

City Manager
Matt Andrews

Assistant City Manager
Brody Flint

City Recorder
Brittany Fowers



Mayor
Robert Dandoy

Council Members
Ann Jackson
Bryon Saxton
Joe Paul
Randy Scadden
Sophie Paul

ROY CITY COUNCIL WORK SESSION AGENDA

JUNE 13, 2024 – 3:00 P.M.

ROY CITY BASEMENT CONFERENCE ROOM, 5051 S 1900 W ROY, UTAH 84067

This meeting will be streamed live on the Roy City YouTube channel.

A. Welcome & Roll Call

B. Presentations

1. Proposed FY 2025 Budget

C. Adjournment

In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for these meetings should contact the Administration Department at (801) 774-1020 or by email: admin@royutah.org at least 48 hours in advance of the meeting.

Pursuant to Section 52-4-7.8 (1)(e) and (3)(B)(ii) "Electronic Meetings" of the Open and Public Meetings Law, Any Councilmember may participate in the meeting via teleconference, and such electronic means will provide the public body the ability to communicate via the teleconference.

Certificate of Posting

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted in a public place within the Roy City limits on this 12th day of June 2024. A copy was also posted on the Roy City Website and Utah Public Notice Website on this 12th day of June 2024.

Visit the Roy City Web Site @ www.royutah.org
Roy City Council Agenda Information – (801) 774-1020

Brittany Fowers
City Recorder

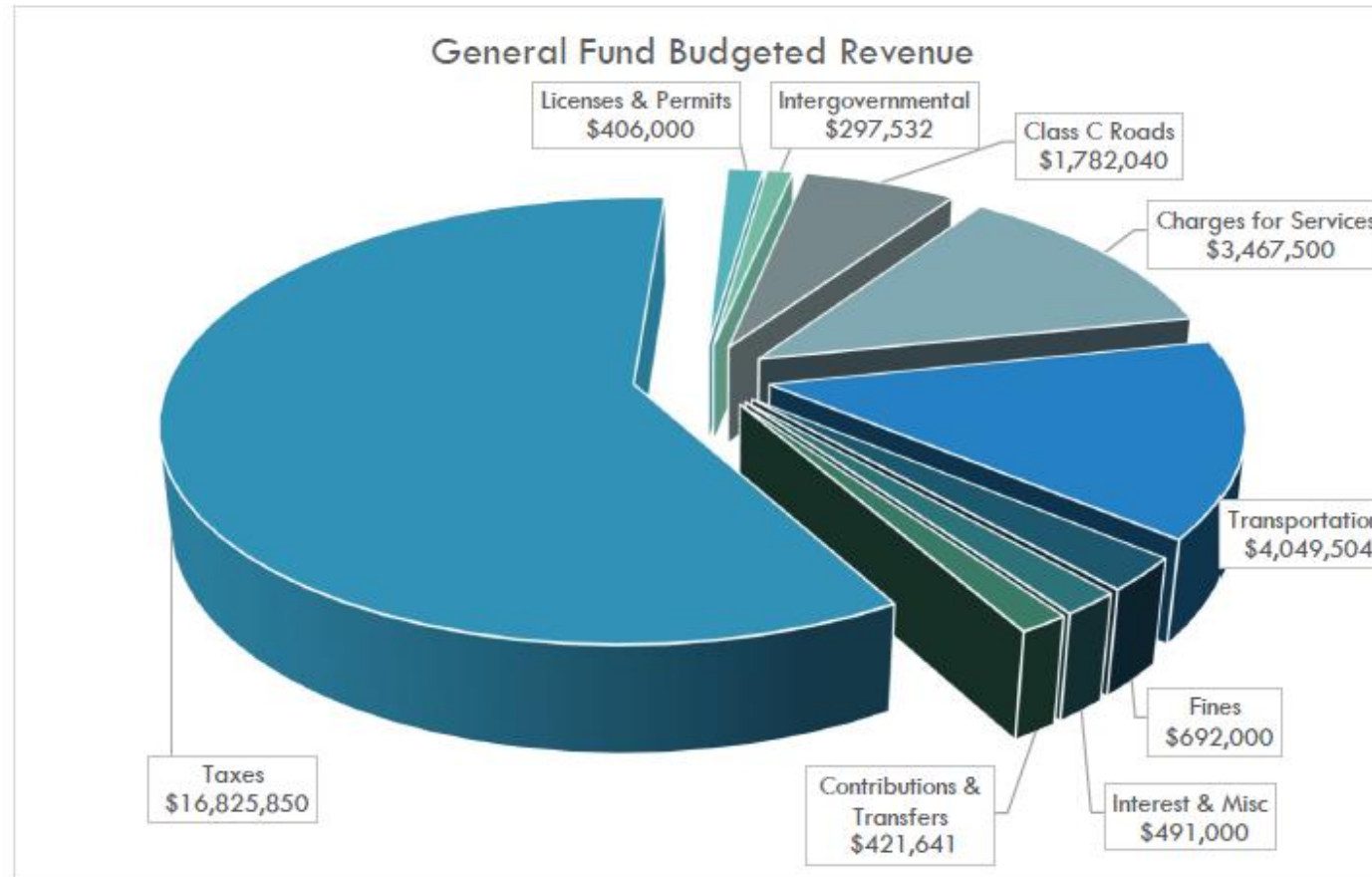




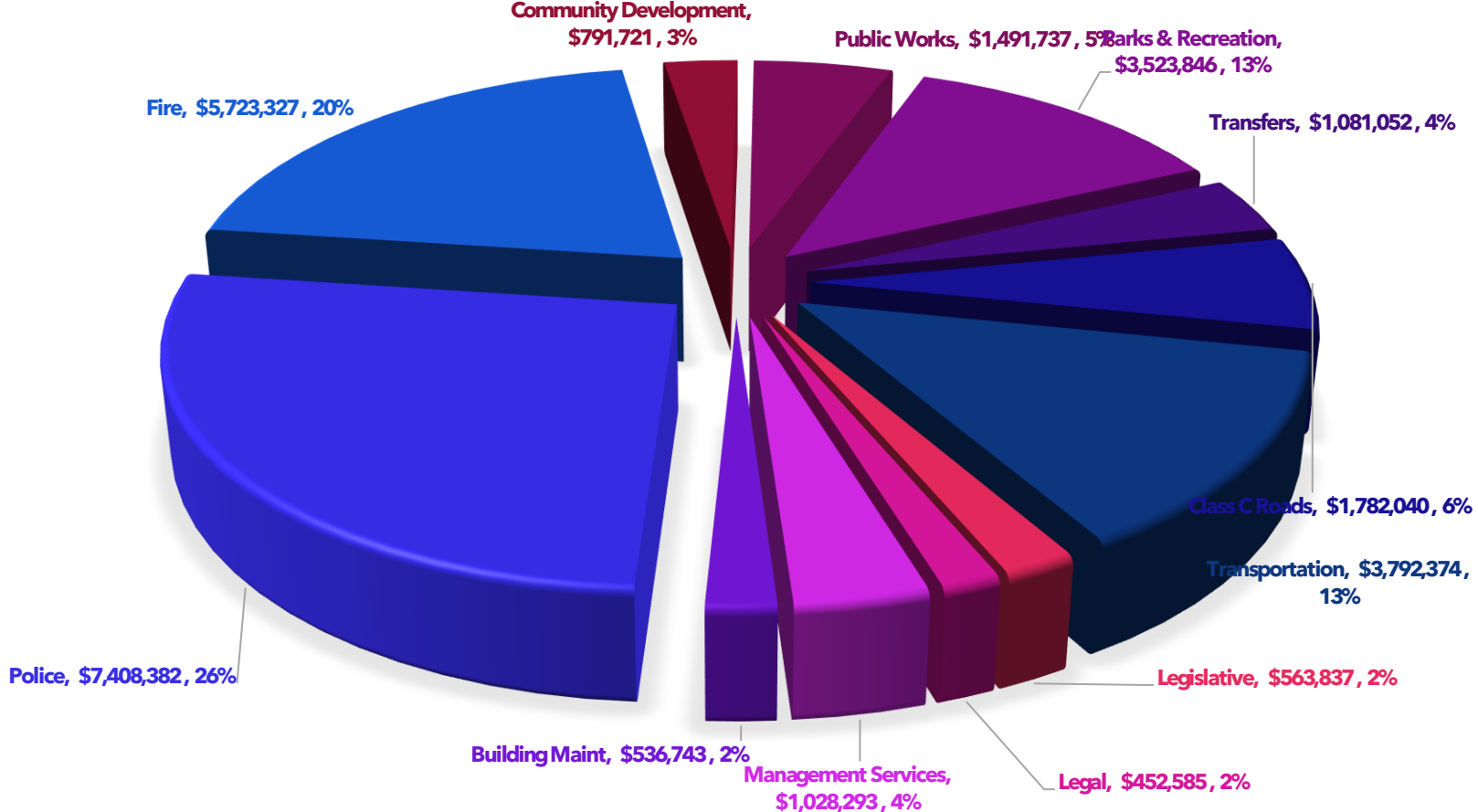
Roy City Council Budget Work Session

13 JUNE 2024

FY 2025 Budget General Fund Budgeted Revenue



FY 2025 Budget General Fund Expenditures By Department



Proposed Wage and Benefit Changes

- 3% COLA for all employees
- The general employees step system includes a 2% - 2.5% merit.
- The public safety employees step system includes a 3.75% merit.
- 4% increase in health insurance premiums
 - 2 plan options available; a Traditional Plan and a High Deductible Plan with no cost to the employee and the city contributes to the employee's HSA account.

Department Cuts at 7.5% - Total \$621,257

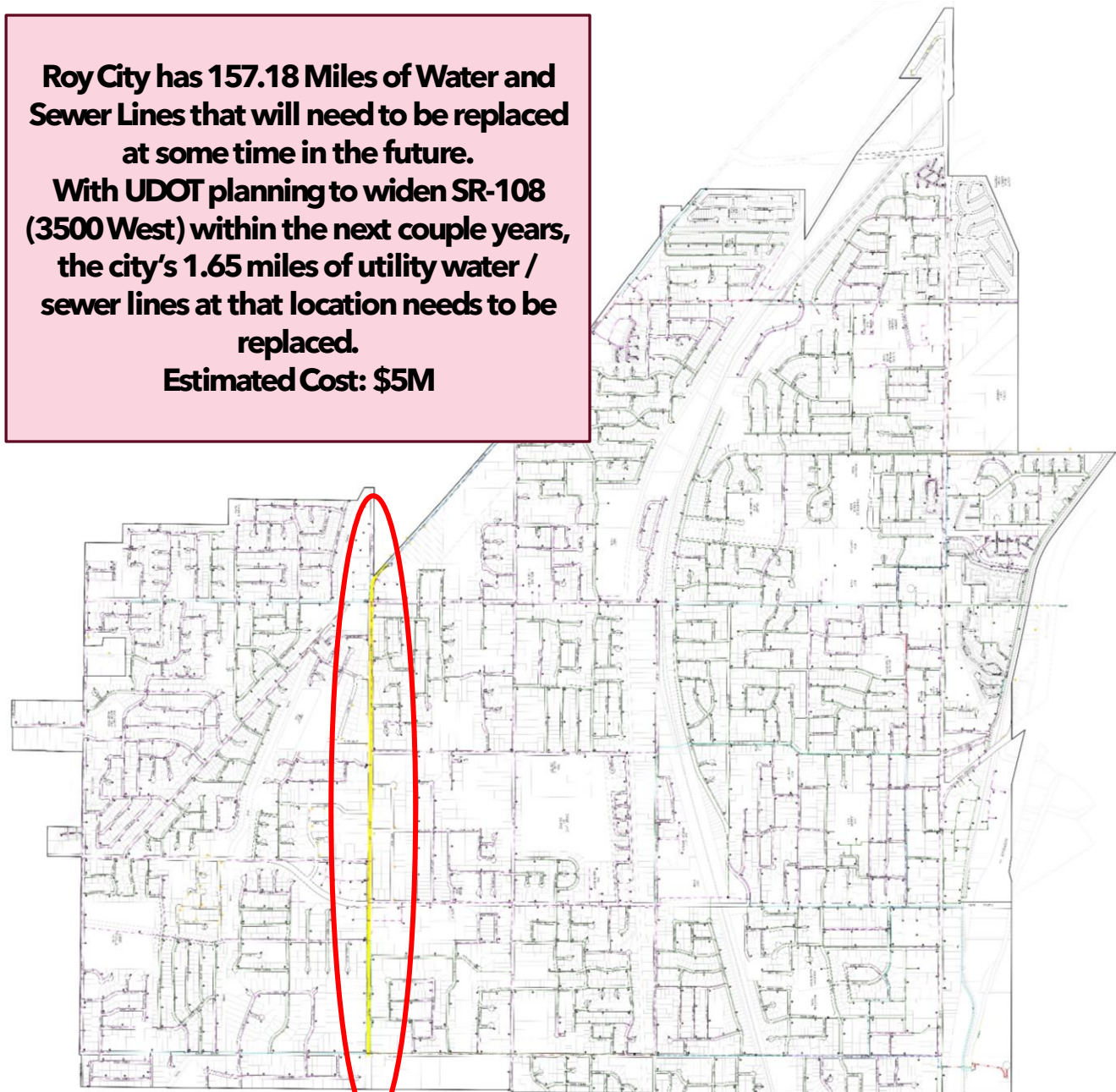
Organization	Amount	Organization	Amount
Legislative	\$8,500	Fleet Services	\$11,000
Legal	\$9,991	Public Works Admin.	\$35,000
Justice Court	\$2,700	Recreation Complex	\$46,444
Finance	\$47,000	Aquatic Center	\$70,000
Building and Grounds	\$39,829	Roy Days	\$7,000
Police / Animal Services	\$85,500	Parks & Recreation	\$66,000
Fire and Rescue	\$97,000	Information Technology	\$45,720
Community Development	\$18,400	Street Division	\$31,173

Water and Sewer Utility Increase

Roy City has 157.18 Miles of Water and Sewer Lines that will need to be replaced at some time in the future.

With UDOT planning to widen SR-108 (3500 West) within the next couple years, the city's 1.65 miles of utility water / sewer lines at that location needs to be replaced.

Estimated Cost: \$5M



The Proposed 2024/25 Budget as Written

Proposed Tax Increase:

- \$500,000 - The estimated average household will be \$3.78 per month or \$45.31 per year. It is unknown what the tax increase impact will have on the average business owner with properties taxed at 100% of the market value.

Proposed Weber Basin Water Conservancy District Rate Increase:

- Weber Basin Water Conservancy District increased their annual water charges by 15% this year and they are proposing increases of \$515,217 or 54% over the next 3 years. This increase will be passed along to the customers resulting in a 5% water rate increase in FY2025. For a typical family of four using 9,000 gallons of water per month, this increase will amount to \$1.18/month / \$14.16 per year.

The Proposed 2024/25 Budget as Written

Roy City Waterline Infrastructure Rate Increase:

- Roy City needs to increase rates to make necessary infrastructure improvements. The expected waterline replacement along 3500 West is anticipated to cost \$5,000,000. To obtain funding for this project, the capital improvement fee will increase \$10 per month / \$120 per year, for the next three (3) years.

Central Weber Sewer Improvement District Rate Increase:

- The Central Weber Sewer Improvement District is proposing to increase their service fees from \$35.60 to \$38.16 per month for those 973 residents using this service. The residents primarily live on the east side of 1900 West. This will be a \$2.56 per month / \$30.72 per year increase.

The Proposed 2024/25 Budget as Written

Total Est. Financial Impact - *(Est. at 11.26% Property Tax Increase plus the Infrastructure Utility Enterprise Fund Fee Increases)*

- **Most Residents** - \$14.41 per month / \$172.96 per year.
- **Businesses** - Unknown since the property tax increase will be assessed at 100% market value.
- **Residents Living on Eastside of 1900 West** - \$16.97 per month / \$203.64 per year.

Items Not Found in the Proposed 2024/25 Budget that were Requested by Department Heads

- During the City Council Budget Work Session, 21 May 2024, the City Manager provided information on those elements of the proposed budget that were discussed by staff and NOT included. These elements included mostly personnel increases requested by Department Heads.
- Through a vetting process based on the majority of the City Council members having interest to have further discussion, the following elements are provided.

Items Excluded from the Department Heads Input to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Public Works	Janitor 1 to Janitor 2 Position	Promotion for a specific employee. It was not clear if the scope of the duties changed.	\$2,500

Items Excluded from the Department Heads Input to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Police	2 Full Time Bailiffs	2 Part-Time Bailiffs already in budget. By authorizing this manpower increase to 2 full-time employees, other police operations could be filled when the Justice Court is not in session.	\$123,000

Items Excluded from the Department Heads Input to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Fire / Rescue	Full-Time Billing Clerk	1 Part-Time Clerk in Budget	\$26,800

Items Excluded from the Department Heads Input to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Fire / Rescue	Public Education Team Overtime		\$5,500

Items Excluded from the Department Heads Input to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Parks / Rec	Recreation Supervisor	Funds available in the budget and the position description are already approved. No impact on the Budget if approved.	\$12,000

The Proposed 2024/25 Budget as Written with Department Head Requests

Total Est. Financial Impact - *(Est. at 14.74% Property Tax Increase with Department Heads Requested Personnel Actions plus the Utility Enterprise Fund Increases)*

- **Most Residents** - \$15.43 per month / \$185.12 per year.
- **Businesses** - Unknown since the property tax increase will be assessed at 100% market value.
- **Residents Living on Eastside of 1900 West** - \$17.99 per month / \$215.88 per year.

Short / Long Term Cost Cutting and Revenue Development Opportunities to the Proposed 2024/25 Budget

- The two (2) short-term recommendations are intended to be cost-cutting initiatives to help reduce the property tax burden on residents / business owners and postpone any facility improvements to save revenue.
- The four (4) long-term recommendations are intended to direct city staff to develop potential revenue development opportunities. These recommendations focus on three (3) city own properties that currently are NOT providing any revenue to the city. In addition, a proposed change in the Future Land-Use Map to remove a proposed park and extend commercial property.
- By placing these recommendations into the proposed budget, they become approved ACTION Items that directs staff to perform in the FY.

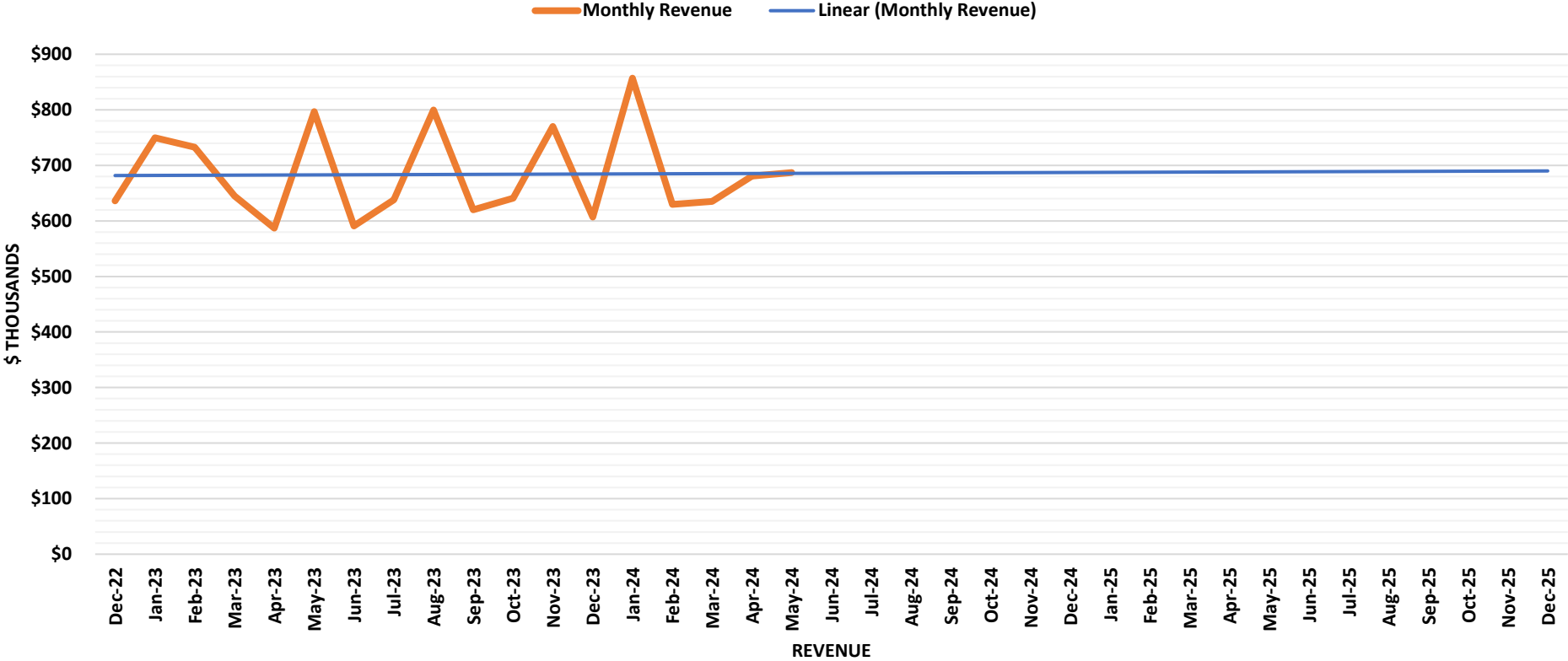
Short -Term Cost Cutting Initiatives to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
N/A	<p>If a Property Tax increase is considered, Recommend removing enough funds from the FUNDS BALANCE to keep the Tax increase down to single digit.</p> <p><i>Discussed in the May 21st meeting, but accidentally left out the Budget worksheet.</i></p>	<p>If the property tax and utility fees increases are approved, the estimate yearly bill to the average Roy resident is \$180.00. That equates to a property tax increase of over 35%. This estimated increase is expected to occur again in the next one to two years. Since there is available funding in the Fund Balance, the impact can be reduced.</p>	Unknown

Short - Term Cost Cutting Initiatives to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
All Departments	Recommend NO more spending on furniture, exercise equipment, office equipment, remodeling of facilities during the FY 2024 /25.	Recognizing that Sale Tax Revenues are NOT increasing and projected to remain stable (see next chart), it will be difficult enough to pay for employee salaries and materials. Directing expenses to pay for low priority facility improvements and modifications is unacceptable given the tight revenue sources.	Unknown

Roy City Monthly Sales / Use Tax Revenue



Long - Term Development Opportunities to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Community Development	Recommendation: Contact each property owner and assess if development collaboration will yield productive results.	Along Midland Drive there are three properties with unique characteristics that make them difficult to develop individually (see below). The UDOT property is 0.8 acres with a limited development option. The Roy property is a storm water collection basin with 0.6 acres. The private LLC property is 0.6 acres and has limited access. Long term revenue development possibility. Individually the 3 properties may have little value considering the shape, location, function. Collectively the 2 acres have real commercial development potential along a very busy highway.	Unknown



Long - Term Development Opportunities to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Community Development	<p>Recommendation: Since the property at the train station is zoned for townhomes, Roy City needs to develop this property for its intended purpose and to generate needed revenue. Consideration should be given to working with UTA to include this land with the Front Runner TOD.</p>	<p>Roy City owns 1.6 acres of Front Runner Station property. This property has been set aside for a future water tank. Placing a water tank at this train station location does not fit the setting envisioned in the approved Station Area Plan. If another tank is required, place it somewhere else in the city.</p>	Unknown



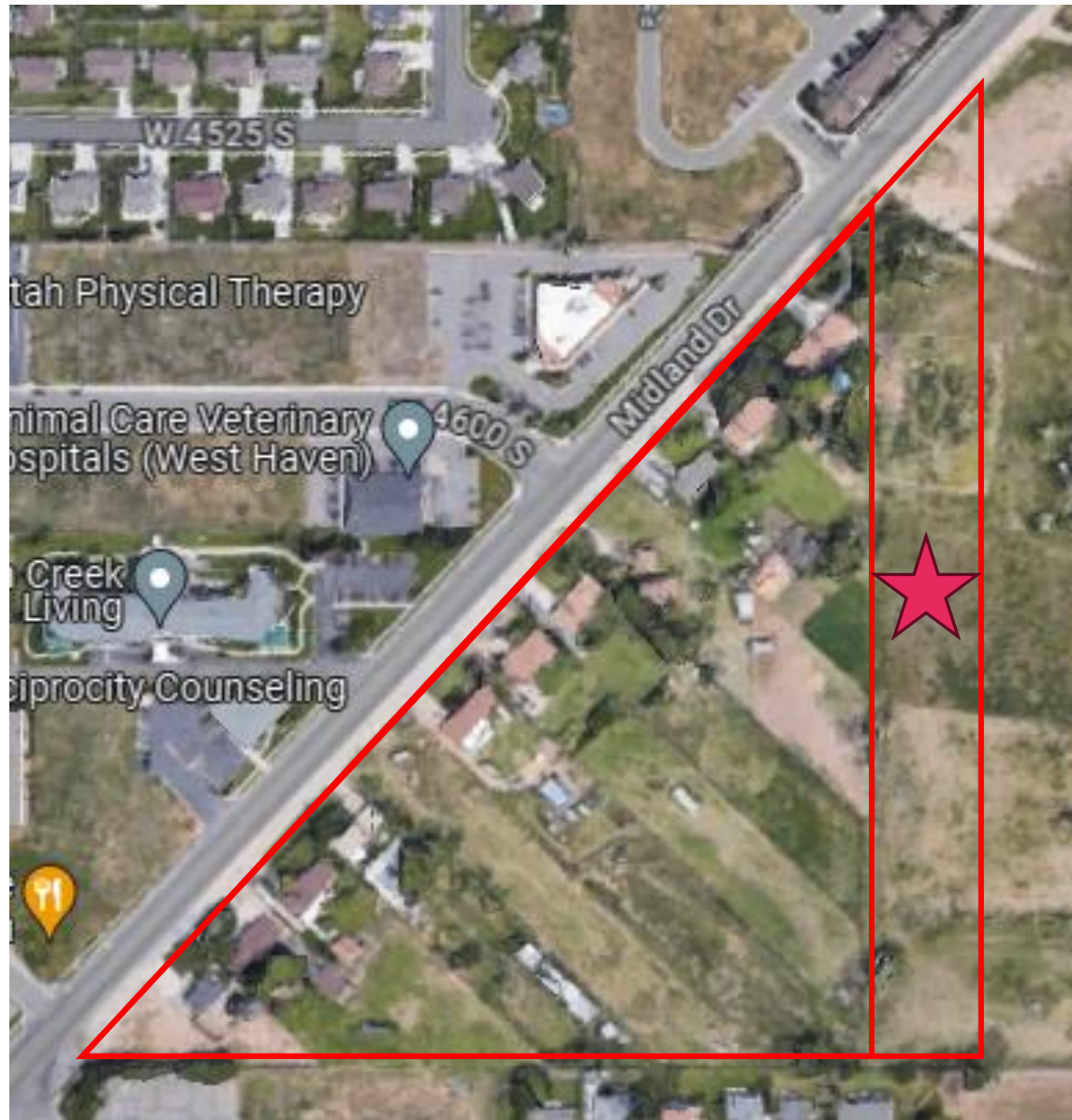
Long - Term Development Opportunities to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Community Development	Recommendation: Roy City needs to sale to the RDA or lease this land for development to generate the needed revenue.	Roy City owns 2.4-acres of vacant property along 4800 South. This property is often used for storage. It is unclear why this property has not been developed for residential housing.	Unknown



Long - Term Development Opportunities to the Proposed 2024/25 Budget

Organization	Description	Details / Justification	Est. Cost Impact
Community Development	<p>Recommendation: Direct the Planning Commission to assess the property outlined below and determine if the Future Land Use Map should be adjusted by removing the proposed park area. Send a recommendation to the Council.</p>	<p>Long term planning within the area outlined below should consider extending commercial development opportunities, particularly with its location from the proposed new Wal Mart in West Haven. The Future Land Use Map shows parts of this property as a major commercial area with a park. Removing the proposed park area will enhance and extend the commercial development opportunities, and possible revenue generation.</p>	Unknown



FY 2024 / 25 Budget – Next Steps

Budget Timeline:

- The budget document you have received has detailed narrative explaining the changes and includes a line-item detail.
- We have held two (2) budget work session to go over the budget in greater detail.
- The final budget must be adopted by June 20, 2024. We are planning to take public input on the Budget in the scheduled June 18, City Council meeting and call for a vote.
- If the Council's decision is to proposed a Property Tax increase, the Council must set a CAP RATE Percent in the June 18th meeting and staff will set up a public Truth-in-Taxation meeting sometime in Aug to lock in the new Property Tax rate.