

**MINUTES OF LAYTON CITY  
COUNCIL BUDGET WORK MEETING**

**MARCH 10, 2020; 8:06 A.M.**

**MAYOR AND COUNCILMEMBERS  
PRESENT:**

**MAYOR JOY PETRO, ZACH BLOXHAM, TOM DAY, DAWN FITZPATRICK, CLINT MORRIS, AND DAVE THOMAS**

**STAFF PRESENT:**

**ALEX JENSEN, GARY CRANE, KEVIN WARD, ALLEN SWANSON, DAVID PRICE, TERRY COBURN, CHAD WILKINSON, TRACY PROBERT, AND KIM READ**

**The meeting was held at Fire Station 51, 530 North 2200 West, Layton, Utah.**

Alex Jensen, City Manager, welcomed Staff and the Council. He stated this was an important meeting for the Council regarding the budget process and reviewed what Staff had accomplished thus far in preparing for FY 2020-2021 Budget. He specifically mentioned Capital Equipment, Personnel, Operations, and the Capital Improvement Plan. He explained the City's philosophy that department heads had followed in requesting their respective department's budget and emphasized the budget process from here on out would be at the direction of the Council. He stated Staff would make adjustments as recommended by the Council and welcomed questions and input during the meeting. He mentioned the importance of political stability to the City and complimented the councilmembers regarding their individual efforts to learn their roles and willingness to work together.

Mayor Petro expressed appreciation to the Staff for their efforts in providing pertinent information to the Council.

Mr. Jensen informed the Council the budget would be discussed during additional meetings in the future and pointed out the process allowed the Council to direct Staff with its vision for the City. He expressed appreciation to the Department Heads for their work and efforts in leading their Staff.

He turned the time over to Staff.

**AGENDA:**

**BUDGET DISCUSSION – FISCAL YEAR 2020-2021**

Tracy Probert, Finance Director, stated he would be leading the discussion and requested direction and input from the Council and Department Heads throughout the presentation.

He reviewed the agenda he would follow during the discussion and welcomed feedback from the Council. He also reviewed the Fiscal 2020-2021 Budget Calendar and pointed out the City was required to adopt the Tentative Budget by May 7 and the final budget by June 18. He shared a list of proposed meeting dates when future budget discussions could take place.

He shared the economic outlook for FY20. He pointed out the federal tax cuts and stimulus spending from 2018 and 2019 was supposed to come to an end and suggested the Government could propose another stimulus package since it was an election year. He shared a decade in review of U.S. Economic Data and stated no other time in history had the United States experienced 10 years of expansion in the economy. He also reviewed the decade in review specific to the State of Utah and the Economic Outlook for Utah provided to the Governor by the University of Utah which predicted a growth of three percent.

He reviewed the City's Sales Tax Revenue pointing out it continued to grow, but mentioned it was growing at a decreasing rate. He asked if there were any questions and a discussion took place regarding the City's philosophy regarding debt and balancing cost and risk associated with funding projects by debt.

Mr. Probert reviewed the General Fund Summary with the Council. He pointed out the personnel expenditure associated with the Administrative allocation for utilities. He explained Staff had completed an analysis specific to actual costs of all City personnel specific to "utilities" regarding the required transfer. He reported now the City had completed the analysis it would no longer be required to inform the public of the transfer and a discussion followed.

Mr. Probert continued to review operations estimates and proposed transfers from the General Fund for operations. He informed the Council of approximately 14.54% Fund Balance proposed for FY21. Mr. Jensen reviewed the City's philosophy pertaining to a healthy Fund Balance and a discussion took place.

Mr. Probert reviewed General Fund expenditures per department and a discussion followed. The Council requested this particular graph from previous years' presentations to be used as a comparison. Mr. Probert shared possible scenarios of wage and benefit increases per percent and the expenditure applicable to the General Fund. Mr. Jensen explained the process used by the City to determine each employee's proposed increase to wage benefit and a discussion regarding the retention of employees took place.

The Council took a break at 9:52 a.m.

The meeting resumed at 10:04 a.m.

Mr. Probert reviewed General Fund Personnel requests for this budget year and the Council shared their suggestions and a discussion followed. Councilmember Morris asked if the City was prepared to fund the personnel requests in addition to the proposed merit increase for current Staff should a recession come to fruition. Mr. Jensen responded he believed the City could make necessary adjustments and expressed his opinion this was the appropriate time for the City to fund these positions in order for the City to continue providing its current level of service to residents. He expressed his confidence in the current Staff which had done its best in accepting extra work and also with Department Heads which had made adjustments over the past few years. He explained how the City had weathered the previous recession relative to filling certain positions.

Mr. Probert reviewed the Enterprise Funds Personnel requests and Mr. Jensen justified the need for the proposed Street Lighting position. He also informed the Council Staff was proposing a transfer from the General Fund to the Street Lighting Fund in order to fund lighting infrastructure projects associated with the Highway 89 project. Mr. Probert pointed out if revenue wasn't recognized by the fee income, the General Fund would have to accommodate for that deficiency. Councilmember Morris asked about the implementation of the Street Lighting Fund. Terry Coburn, Public Works Director, explained the City was obligated to maintain what was currently in place, but also explained the need for the City to ensure traffic signaled intersections were properly maintained. Mr. Jensen informed the Council how the City had approached Rocky Mountain Power offering to purchase the street lighting system and expressed his opinion this infrastructure was substandard for residents and a discussion followed.

Mr. Probert shared information justifying the proposed health insurance increase to the City and the Staff. Mr. Jensen informed the Council the City's health insurance was a self-funded program and explained what that meant and how it was implemented. A discussion took place regarding the City's health insurance program.

Mr. Probert reviewed a pie chart specific to the General Fund Revenue which identified each revenue source for the City and shared a comparison of prior year's Sales Tax. He shared the current year's Sales Tax revenue collected thus far and mentioned he was conservative on the budget estimate and a discussion followed. Gary Crane, City Attorney, provided a quick update on possible legislation specific to Sales Tax. Mr. Probert informed the Council the City had experienced an increase in Sales Tax growth and shared additional statistics associated with Sales Tax.

He also shared a comparison specific to Property Tax with the Council pointing out as property values increase, the tax rate decreases, plus new growth. He reminded the Council of last year's Property Tax increase and Councilmember Day asked if Staff was proposing the City maintain its Certified Tax Rate in conjunction with the budget process. Mr. Jensen responded Staff wasn't proposing to do that and suggested the Council could discuss that option at a future work meeting during the budget process. Mr. Probert indicated the City wouldn't receive the proposed Certified Tax Rate until July, 2020. He explained how the Fire Station would be funded by the tax increase and mentioned personnel costs hadn't been included in the budget and suggested the budget may need to be amended for that purpose. He continued to review additional tax revenue associated with the budget noting the decrease in each one.

Mr. Probert identified the number of building permits issued by the City last year and a discussion followed. He also provided a historical review and a detailed comparison for the previous decade for the Council to review. Mr. Jensen pointed out the City was providing a good ratio of different housing options and a discussion followed.

Mr. Probert also reviewed the Class C Road Fund revenue and street expenses for the previous ten years. Mr. Jensen pointed out that B & C Road funds didn't cover the costs associated for street maintenance and a discussion followed. Mayor Petro requested Staff provide and review during a future work meeting, which identified and graded the condition of City roadways. Mr. Probert reported Staff attempted to look five years in the future to identify street infrastructure needs and a discussion took place regarding how the Highway 89 project and the West Davis Corridor would lessen the impact on Interstate 15. Mr. Jensen informed the Council of the proposed extension of Layton Parkway and the associated subsequent costs and a discussion followed. The Council also discussed the City's responsibility to maintain its road infrastructure and those costs.

Mr. Probert reviewed the historical figures specific to Fund Balance with the Council.

The meeting adjourned for a lunch break at 11:35 a.m.

The meeting resumed at 1:21 p.m.

Mr. Jensen announced Allen Swanson would be excused for the remainder of the afternoon.

Mr. Probert reviewed the Capital Equipment requests with the Council specific to each department. He indicated the marked police vehicles were replacing vehicles with 100,000 miles. Mr. Jensen mentioned the City would be purchasing the Dodge Durango for new police vehicles on a trial basis as a comparison to the Ford Interceptor. Mr. Probert informed the Council funds recognized from the sale of the vehicles would go back into the fund. He mentioned the UCA radio upgrade which was reflected in several department's budgets and Mr. Jensen explained this was required throughout the state and announced the City had three years in order to be compliant with the new equipment.

Mr. Probert continued to review equipment specific to Special Revenue Funds and Enterprise Funds with the Council and discussions took place regarding the fluoride tank and defibrillators.

Mr. Probert reviewed projects identified in the Capital Improvement Plan summary with the Council and a discussion took place regarding the following:

- City Center roof replacement
- City Center HVAC electronic control upgrade
- Planning Projects
- Fire apparatus replacement
- Sidewalk repair/replacement
- Traffic signal upgrade
- Loader
- Backhoe
- Parks Shop fuel center tank replacement
- Street Projects

A discussion took place and the Council expressed its desire for projects which hadn't yet been identified such as pedestrian crossings, bike lanes, and/or signaled intersections on certain roads.

Mr. Probert reviewed Parks and Recreation projects identified in the Capital Improvement Plan Summary. Mayor Petro informed the Council residents had reached out to her regarding the City's pickleball facilities and mentioned even though the City was making strides in providing pickleball facilities throughout the entire City, the group would prefer to have a complex consisting of eight courts and a discussion took place.

Mr. Probert reviewed the identified Enterprise Funds Capital Improvements Projects. Councilmember Fitzpatrick pointed out problems associated with the street lighting along Layton Parkway. Mr. Price indicated a member of the RAMP Commission would be informing the Council of requested RAMP grants.

Mr. Probert announced the last of the three utility rate increases, ten percent, would be included in the FY 2021 Budget. He explained an analysis would be completed following summer usage to determine whether the ten percent increase was needed and informed the Council it wouldn't be implemented if the analysis didn't justify that need. He reported the City was completing the RFP (Request for Proposal) process for residential trash collection and indicated the City had agreed to a one-year extension with Waste Management with a .60 increase for the garbage rate. Mr. Jensen mentioned the improvements at Wasatch Integrated's facility Mayor Petro indicated the Council would be able to tour the facility to witness operations upon completion of the renovation.

Councilmember Fitzpatrick requested clarification regarding the Street Lighting Fee since Staff was proposing an increase and Mr. Probert explained the original intent was for the City to purchase the street lighting from Rocky Mountain Power. He explained the City implemented the fee for that purpose but ultimately chose to not purchase the lighting due to the cost identified by Rocky Mountain Power and began funding street lighting improvements it deemed necessary within the City. He reviewed that fund with the Council pointing out the deficit. He reported the proposed increase would result in a positive fund balance in addition to allowing the City the opportunity to complete projects and a discussion took place. Mr. Jensen explained how the City assessed developers for lighting within the City. Councilmember Fitzpatrick indicated she would like to better understand the City's prioritization of projects funded by the Street Lighting fund. Gary Crane, City Attorney, explained the difference between a tax and a fee in an effort to educate the Council. The discussion continued and the Council requested additional information regarding the Street Lighting Fee to determine if the City should proceed with the proposed fee increase and Mr. Jensen reported this could be discussed during a future work session.

Mr. Probert reviewed the Finance Department's Staff and the services provided for each specific division under his scope of responsibility.

The Council took a break at 3:12 p.m.

The meeting resumed at 3:21 p.m.

Chad Wilkinson, Community and Economic Development Director, reviewed the organizational make-up of the Community Development department and the functions provided by division. He pointed out the following:

- 10,311 building inspections for 2019
- 350 single family dwelling units
- 138 town home dwelling units
- 132 multi-family dwelling units
- The number of issued building permits

Mr. Wilkinson identified the 2020 Major Projects:

- Adoption of Comprehensive General Plan Update (which included a housing plan)
- Implementation of Online Building Permits and Inspections
- Completion of major revisions to the PRUD and C-TH Zoning Ordinances
- Continued permitting and inspection services for major projects
  - RC Willey
  - WestTest/Rantec
  - Layton Temple

He shared the Layton Forward Land Use Interactive Map and demonstrated how the tool and document could be used and accessed by the public. He also illustrated the online building permit process and explained how it contributed to the department's efficiency and the benefits to the resident or builder. He mentioned entitlement applications and Community Development Code Enforcement would also be using the software program. He also pointed out the identified due dates relative to each task associated with the building permit and shared an example how it contributed to efficiency within the department. Mayor Petro inquired if the City would be required to pay for future upgrades or maintenance associated with the software and he explained how the third party company was responding to the City's current needs associated with the program and indicated the maintenance fee was very reasonable. Mayor Petro inquired if the documents were stored by the private vendor or by the City's server and Mr. Wilkinson responded those were stored on an off-site server. Mr. Crane also pointed out how the program allowed the City to be compliant with recent legislation in providing certain information.

He provided an update regarding The Church of Jesus Christ of Latter-Day Saints Temple.

David Price, Parks and Recreation Director, shared a visual presentation with the Council and stated there were three documents pertinent to the Department: Parks, Recreation, Trails, Open Space and Cultural Facilities Master Plan, a Needs Assessment Survey, and the Comprehensive Pool Study Report. He shared an illustration of the Amphitheater plaza and announced a ribbon cutting and naming process would soon be taking place. He stated he appreciated the Council's input regarding park facilities and shared an example. He shared an illustration which identified the parks service areas and pointed out there was one particular area underserved by the City. He identified other open space which could be developed for a park. He reported Park Impact Fees had been collected by the City and would soon be required to appropriate and spend them, as dictated by state code. He shared an illustration concept for a park near Harmony Place along Sunburst Drive. He reported Perry Homes had committed to provide funding to the City, as well as providing infrastructure needed for park development. He also identified the vacant property adjacent to the school which would be used for sports fields by both the City and the School District. He pointed out the proposed amenities associated with the proposed park and reviewed funding sources identified for the project which included RAMP funding.

Mr. Price identified the next area proposed for a future park, Boyington Park. Councilmember Fitzpatrick inquired why the park near Kays Creek Estates has not yet been developed. Mr. Price explained Park Impact Fees were applicable to the entire City and not area specific. He continued to explain since park elements were so expensive, it was the City's desire to develop parks in different areas of the City to avoid having parks completed in close proximity. He also mentioned there was some small pocket parks within the development for those residents to use. He reported JoEllen Grandy, Parks Planner, worked with developers during the development process to obtain property for the purpose of future park space. Mr. Jensen explained to the Council how the Kays Creek Estates Park had been recognized.

He referred to a survey completed by residents identifying priorities and reviewed the top four with the Council. He also reviewed recreation amenities with the Council. He reported trails had been identified as an important amenity to residents and indicated discussions with the Roberts would soon take place and reported that property would complete the trail system in that area. He expressed appreciation to the Council for its support in allowing Staff to work with the School District for access to the Shoreline Jr. High Gymnasium. He reviewed programs provided by the Recreation Division.

Mayor Petro asked Mr. Price how he intended to use the requested new staffing position identified for his department. Mr. Price responded some responsibilities from the three current supervisors would be shifted to the new individual allowing each of them to better manage their respective programs and pointed out these supervisors managed 1,500 coaches for various programs.

Mr. Price reviewed information obtained by the survey which identified swimming lessons as a priority and reported over 3,000 lessons were taught by the City and pointed out the zip codes reflected participants came from all over the state for lessons. He stated the City recovered 50% of the expenditure associated with swimming lessons. He reviewed specifics associated with the museum and pointed out Bill Sanders, Museum Curator, was the only curator that rotated displays and expressed his confidence in Mr. Sanders. He mentioned Mr. Sanders had mentioned this might be his last year as Museum Curator. Mayor Petro asked about the City's plan if Mr. Sanders resigned his position and Mr. Price responded discussions had taken place and he believed a succession plan had been put in place and a discussion followed.

Kevin Ward, Fire Chief, addressed the Council and explained the Department's expectations. He reviewed the organizational chart specific to the Fire Department and its Staff. He reported the ISO (Insurance Services Organization) Rating system had identified Layton City's Fire Department as a Class 2 facility, which placed the City in the top 3% in the Country. He identified the criteria used to determine that classification: Fire Department trainings and programs, water supply and communications. He reported the City's excellent water supply and infrastructure and the Communications Center, both designated as Class 1 systems, had resulted in the City achieving the designation and stated there were only six Class 1 or 2 Fire Departments in the State.

He informed the Council he would be attending National Fire Protection Association training to identify "best practices" for response time and reviewed standards with the Council. He also reviewed the City's response plan with the Council. He mentioned the Memorial Open House planned to honor Kendall O. Bryant, fallen firefighter on March 31, 2000; 20 years ago.

Councilmember Thomas asked how the incident commander was determined for structure fires and other incidents. Chief Ward reviewed the protocol used in identifying the incident commander.

He shared a map of the City's boundaries and identified the different areas of the City and the Fire Department coverage identified for each specific area. He reviewed the following future recommendations:

- Relocation of Station 53 to property located on Layton Parkway near the new IHC Layton hospital
- Potential for a community room to accommodate Citywide training
- Construction of Fire Station 55 on 700 West near the Davis Conference Center
- More personnel

He also reviewed future of EMS within the City:

- Additional paramedic unit
- Call volume demand continues to escalate
- Potential for partnerships with hospitals – Community Paramedicine project
- Recruitment and retention are possible issues in the future

He informed the Council it would have the opportunity to participate in some fire training to experience scenarios familiar to Fire Staff. He mentioned the specific personnel which had the opportunity to travel to western states as opportunities became available to fight wildfires with other agencies.

Councilmember Fitzpatrick expressed her desire for fitness equipment to be located at the Station 4 facility. Chief Ward agreed that would be beneficial.

Councilmember Thomas asked if there was a reason the City was a rated Class 2 and not a 1. Chief Ward emphasized the City's Fire Department Staff was very competent and had access to great equipment to accomplish their jobs at a high level. He reviewed the factors which could increase the City's score.

Councilmember Morris asked if residents were inappropriately calling 9-1-1, subsequently tying up Fire Department Staff and whether an educational campaign was warranted. Chief Ward indicated his Staff would respond without regard to assessing the validity of the call and pointed out his Staffs' responsibility was to respond when needed and a discussion took place.

Terry Coburn, Public Works Director, mentioned the State was in the process of inspecting the City's water system to determine whether the City would continue to be approved as a "Class 1" water system. He expressed his opinion the City should retain this designation. He shared an update with the Council regarding the new water tank.

Gary Crane, City Attorney, expressed appreciation to Councilmembers Morris and Bloxham for their assistance during the Legislative session. He shared an example of what his department provided to residents. He reviewed the Staff in the Legal Department and identified the projects which his department would be involved with this next year.

Councilmember Fitzpatrick inquired as to what cases the County would prosecute compared to cases prosecuted by the City and Mr. Crane explained the difference; the County prosecutes most felony cases, except Class A, which the City prosecutes. He explained how JRI (Justice Reinvestment Initiative) had impacted the City.

Mr. Jensen expressed appreciation to the Council and inquired if there were concerns regarding the calendar proposed by Staff specific to budget discussions.

Mayor Petro expressed appreciation to Staff for the information and priorities presented by Staff. The Council also expressed appreciation to Staff.

**The meeting adjourned at 5:18 p.m.**

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Kimberly S Read, City Recorder