Police, Recreation, and Public Works. He added that the General Fund was mostly funded with taxes which was not uncommon for cities. He continued that said taxes were property taxes, sales taxes, and franchise taxes.

City Manager Andrews explained that the City was not charging any property tax increase above the certified rate. The amount of property tax, he added, would therefore remain stagnant. Concerning sales tax, he continued, the City had the benefit of a thriving economy. The population growth and economic development taking place in Roy City, he explained, had been projected and taken into consideration in the increased amount of sales taxes. Fines and Forfeitures, City Manager Andrews continued, were about to decrease. He mentioned that the shortfall had to be accounted for in another portion of the budget. He added that the Council could see on the screen where the City was allocating its funds. He clarified that the majority of Public Works would be funded by the Utility Enterprise Fund, which would be further discussed later in the meeting. Police and Fire, he explained, were a major emphasis in the General Fund. He added that these services were expensive because they were large.

City Manager Andrews explained that one new thing had been proposed in this budget. Since 2008, the position of Deputy Director of Public Works had not existed. Public Works Director Oliver had been left to supervise all the employees and was one of the few people who did not have a second person to assist

in the endeavor. City Manager Andrews continued that someone was needed to bridge the gaps: an individual who would know the proper work and would be able to assist when Public Works Director Oliver decided to leave. He continued that while the City was trying to hold on to Public Works Director Oliver for as long as possible, the City could only expect him to remain in his position for five more years. The new position would prove helpful, he continued. City Manager Andrews explained that the position of Superintendent was being eliminated. When it came to the hiring of the Deputy of Public Works Director, he explained there quite a few candidates within the organization that could fill the position. He stated that the interview process would have to take its course in order to fill this position, with the anticipation that the Superintendent position would be eliminated.

City Manager Andrews mentioned that the Police Department had lost its Deputy Chief. With that change, the position had been eliminated, which had saved money. However, he added, this came with some shortfalls which had to be addressed: supervisory of animal control was outstanding as well as a few other administrative responsibilities. He explained that the elimination of the position would cause a shift of workload in the Department and mentioned that on the tail end of the budget, Councilmembers would see an updated job description.

During the Benefit Conference at UCMA, the discussion had centered on firefighters and particularly part time firefighters. The individuals, City Manager Andrews explained, were difficult to find, and the Fire Chief then had to bring individuals full time and cover the extra hours with overtime. He added that there was room in the part time budget with three part time positions that did not add anything to the budget. He mentioned that this was the current trend as it would help save funds and allow consistent shifts. Councilmember Burrell asked how many full-time firefighters the City currently employed. City Manager Andrews answered that it had 33 such individuals.

City Manager Andrews explained that the electrician within Building Maintenance helped the Water Department. He added that the electrician was also often found at the Complex, doing electrical work, where he was certified to do so. City Manager Andrews mentioned that the electrician would be moved to Public Works. He explained this was merely a money exchange from one department to another, not an increase to the funding. The electrician would now be under the direction of the Deputy Director who could allocate him accordingly.

City Manager Andrews explained that the Court staff had experienced a 75% turnover in the last year. He added that the Staff was considering adding a cashier position. He explained that there were part-timers who could work in that position and that the funds had been allocated but that the goal was to bring in someone at a lower cost who could fill the daily responsibility. He mentioned that the department was not asking for more funding. He further added that there would be a part time position that would be worked into the department, with someone who would know the working of the court, and that the cost with benefits would be equal to the current set-up with part-timers.

City Manager Andrews explained that the step program and the proposed Mayor and Council Benefits increases had already been discussed and that the Council had voiced wanting to continue with the program. The general employees, he added, could receive a 2% to 2.5% increase depending on how many years they had worked with the City as well as the level of pay scale they were on. City Manager Andrews clarified that Public Safety employees would be eligible for 3.75% Merit Increase. The Mayor and Council, he continued, were oftentimes overlooked. Therefore, City Manager Andrews proposed a 3.07% Merit Increase. While it was not much, he continued, it was aligned with other cities. Discussing the Mayor and Council Benefits increases, he explained that the increase was important to retain Councilmembers, and this increase would make Roy more competitive with other cities. He added that while the position of Councilmember was often viewed as one service, it was important to reward the Council as it did so much for the City of Roy. City Manager Andrews continued there had been a 2.6%

Health Insurance increase, which was a shared responsibility between the City and employees. He explained that the City's portion and the employees' portion was each going up by about 2.6%. The number had initially come back at 4.6%, he added, but the insurance provider had been able to lower this increase. He explained that national trends were significantly higher and explained that the decrease from the insurer was the result of the general health of the employees, with physically fit firefighters and Police officers.

City Manager Andrews explained that Tier One employees, in the case of firefighters, had increased by 4.58%. He added there would be more discussion in the next year. New bills that had been discussed, he continued, would change this number as it would change the firefighters' retirement system. He explained that this would benefit the firefighters and added that it had received an increase partially because of insurance costs.

City Manager Andrews stated that during the last work session related to finance, there had been discussion of innovative ways to help employees without causing too large a monetary cost. He explained that the list he was about to present had been created by other organizations. One idea, he explained, was to provide employees with their birthday off. While this was sometimes described as a gesture that could come with a high cost in departments like the Fire Department for example, he continued that no other individual had to be called in. City Manager Andrews stated that the workload was shifted to the day before or after. Because of the dynamics of the Fire and Police Department, the employee would be required to select their day off one month in advance. Regular City Staff, he continued, would pick their day off during that week. City Manager Andrews explained that the City offered a cash incentive if employees did not use their sick leave. Currently, he added, this could be 32 hours a year. If the employees took 15 hours, the remaining 17 could be converted. The current policy, he continued, stated that the sick leave could be rolled out into retirement for cash, or into an annual leave. City Manager Andrews explained that employees had expressed wanting these hours delivered as a bonus. For the City, he added, this bonus would not cost any more. He continued that about 22 employees participated in this program on an annual basis. Both the City Manager and the employee's Department Head had to approve the plan as well. The next idea, City Manager Andrews continued, had come from the Parks and Recreations Department.

City Manager Andrews mentioned that one employee had become Employee of the Month because of all the certifications he had acquired to improve himself. A bonus, he added, should be an option because unlike a raise, it was a one-time financial commitment. He added that the certificates acquired had to be things that benefited the organization. City Manager Andrews explained that training had become more emphasized throughout the budget. The workforce, he explained, was aging, and therefore the City could expect many retirements. The remaining employees would have many roles to fill. The only way to prepare for this, he added, was to train the employees to take these responsibilities. The employees, he continued, would also feel empowered, as the City would invest in them. City Manager Andrews continued that the Police Department had suggested allowing employees to obtain an administrative leave when they engage in community service. He continued that every year, employees would be provided with some hours to perform community service and give back to the community. The parameters of what would constitute as community service would be built in. These ideas, he explained had been discussed but needed to be further explored.

City Manager Andrews expressed wanting to have some input from the Council. Councilmember Yeoman stated that she liked the idea of increasing employee's knowledge in their work. She explained training was always beneficial for an organization and added she was in support of an increase to the training budget. In the long term, she continued, this strategy would most benefit Roy City. Regarding the conversion of sick leave into cash bonuses, Councilmember Yeoman stated she believed the options to be beneficial as well. While she stated liking these first two options the most, she explained she was not

as enthusiastic about giving employees their birthdays off. Councilmember Burrell asked how a plan would be developed to keep community service equitable. She questioned who would be monitoring the program as it had to play out in a way that benefitted the City. She explained that when it came to certifications, the program would make more sense if it was applied to certifications that the City required or needed: the bonus would make sense in that case, she added. City Manager Andrews explained that the department could discuss this program and show the Council where and how this could be offered.

Mayor Dandoy stated that he found the leave conversion to be confusing. He asked whether a person could approve as much sick leave as they earned through the life of their retirement. City Manager Andrews expressed that there would not be a cap on the amount. Mayor Dandoy stated that there was a provision on the personnel policy stating that at the end of the period, regardless of its length, the employee would get a certain percentage of their sick leave to sell back to the City as pay. He clarified that the difference was that if the employee had earned this sick leave twenty years earlier, the employee would have been paid out at their current salary. City Manager Andrews explained that the liability decreased when the employee took their sick leave as pay.

Mayor Dandoy stated that City Manager Andrews had a comment in the budget stating that in terms of rural maintenance, the emphasis would be placed on resurfacing as opposed to infrastructural stages, as there was \$1 million of requirements that would not be funded in the budget. City Manager Andrews explained that \$1.5 million had been cut out of the utility enterprise water budget. Mayor Dandoy expressed concerns with funding coming out of the general fund. He said he knew that a lot of money had been taken out of the franchise funds, but he believed that this would not have limited City Manager Andrews from taking money from the General Fund for infrastructure improvements.

Councilmember Burrell asked to go back to the sick leave. She asked for some clarifications. City Manager Andrews explained that an employee can accrue up to 96 hours a year. If that sick leave went unused, he added, employees could sell one third of these hours to the organization. That 32 hours could be converted into annual leave or could be paid out in a 401K. Councilmember Burrell asked whether this was the current program. City Manager Andrews stated that it was. Councilmember Burrell stated that the request was for a third option. City Manager Andrews stated that third option was to pay the employee out in cash: if the employee took the funds out of a retirement fund, he or she would be penalized. The number of hours was not altered, and the 32 hours could not be accrued until a minimum number of hours had been worked. City Manager Andrews mentioned that an employee had to have 340 hours in order to be eligible. The immediate payout, he added, decreased the City's liability.

Councilmember Yeoman asked if this new system would decrease the amount of sick leave employees would take as they were being presented with an incentive not to take the time off. City Manager Andrews mentioned that many employees took very little time off. As a result, he added, the employees did not want to add into their annual leave. He explained that they were more likely to take the time off with a "use it or lose it" system. The retirement or cash out options were, therefore, attractive.

Councilmember Yeoman asked to discuss giving employees a day off for their birthdays. She asked to have the idea clarified. She wanted to know whether the City would incur an additional cost. City Manager Andrews explained that no monetary value had been added to the budget for this program. Each department, he explained, would have to use its discretion to allow employees this day off. Other employees would need to make up for the shortfall, he continued. Councilmember Burrell asked whether the Fire and Police Departments could afford such absences. City Manager Andrews explained that this had been addressed by providing these departments with a month's time frame as opposed to one week: this would allow these two department to work around the days off without requiring overtime. Mayor Dandoy asked for an approximation of the number of man hours the City would lose. City Manager Andrews stated that it would be about 1200 hours of labor.

Councilmember Saxton explained that this would be absorbed through the year. Mayor Dandoy stated that the purpose of this measure was more one of recognition and added that taking 1200 hours of labor away constituted about three quarters of a worker. He asked whether the City could therefore afford to remove one person from the Staff and distribute duties throughout. City Manager Andrews explained this was a difficult question to answer. He mentioned that the analogy of losing one person did not quite apply as the hours pertained to many employees. He continued understanding the point the Mayor was making and explained this was the reason why the conversation was taking place. Councilmember Burrell explained that the measure would build employee morale, which was not measurable.

Mayor Dandoy explained that the conversation about raising property taxes was likely to take place the following year. He mentioned that the City needed to show it had decreased its budget as best it could so property taxes could remain stable. He explained there was \$1.5 million of expenses and projects that would not be funded because of the lack of revenue. When looking at capital assets expenses, there would be \$1.4 million in 2017 while the City was at about half that amount now. Mayor Dandoy further explained that at some point, the City would need to pay for its vehicles, tools, and other infrastructure. He added that the return on increase plan for Firefighters was likely to be changed, and maybe Public Safety as a whole. He continued that if this were to be the case, the City would have to absorb that increase. The expenses had not gone through this budget year but might the following year. Unless the State funded these expenses, the City would have to. He continued by stating that the City had been fighting for this eventuality, but that if it did not happen, it would find the money to pay for the return, with the only option being a sales and property tax increase.

Councilmember Yeoman stated that despite the capital projects not being funded yet, there needed to be employees to do said capital projects: employees were still required to command the City. Mayor Dandoy stated that not giving employees their birthdays off would not make them want to quit their jobs. Councilmember Burrell stated that it might change their morale. She continued wanting happy employees. Mayor Dandoy asked whether she knew that employees were currently unhappy. She explained that sometimes they were. Mayor Dandoy asked if that was because they were not getting their birthday off. Councilmember Burrell stated that employees were not recognized enough for their work. Mayor Dandoy explained that monetary recognition was not the solution. He added that experts had said that much and mentioned that a supervisor indicating to an employee that they had done good work might be enough. He stated that while the birthday idea was great, it had to be recognized that the City would have to pay for this: incentivizing morale would create a bill to pay for the City.

City Manager Andrews mentioned that these items were not part of the budget, but rather were creative ways to give back to the employees. He added that, in the past, the idea of finding ways to reward employees without incurring extra cost had been discussed. City Manager Andrews explained that after researching options, the options presented were the ones that had been agreed upon during the budget retreat. The bonuses, he added, would incentivize certain behaviors as an attempt to reward employees without increasing the budget. Councilmember Yeoman explained that since the Council did not work daily with the employees, she would have liked to know directly from the department heads whether these incentives were desirable. She asked whether department heads could select their top two incentives. There was subsequent discussion regarding sick leave conversation, increased budget training, and sending employees to additional classes and conferences.

Councilmember Burrell asked about the cost of an increase in training. City Manager Andrews explained that this had already been budgeted. He pointed to the specific line items. He then explained that his wife's company provided administrative leave for community service. The main hub, he continued, set up the hours for employees and allowed said employees to sign up. This, he added, was not left to individual departments. The company, he continued, set up what the community event would be.

Parks and Recreation Director Flint said he had proposed promotions for individuals who had gone above and beyond. The issue he added was that this promotion was against other positions which had been reclassified. The issue with promotions was that they added expenditures to the budget year after year. He explained that he did not believe the training program was quite ready to pass but that it was a great idea going into the future.

Councilmember Yeoman stated that the City needed to be looked at as a whole, with opportunities for all employees. She mentioned that some departments had these training allowances built in, therefore this should be looked at in the draft. Parks and Recreation Director Flint had mentioned that part of his budget was equating a 5% bonus per individual. There were six steps that individuals had to take to be eligible. He continued saying that the steps were fairly substantial and made the employees more knowledgeable and better resources for the community. He added having great employees who worked very hard and wanted to better themselves. He wished to figure out a way to reward such dedication.

Mayor Dandoy asked whether Parks and Recreation Director Flint had any funds in his budget to incentivize individuals. Parks and Recreation Director Flint answered he did not.

Councilmember Saxton expressed support for most of the ideas discussed. He pointed that the previous slide had showed a 3% increase for Councilmembers and added that the Council did not need to take this increase. He asked if a check could be turned back in. Mayor Dandoy stated this increase could be passed on and used to incentivize employees. The Council agreed that they would rather not take this increase. Councilmember Burrell stated that it also sent a message to the employees and citizens. Councilmember Saxton explained that he was in his position of Councilmember for the service and did not expect a raise. He preferred to see this raise be passed to employees. Councilmember Yeoman agreed. Councilmember Saxton added that the decision should be left up to each Councilmember. He mentioned that he, himself, had another form of revenue which left him in a privileged position. Councilmember Burrell stated that it had to be known that the Councilmembers wished to not take a raise.

City Manager Andrews asked to know which items would be approved and which would not. He continued that the major differences in the budget were in operating costs and added that the City was in an election year, which meant the City had to pay the County as part of the legislative budget. As a result, he continued, the legislative budget had gone up by \$32,000. He explained that this number was skewed as it had gone down from previous budgets because the City had eliminated a location. He added that there was a shift in the maintenance budget as two janitors had left the City and been replaced by contractors. This cost, he mentioned, would show in the professional and technical services budget. Councilmember Saxton asked whether the election expense included the primary election and the general election. If the one of the elections did not take place, City Manager Andrews explained, the budget would be reduced.

City Manager Andrews mentioned the building maintenance electrician and explained that this individual had gone to the Administration Department. He explained that the electrician's main role was to take care of streetlights. The funds to employ him, he added, were following him to his new department. When asked whether the streetlights had been purchased in the area currently being annexed, City Manager Andrews explained that this needed to be investigated. He added having heard from residents that they did not have as many streetlights, on average, as the rest of the City. Mayor Dandoy explained that the Staff had done a great job managing the streetlights but added this was only because the City controlled the streetlights. When the lights were not owned by the City, there was a risk with liability.

City Manager Andrews explained that the Police Officer Standards and Training no longer provided training to Police Officers; it was now the responsibility of Roy City. This year, he added, the effects of

this change could be made in expenditures. The Police Chief had been able to allocate some funds to make up for the shortfall. City Manager Andrews further explained that outside of the General Fund, there was the Capital Projects fund. The majority of projects were funded from this particular fund. City Manager Andrews explained that \$185,000 was allocated for Fire apparatus, \$155,000 was going for future apparatus and \$30,000 was used for maintenance of vehicles. From the Capital Projects Funds, he continued, some of the brush truck components would be replaced. He added that the truck was being used; therefore, the City would wait until 2020 to refurbish the truck, an expense that he estimated to be about \$16,000. The Fire Station seemed to have roof leak; therefore, the roof would be replaced for \$12,000. City Manager Andrews explained that one emphasis of the budget was to remodel the old neighborhood County Library for a cost of \$25,000 in order to outfit it with proper walls. The Staff, he added, might be able to complete some if not all the work. He continued that \$15,000 were required to remodel the current recreation facilities. The building had to be ADA compliant. Part of the Public Works building was housing the Parks and Recreations Department's mowers. In order to move the Recreations Department to this building, a space would need to be found for the mowers. He continued by stating that a lot of the real estate used by Public Works was being minimized as the Department continued to grow. In the 2019 budget, he continued, there had been a suggestion that another building be added for Public Works.

Councilmember Yeoman discussed the different expenses City Manager Andrews had mentioned. City Manager Andrews explained that the Councilmembers could see that concrete had been lifted in the Hope Center. He explained that this could create hazards for the seniors and children and added that two weeks prior to the meeting, the Staff was replacing some of the parts of the Hope Center, a replacement which had been approved the year prior.

City Manager Andrews discussed the demolition of the detention center, which would cost \$337,000. The cost, he explained, would be shared throughout funds. He continued that the funds had been spread so that the department which would use the center were the ones paying for the demolition. He explained that it would be beneficial to have the land because of the lease on the property.

City Manager Andrews mentioned the Utility Enterprise Fund. The first one, he continued, was Water. Water, he continued, was having its annual increase. He explained that these increases raised the price of the gallon of water. He showed the Council the details of the increase. During the 2019 budget session, he explained, an increase in the infrastructure had been discussed, and the increase had been pushed to January 1, 2019. He explained that the City was going forth with the \$70,000 increase, making it effective January 1, 2020, and mentioned that the City was coming close to being able to have water meters installed and become more aggressive with the approach of replacing water lines. City Manager Andrews added that in the allocated \$5 million, the water lines were not funded. He explained that this was an issue since Roy's infrastructure was aging, creating endless work. Any time citizens saw a cut in the road this was an indication that the Public Works Department was fixing water lines.

Mayor Dandoy clarified that the increase for water was scheduled for January 1, 2020. City Manager Andrews explained that the rates for water had stayed level since 2015 and added that the department in charge of Water was small but very efficient. He continued that Capital Assets would include the Weber Valley Detention Center, which was a small department, requiring only 4.5% of the cost. He added that there was a water way needing work near Emma Russel Park. The water way, he continued, required to be fenced in. He further explained that the project would be a shared cost.

Councilmember Saxton stated that he and City Manager Andrews had talked about reaching an agreement with UTA to provide flashing crossing signs for the areas where the trails intersected with the UTA road. It was also noted that UTA had committed to contributing \$4,000 to put these signs in place. City Manager Andrews added that the Staff continued to work towards the flashing signs. He explained that it

might be possible to fund them within the budget and mentioned that the way the road was made allowed for the two crossings to electronically communicate. He continued that this was one of the benefits of having an electrician in house: the electricians could help create the crossings for a lower cost. Councilmember Yeoman stated that the next crossing could be completed in 2020. Councilmember Saxton explained that constituents were reaching out to him via social media, phone, and email to let him know the crossings were needed. City Manager Andrews explained the conversation had been ongoing for about six months, and that Public Works had researched cost. He explained that the crossings were a priority and might be completed from the residual fund at the end of the year. Councilmember Saxton also asked if \$1,000 could be set aside for Christmas lights, namely light bears.

City Manager Andrews mentioned that the solid waste utility fund had been increased, as Waste Management increased its cost every year. He explained that for 2019, the cost had increased between 3.5% to 4%. He added that a tipping fee had been increased from Weber County and that the hope was for recycling to start increasing, making up for some of that cost. City Manager Andrews explained that the recycling system was therefore kept at status quo with the opt-out period in June and January. On July 1, 2019, he continued, rate increases would have to take place. Councilmember Yeoman mentioned that this information needed to be clearly announced in the newsletter. She continued that citizens needed to know this would be added to their bill. City Manager Andrews explained that once the budget was proposed, the rate increase could be advertised in the newsletter.

City Manager Andrews explained that Information Technology was funded between different organization. He explained that the budget was about \$128,000 and included Police laptops, access control, and alarm systems. He mentioned that the Police Department and Offices had buttons to alert emergency services. He explained that the button, once pressed, would shine a light on the PD's wall to allow them to respond. He added that the Fire Chief had had issues with needing to call 9-1-1 himself. This button would allow to request a dispatch from the Police Department. He continued that currently, if the Police Officer was not looking at the wall, they might not notice there was an issue. He added this system also involved the Mayor's office and the Justice Court. City Manager Andrews explained that if anything was happening in the Justice Court, there was a 50% chance the buttons would not work. This issue was what had initiated this entire process, he argued: security upgrades were required. Councilmember Yeoman stated being in favor of these upgrades. She mentioned that with the way society was nowadays, any ill-intentioned being could walk through the door with the intention to cause harm.

City Manager Andrews explained that the risk management budget was \$249,000. He explained there would be a significant decrease in said budget as a one-time payout had been taken care of.

City Manager Andrews explained that, when it came to storm water development, impact fees to develop the land were causing Roy to have to improve certain areas. He added that the funds that could be used were extremely restricted. He explained that the funds could only be used for very specific purposes. He continued that storm water cost was scheduled for 2020 as several big developments were taking place. One such development, he explained was the Care Center. He added that during big storms, water tended to accumulate in that area because there was a lack of adequate piping below that specific water line. Thus, the piping would be improved with the funds.

City Manager Andrews discussed the budget for Park Development, which was of \$90,000. He explained that soccer fields were to be created, waterways, and the Emma Russell Park's new lights would be installed. He added that these funds were strictly being used for Parks. Councilmember Yeoman explained that there had been some talks about having some security system in the parks. City Manager Andrews explained that this was accomplished with lighting and added that improving lighting should help decrease instances of vandalism.

City Manager Andrews explained that there was a cemetery fund which had remained stagnant during the last two years. The current fund was using residual funds. He explained that when buying a plot, 80% of the revenue was moved out, a percentage which could be changed, he added. These 80% was used for the general maintenance of the cemetery. City Manager Andrews added that 20% was retained for future expenses. All the plots had been bought, and the City was looking for new locations. He explained that a study had taken place in 2017 to find a new location and had taken into consideration citizens input. He continued that bonds needed to be issued to pay for the location. At the time of the meeting the City did not have the funds. Mayor Dandoy stated that an appraisal needed to be done for the proposed properties. Depending on the appraisal, the cost might be worked into the budget. Paying the infrastructure to build the cemetery might allow to pre-sale plots and help fund improvements on the first two to three acres of property.

Councilmember Burrell asked if the cemetery development would be done in phases. Mayor Dandoy explained that the work would be done incrementally over a fifteen- to twenty-year period. City Manager Andrews explained that the City did not have anything in the contract in terms of obligations. Therefore, he did not wish to add a funding cushion. Once the appraisals came back, the decision could be made on how to fund the cemetery. Mayor Dandoy explained that plots would be \$600 for residential individuals and \$900 for non-residential individuals. Councilmember Burrell asked about the kind of infrastructure that would be built in the cemetery. City Manager Andrews explained that it would include storm water, water, and roadway. He said he did not know the potential price of the properties.

City Manager Andrews explained that the Redevelopment Agency had a total budget \$2.4 million, which included a surplus of all the funds. He explained that there had been a tax increment. That money, he continued, was what Roy City would be getting if the RDAs were not in place. Roy and other agencies had therefore put these funds into the RDA. The tax from Roy City came to \$58,000. City Manager Andrews stated that the discussion had been to create a CRA. Two RDAs were currently collecting tax increments and were subsidizing within the next two years. As a result, the \$2.4 million would remain stagnant but for the interests; there would not be room to grow unless the City investigated CRAs. With the tax increment coming in there was a need to be more consistent with economic development. He said he was reluctant to do anything without the tax increment.

Councilmember Saxton asked why the \$300,000 set out for business development was not \$270,000. He explained that one \$30,000 loan had been disbursed. City Manager Andrews explained that this was the amount that showed in the books. He explained that the amount was on the book as not being expensed; the loan still showed as an asset on the books as there was no expense to a revolving loan fund. The loan would only become an expense in the case of bad debt. When looking at the 2020 budget, he continued, one could see many overages. City Manager Andrews explained these were not overages but surpluses and added that these funds were fairly restrictive. Using these funds required an amount of creativity.

City Manager Andrews opened the floor to questions.

Councilmember Yeoman stated that beautification had been done on the last budget cycle. She asked if it was now treated separately. City Manager Andrews answered that it was. He continued that the Beautification Committee was part of the legislative budget.

Mayor Dandoy asked the Public Works and Parks and Recreation Departments about the acquisition of the library and subsequent modifications. He mentioned that there was a discussion in the public stating that residents did not need the Hope Center for rental, as it was too large. They had voiced wishing to have a small room, much like what was offered in the Recreation Center. He explained that such a room was well suited for small parties. Because of the investment that was made in the room, the City had

recommended not renting it out. Mayor Dandoy asked whether there could be space in either one of these facilities that would allow a room to be segmented off and rented to the public. He continued that the month of July was booked, so people wanting to rent space were having a difficult time finding it in Roy City. With the aforementioned room no longer rentable, this added to the problem. Another room would help alleviate this problem.

Mayor Dandoy stated that one of the satisfying experiences he had had while in the Federal Service was to fundamentally do everything possible to incentivize great ideas. He added that there were no people better suited to know what improvements had to be done in the City than those working there. In his experience, Mayor Dandoy said there were ways to encourage the suggestion of ideas and, through evaluation, determine the merit of said ideas. Employees were then rewarded financially for creating new ways to improve things, be they processes or business ideas. What was learned from that was that employees felt better about their job and more compatible with the company, as they felt they had a voice in the development of the company. He concluded saying this was a productive way to reward employees. Mayor Dandoy explained that he had seen areas in which these suggestions came through and saved the government millions of dollars in productivity improvements. Oftentimes, such employees had been rewarded tens of thousands of dollars. He wanted to share that recognizing and rewarding such ideas allowed employee to gain ownership of the operation. He asked whether the City would open the question of better ways to doing business to employees. The City could then create a recognition process with a pot of money available if the idea made a difference. He provided an example about janitorial services. He mentioned that three janitors were leaving. During the conversation with the prior City Manager, the idea of hiring a contractor had been suggested. Not paying for health insurance and retirement benefits allowed a significant saving for the City. If the person generating such an idea was given 5% of the savings they created, it might be something employees rallied around. He continued that this might help employees gain ownership about what was happening in the City.

Councilmember Yeoman explained that this could be another option that could be added to the proposed employee benefits. She explained that while some of the benefits had some cost involved, the idea was to benefit employees. Mayor Dandoy stated he was curious to know what the City had to say regarding hiring a contractor rather than having three janitors. It was noted that the savings were upward of \$70,000.

Councilmember Burrell asked who had suggested switching to a contractor. Mayor Dandoy explained that in his old business, there would have been a great chance that the person suggesting such a cost saving solution would have been awarded \$3,500. He added that the idea was a great one as it saved taxpayers \$70,000. He explained that this saving would occur each year. Councilmember Burrell asked if the bonus proposed by Mayor Dandoy would be a one-time bonus. Mayor Dandoy answered that it would. Councilmember Burrell asked if some departments would have more access to this bonus structure. City Manager Andrews explained that since some departments spend more funds than others, this might be the case. Councilmember Burrell pointed to departments such as Fire which might not be able to create savings, as it might compromise safety. Mayor Dandoy explained that this would be what the analysis would determine whether public safety was to be impacted.

Councilmember Saxton stated that he had seen what seemed like all the Fire Department forces on 5600 West because of a structure fire. He continued that he had seen a rather serious accident a few minutes prior. He added that none of the injuries looked critical and continued that rather than a large truck a smaller one might have suited the needs just as well. He explained that there might be things that could be done in ways that are more efficient and less costly. He mentioned that all that might be necessary might be a policy adjustment. If department heads were receptive to these ideas, he continued, the employees could be rewarded with a monetary bonus. He added that employees knew more about their work than anyone else, and that they might surprise the Council with creative ideas.

Councilmember Burrell stated that the mentality had to be changed. Mayor Dandoy explained that the fundamental thought process was to rethink typical recognition. He added that companies used to give every employee a turkey for Christmas. He added that as a result, employees came to expect the turkey every year: the turkey was no longer seen as a reward for good performance. When companies went through lean times and could no longer afford to give their employees a turkey for Christmas, employees were outraged. This outrage came from a sense of expectation, he argued. Mayor Dandoy further stated reward for performance was different from expectations. The separation, he explained, was to ask whether the City was merely giving benefits to employees because it was expected or because of performance. He stated promising that giving a bonus to employees based on performance would be far more valued.

Councilmember Burrell stated that there had been discussion of looking at one third of the employees every three years. This idea, she continued had been brought up but had never been implemented. Councilmember Yeoman added she too had been thinking about the option that had been discussed. She stated believing this was a good idea as it showed commitment to the employees. She also stated worrying that while something might be done for the first third of employees, she was unsure whether this would still be the case when time to work with the next third came. Councilmember Burrell stated she had heard from many departments and local agencies that while the City could try to keep competing with outside agencies, this review process might create competition between departments for the available funds, which was not viable. Raising salaries might create issues but the City was struggling to find quality employees.

Councilmember Burrell stated that incentivizing employees in the ways the Mayor had described might be the solution. She explained that this might become part of what Roy offered as opposed to salaries. Mayor Dandoy stated that he sat on the 9-1-1 Board. This Board passed an incentive for retention. If a person worked there for five years, they were awarded a \$5,000 cash bonus or could have \$10,000 placed in their 401K. Every five years, the employee could have \$10,000 added to their 401K. The intent was to add longevity to the employee's work by adding to their retirement. The argument for this system was that it much was more cost effective to add these bonuses than to continually lose employees. The question was to find incentives that add to retirement to help retain employees. He further discussed the challenges of competing with other cities for employees that Roy faces given its resources.

Fire Chief Comeau explained that he would gladly address the topic, as the Fire Department was finding itself in a tough position. He stated that the Ogden City spent close to \$900,000 for Police and Fire departments retention programs, yet, he continued, Ogden was still losing employees. He mentioned that Ogden had just lost seven paramedics. In speaking with some of the outgoing paramedics, it was expressed to him that it was money that allowed them to pay their bills and put food on their tables, not morale. Therefore, they were looking at better pay. Fire Chief Comeau stated that his department had a 42% turnover rate. While some employees had come back, he added, he still had two paramedic positions open that he was unable to fill with qualified applicants. The solution would be to increase the wages, as Roy was not competitive to bring qualified individuals.

Mayor Dandoy explained that Roy Days cost about \$110,000. He asked whether cutting that budget by 50% and reinvesting in Public Safety would fix the issue. Councilmember Yeoman stated that money might not fix it. Fire Chief Comeau explained that the money was there, but the question was how to best use it. He explained that \$50,000 would be a very welcome help to keep employees in his department. Mayor Dandoy stated that the ultimate conversation was that there were only two choices: to cut services or to raise taxes. Cutting services, he continued, would make the City only pay for the things that were critical, and the impact would be minimum to the taxpayer. Fire Chief Comeau stated that South Salt Lake was doing a 31% tax increase for Fire and Police departments. He continued that Washington

Terrace and South Ogden were following suit. Ogden City, he added, was adding 3% to the top end of its Fire Department pay. He explained that there was a public safety issue and retention issue statewide. He asked what types of individuals the City wanted to have running their safety departments with the ensuing liability. Fire Chief Comeau stated that he would never have proposed to take Roy Days away but added that at some point there needed to be a Truth in Taxation process undertaken or tax increase to help offset the costs of providing services and having quality employees providing these services.

Chief Fire Comeau explained that he understood the City was in a tough position while trying to find a solution. Councilmember Burrell explained that if she compared to her medical care to safety services, which went up every year, she might accept undergoing a Truth in Taxation process in order to increase the funds provided for Safety. The fact that the City had not done such a process for many years had created an issue. She added that she believed the taxes had to systematically be raised every year, just like other things increased. Councilmember Saxton explained that while he understood the increase in the cost of different things, after a conversation with City Manager Andrews, he understood that a home in Roy cost less than a home in other cities. As a result, there would always be a disadvantage even when increasing taxes. Councilmember Burrell added that this did not mean taxes should not be increased at all. Councilmember Yeoman agreed that there should have been a small Truth in Taxation all along. She added that since all other cities were raising their taxes, she wondered where the bubble would end. She explained that none of these cities could keep increasing salaries at that pace.

Mayor Dandoy explained that government should not compete against government. Legislation should be passed at the State level to fix all salaries in the same manner salaries were fixed for state workers. If this was not done, the larger municipalities would drain the smaller ones which did not have the same resources. It was noted that the problem was that when the economy was good, people did not want to increase salaries for teachers, firemen, and police officers. Salaries had been officially low for many years, he continued, and the State was short 600 police officers. It only made sense that individuals would go to the higher paying jobs, and cities would have to increase what they paid their Safety employees. Councilmember Burrell added that the only way to increase these salaries would be to raise taxes. Mayor Dandoy explained that this could also be accomplished by cutting some services. He added that taxes would not be increased in the 2020 budget. He added that this might happen in the next budget.

Fire Chief Comeau said he disagreed with the present conversation. He explained that he could no longer wait. He added that he needed extra funds to help with his budget and did not know what else to do. He added that, a few years prior, the Police Department had been able to obtain an emergency adjustment. While he was not asking for such an emergency adjustment, he explained being at a point where his department needed help. He reiterated having a 42% turnover rate and not being able to hire paramedics as he was not competitive on the pay scale. He added the problem would get worse unless it was addressed in a timely manner.

Fire Chief Comeau argued that one of the deputy chiefs was running the paramedic truck because of lack of staffing. He explained that his department had reached its breaking point; if nothing was done with wages to both retain employees and hire new ones, he would continue stressing his current employees with added responsibilities, which would then prompt them to leave more readily. He added that when the salary study was done, the employees were under the impression that something would change. Fire Chief Comeau explained that every day, in his office, employees came to complain about the stagnant wages. He stated that he kept asking his employees to be patient and that solutions were being worked on. He added that his employees were tired of these excuses. Mayor Dandoy asked if the Council wanted to declare a Truth in Taxation for 2020. Fire Chief Comeau stated that while not all employees could receive raises, and he did not wish to put anyone in a difficult position, he felt that it was important to prioritize since his department was experiencing significant issues.

Mayor Dandoy stated that \$42,000 were required to purchase a new truck for his deputies. He asked whether there was an extra vehicle for the deputies to use so the City could wait one or two years. City Manager Andrews explained that there were a lot of difficulties in the Fire department. He stated that all departments had difficulties and mentioned the turnover ratio in the Courts. The Finance Department, he continued, had only two individuals who had been in the Department for more than two years. He added that there was a difference between a mistake made in the Utility Department and a mistake made in the Paramedic Department. He added wanting to make sure that he was not minimizing the importance of the Utility Department, as it was a very important one. He added that in the process of looking at the third of the employees and deciding what salary ranges were competitive, the question had arisen of whether the City would have the money available in the long term to make such adjustments. He continued that the priorities had been set in the form of the merit system. He explained that increasing any salary meant carrying that expense into the following years and argued that economic indicators seemed to imply that the economy was going in a downturn. For the City, he went on, this meant a 37% tax increase, which was about \$750,000. He added this was identical to the sales tax decrease that took place in 2008. He added being concerned with carrying increased salaries and risking the repercussions of an economic downturn.

Mayor Dandoy explained that the Fire Department needed help right away, as did other departments. He asked whether giving the Fire Department more funds would create tensions with other departments. Studying the work force in thirds, he added, might not do much if the City could not act on promised increases. City Manager Andrews explained that looking at salaries within the geographical location of the City might show an inaccurate picture of the situation. He explained that when house price medians were a lot higher, cities could afford to offer more competitive salaries. He added that some cities also did not provide paramedic services.

Councilmember Burrell explained that funds had been saved by outsourcing janitorial services and asked if the City could investigate outsourcing paramedic services. City Manager Andrews explained that the City already partially outsourced these services. He mentioned that the County offset the cost by providing Roy City with \$320,000 a year to run a paramedic program. He continued that the City did not want to lose that program as it brought a lot of revenue to the City. He argues that other cities were fighting to get paramedic programs, and Roy should not lose theirs. He continued that Roy and Weber County ran the most cost-effective paramedic program.

Councilmember Saxton mentioned the projects that were underway, such as the assisted living facility, townhomes, etc. He asked when the money generated by these projects would begin being drawn into the City's budget. City Manager Andrews explained that this was likely to happen for the 2021 budget. He added that with the merit system, a lot of this increase in income would be used, as the merit system would increase expenses every single year. He explained that the City might wish to do away with the step program.

It was mentioned that the City had been on the merit system for three years. Councilmember Saxton asked if the program was working. Councilmember Burrell explained that some people who had been with the City for 23 years were only on step 13 as they had gone without such a program for many years. The merit helped alleviate some of that, as there was a planned increase. Mayor Dandoy asked whether the City had taken steps the year prior to compress salaries. City Manager Andrews mentioned that at the moment the program was a 12-step one. He explained that initially the program was to take place over eighteen years. All employees were therefore placed in their respective steps. The program was funded with a 12% tax increase. When the Public Safety steps system was implemented, he continued, the employees did not get a raise from it. As a result, the employees were down even lower in the step system. Employees had a sense of where they should be due to the number of years they had worked with the City and could see the discrepancy. However, putting employees up in the step system had cost the

City \$750,000.

Councilmember Burrell asked the Police Chief if the step program had eradicated what had been done prior to try to solve the salary issue. Police Chief Merino explained that one way his department had tried to remedy the issue was to bring people in laterally. He explained that the number of years of experience had also increased from two to eight. City Manager Andrews explained that one of the issues, however, was that the internally tenured individuals needed to receive tenure according to the steps and see their wages increased. Police Chief Merino explained that tenured officers were at the average, and that this had fixed their problem. Fire Chief Comeau explained that they were attempting to do lateral transfers without much success. He explained that when lateral transfers were attempted, he had to pay these employees more than his current employees. He mentioned the employee working in Kaysville. This would consist of a lateral transfer; however, this employee's wages in Kaysville were much higher. Police Chief Merino stated that Roy would not be able to compete with the wages paid in Kaysville. He added that the situation was similar with Brigham City. Fire Chief Comeau explained there was no easy solution to losing individuals to better paying cities.

Councilmember Burrell asked the Police Chief about his turnover rate. He answered that it had been lowered. He continued that he currently had an opening he was struggling to fill as he was lacking quality candidates. He added that he lost 15% of his workforce in the past year, a number which was expected as industry standard.

Mayor Dandoy asked City Manager Andrews what he wished to do. Councilmember Yeoman stated that Fire Chief Comeau and herself had had multiple conversations on that topic. She explained that throwing money at the problem might not fix it. This was why she had asked about creative ideas to fix the issue, she continued. She explained that there had been a couple such ideas, which had been discussed earlier.

City Manager Andrews explained that, looking at the budget, there were a lot of things that, if cut, would prove to be problematic. The alternative was to increase taxes. Police Chief Merino explained that two officer positions had been cut to help reach the budget goal. In this manner, he added, one could argue that they had had to cut personnel. His captains and deputy chiefs worked patrol shifts every week.

City Manager Andrews explained that in a perfect world, all employees would get everything they needed. However, this was simply not feasible. The pay scale was slightly more aggressive than in other agencies with minimums slightly lower. He added that the benefit packages were also different. He argued that Fire Chief Comeau had a great morale boosting department and that his employees loved working for Roy City. He continued that there was no easy solution for everything and added not being able to predict the economy in upcoming years. In order to maintain the status quo, he added, a hefty tax increase might be required.

City Manager Andrews mentioned that the economic indicators pointed to a downturn. He asked whether a downturn might be a benefit to Roy City as a lot of the other cities were creating revenue by delivering building permits. Roy City being built out, he added, these types of funds were not available. If something were to happen economically, he added, the City would be prepared. The City would have to worry about property and sales tax, however. He added that in the legislature the question of taxes would be opened. He continued that things could change dramatically and explained that to maintain services, a property tax increase would be needed. The City could be in a much better position in 2021, but there was no way to fully predict this.

If a department had money in their budget, Councilmember Burrell asked whether they were responsible for their problems. Fire Chief Comeau explained that the money to make adjustments could be found but had to come out of the overall budget. Councilmember Burrell asked whether the problem would be

repeated the following year. Fire Chief Comeau answered that this would be the case. Councilmember Burrell explained this was where the problem was: the adjustment was ongoing. She stated that if the funds were no longer available the next year, the City might be in a worse shape than it was now. Fire Chief Comeau explained that this would be the point where the City would investigate a tax increase, with a Truth in Taxation. He explained that the City had had a \$16,000 increase in the budget from the County to help offset some expenses. Councilmember Burrell stated that the City was struggling to fund the merit program currently in place, and it might already require a Truth in Taxation process.

City Manager Andrews added it meant the City needed to be more aggressive with its revenue. He continued stating that \$58,000 in a \$28 million budget was not that significant an amount. He explained that the City needed to look at its projections for revenue. Mayor Dandoy mentioned that there was \$3.5 million held in case of emergency. City Manager Andrews explained that if that money were to be spent on something else, it would have to be repeated the following year and so on. He continued that the Council could consider drawing some funds from this pool for a one-time use.

Councilmember Burrell added that if salaries were increased, the funds required would not be a one-time occurrence. City Manager Andrews explained that he was looking for a 1.25% to a 2% pay adjustment in the pay scale of operations employees. He added this would add \$42,000 to \$50,000 a year. Councilmember Burrell clarified that this amount would be needed every year. Fire Chief Comeau answered that it would. Councilmember Burrell continued that it would not be possible to do the tiered system, as it would add a similar amount every year on top of the one approved the prior year. She explained that while it looked like it was fixing one issue, it was creating others. Fire Chief Comeau added that one of the issues was the lack of adjustment with the merit system.

City Manager Andrews explained that the issues with the base wages remained. He added that since it had been difficult to come up with funds in the budget, Fire Chief Comeau had tried to create creative ways to alleviate some of the issues. He explained that the funds asked for would be used for the merit program and allow individuals to grow. He continued there was not much room in the budget.

Councilmember Burrell stated that an increase in taxes was necessary. Councilmember Saxton suggested that sales tax could also be raised. He explained that sales tax would be incurred by everyone, whereas property tax would not. City Manager Andrews explained that the City was getting more funds from sales taxes because the economy was thriving. He added that in 2008, however, property taxes weighed more in the budget. Councilmember Saxton explained that during an election year, recessions were likely as people pulled back until they knew who would be elected. As a result, he argued that raising taxes might create an issue if a recession later occurred. City Manager Andrews explained that in 2008, employees had some benefits taken back. He added that this next budget year, he was hoping to bring back some of these benefits. He continued that being creative was necessary and that at the level of the superintendent, there had been a reduction in force. He argued this was where the surplus was coming from. He continued that in 2008, a position had been cut which had just been brought back. He explained that this was how the recession had been handled in 2008.

Mayor Dandoy stated that now that the discussion had been opened, solutions could be discussed. Fire Chief Comeau explained that something had to be done as the situation was about to become worse. He stated the question was what kind of individuals were wanted as firefighters in Roy, and whether the Fire Department should be run with fewer individuals. This, he continued, would cause units to go out of service as they would not be staffed. Hiring unqualified individuals would be a liability for the City.

Councilmember Saxton asked what the latest study had stated. City Manager Andrews explained that the Council had agreed to look at all employees in thirds, a decision which had then gone undone for two years. The third year, it had been done for all employees. The independent analysis, he added, had

provided information on the City as a whole. He added this had been a good tool as it showed the wages across Utah. One of the parameters of the study, he continued, was a regression analysis to incorporate other aspects such as risk assessment or job descriptions. He added the goal was to have everything work together as a whole. He continued that once the tool was narrowed down, it showed the City how to be competitive locally.

City Manager Andrews explained that when hiring someone who had a single position in the City, there was nothing to compare it against. He mentioned that if the City was not competitive at its minimum amount, individuals had to be hired at a higher level to allow for competitive wages. He explained that there had been individuals in the organization to whom this had happened. He argued that in the Police and Fire departments, because so many individuals were within the same pay range, there were comparisons. He explained that it was therefore difficult, for example, to bring a new paramedic at a salary higher than one that was already in the department. He explained this was why these departments were more constrained and continued that the study had also shown that these types of jobs were the ones posing problems. The bottom line was that if the City did not have the money to be competitive, there was not much that could be done.

Councilmember Burrell stated that there were aspects that unquantifiable but helped employees come on board and stay. She pointed to employees liking the environment. She explained no monetary value could be put on this. City Manager Andrews explained that this aspect went back to the leadership. Councilmember Burrell explained that this might also speak of the kinds of incentives the City offered. The culture, she added, also had to change in the minds of the employees. She explained that she had, for a long time, lived in the same household as someone who worked for the Davis County School District. She explained that this person, though she had two fewer years in the service, had always made more than Councilmember Burrell had. Councilmember Burrell explained that she chose to stay in the County because she liked the smallness and intimacy of it. She argued there had to be more than salary increase, and while this view might cause the City to lose more people, the right people might join as a result. She stated that Chief Merino had mentioned having improved his department thanks to this mentality. Councilmember Saxton stated that the numbers needed to be broken down.

There was subsequent discussion about various options for offering incentives to employees. City Manager Andrews explained that the ideas discussed earlier in the meeting, while great, would benefit some individuals more than others. Anyone who had worked with the City for ten or more years, he added, would not see much benefit to these proposed programs. He mentioned that for newly hired individuals, bonuses and more potential savings towards retirement were attractive. He mentioned having talked to a lot of employees about these programs and added that the older dispatchers had voiced they found there to be few benefits in the programs. Therefore, these programs would not keep employees who had been with the City for a longer period of time.

Councilmember Saxton explained that part of the City's recruitment efforts including teaching a course at Roy High. City Manager Andrews explained that the Chiefs had been looking into this. He explained that Roy High School had its EMT program. He added the program was popular and got some of the young people interested in the work. He continued that a Fire Science program was also about to start. These programs were attempts to recruit some of the local young people into working for the City. Councilmember Saxton asked if the program was already started. City Manager Andrews answered that it was and would be offered in the Fall of 2019. The changes in retirement were a hit on the service, he continued, but the changes legislation had created for 2019 should take place over time.

In response to a question from Mayor Dandoy, City Manager Andrews answered that the City could look at other City employees first, and weather the storm with the Fire Department. He stated that within this budget, he had tried to maintain what the City had promised it would do. He understood that this year

was not a good one for a tax increase. As an administrator, unfortunately, he was left with very few options. Mayor Dandoy asked what the Council wished to do. He explained that City Manager Andrews had to take away the comments and decide whether modifications were needed. He continued that the updated budget would be presented in June. He continued that a big portion was whether the budget would be approved with the proposed tax rate and explained that most likely this decision could be taken during the second meeting in June, 2019. Mayor Dandoy stated he did not see any major adjustments in the proposed budget. City Manager Andrews pointed that the only major adjustment with financial ramifications was the increase for the Mayor and Council salaries. Councilmember Saxton stated that Fire Fighters would receive a 2.5% increase. City Manager Andrews added that the general employees would receive a 3.7% increase. City Manager Andrews explained that the 2% increase on top of the planned increase represented about \$50,000. Councilmember Burrell pointed that this extra \$50,000 would be required every year after that. Councilmember Saxton asked if there was a strategy to add this as temporary infusion which might carry the employees through the year. City Manager Andrews stated that the idea was to move the personnel up the pay scale to make sure the salaries were more competitive.

City Manager Andrews explained that the 2% increase, averaged out over all employees, represented a \$.45 per hour increase. Councilmember Burrell explained that if this was a one-time increase, the cost would not go into the hourly wage and added she knew the employees did not merely want a one-time bonus. City Manager Andrews explained that this increase would include all the operations workers. Councilmember Burrell asked if there was a difference between the number of people lost in the Fire Department versus Paramedics. City Manager Andrews explained that Paramedics were more marketable. Councilmember Saxton stated that, like a tire, the Department could not be cut in half. Councilmember Burrell pointed that all City workers were needed. Fire Chief Comeau pointed that the paramedics jobs were also in competition with hospitals.

After subsequent review of the budget, City Manager Andrews explained that the Budget was still a working document. He added wanting to see some form of resolution, but that rushing to judgment by taking money from other programs might not be the solution.

B. Adjournment

Councilmember Yeoman Motioned to Adjourn the City Council meeting at 8:00 p.m. Councilmember Burrell seconded the motion. All Councilmembers voted "Aye". The motion carried.

Robert Dandoy
Mayor

Attest:

Morgan Langholf
City Recorder

dc: