

**M**INUTES OF SPECIAL BUDGET WORK SESSION MEETING OF THE  
VERNAL CITY COUNCIL HELD MAY 15, 2019 in the Vernal City Planning  
Conference room, 374 East Main, Vernal, Utah.

**PRESENT:** Mayor Doug Hammond, Councilmembers Dave Everett, Bert Clark, Samantha Scott and Travis Allan. Councilmember Ted Munford was absent.

**WELCOME:** Mayor Doug Hammond welcomed everyone to this special meeting.

**ACKNOWLEDGMENT AND APPROVAL OF SPECIAL MEETING:** *Councilmember Samantha Scott moved to approve this special budget work session meeting. Councilmember Travis Allan seconded the motion. The motion passed with Councilmembers Scott, Allan, Clark and Everett voting in favor.*

**FY2020 BUDGET WORKSHOP:** Quinn Bennion stated that the Council has reviewed the entire tentative budget so the items that are left are the budget items the Council wanted to consider further. The tentative budget was over \$1 million dollars in the red and the goal was to cut \$1 million dollars in expenses.

## **GENERAL FUND**

### Mayor & Council:

The first item is the funding for the Chamber of Commerce with the recommendation to reduce that expense from \$50,000 to \$45,000. Also, the Field House partnership to provide a visitors center is costing the City \$57,000 from the transient room tax. Quinn stated he spoke with the State deputy director for State Parks, Mr. Scott, and explained the budget situation and he indicated the City has an agreement with them that has a 12 month notification clause to drop the funding. He stated that from their perspective the City chose to hire them to run the City's welcome visitors center. The perspective from the local manager is if the City cuts this funding significantly they will have to cut one job. The recommendation is to drop the funding by \$4500 as Steve Stroka with the museum indicated they can handle that. Councilmember Samantha Scott suggested it be budgeted at \$50,000. There was some discussion regarding the best place to have a visitor's center. The consensus of the Council was to give the State the twelve month notice now effective July, 2020.

The consensus of the Council was to stop the Vernal Excitement events. Quinn Bennion suggested he speak with Travel and Tourism first and reminded the Council that the funds are already committed for this year. He suggested this item be added back to the budget once the TRT tax is being paid correctly by local businesses.

### Administration

Quinn Bennion stated that the public information consultant is costing around \$500 a month and the travel budget can be cut back slightly.

### Benefits:

Quinn Bennion explained that the staff met with GBS to discuss dropping the traditional health

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insurance policy and that would drop the City's cost by \$40,000. He suggested the employees be warned that this policy will be going away and give them one more year to adjust. Councilmember Clark asked if the difference in the cost includes the subsidy to the health savings account. Quinn Bennion answered yes, that cost is \$3000 a year that is paid per family to the health savings. He stated that during open enrollment employees will be encouraged to switch. Councilmember Travis Allen stated that it gives the employee advantages of how to use their money. Councilmember Dave Everett stated he is not eligible for the health savings so the City puts the money on payroll. The consensus was to keep the insurance the same as this year and let employees know likely there will only be one plan next year.

### Government Buildings:

Quinn Bennion stated that the building facility's needs their position back so the buildings do not fall into disrepair. That department tried to handle their duties with only two employees and it is not working. Councilmember Samantha Scott stated they need to listen to the employees. The consensus was to keep that position in the budget. There was discussion on removing lights from Aggie Blvd and Main Street at a cost of \$16,000 that will save \$17,000 in the electrical costs. The consensus was to remove every other light. Quinn Bennion stated that the County at one time wanted help with the LED sign. Councilmember Samantha Scott stated that the City gave up any right to that sign and suggested no funds be budgeted.

### Planning:

Quinn Bennion stated that the City needs to complete a general plan update and the CIB Board will issue a matching grant for that work. The cost to the City will be \$15,000. He stated that the travel budget was also reduced.

### Streets:

Quinn Bennion stated that the street department will remain down one maintenance worker and the budget for banners was reduced along with chip and seal work. Councilmember Bert Clark asked about bonding to complete chip and seal work. Quinn Bennion stated that the City is \$19 million dollars in debt right now so more debt would have to be evaluated closely. The County has hired a grant writer and part of that cost is currently in the budget. If the City does not get enough benefit from that position, the City can withdraw.

### Revenue

Mike Davis stated that the initial tentative budget was \$1.275 million dollars in the red, and if revenues come in higher than projected the City may break even. Quinn Bennion stated the Council has cut around \$800,000. Mike Davis stated this will leave around \$2 million dollars unappropriated in the general fund. Quinn Bennion stated that if the County approves the ¼ cent sales tax for transit the City will receive approximately \$375,000. Mayor Hammond reminded the staff that the property tax rate needs to drop by \$18,000 that was increased to cover the homeless tax that now does not need to be paid.

### Utility Funds:

Quinn Bennion reminded the Council that last year it was discussed to increase the water rates slightly each year. Also, the fees for the work on Steinaker will start this year at a cost of \$25,000 a year. Quinn stated he would bring a resolution to the Council for approval.

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General Fund - Sponsorships:

Quinn Bennion asked Carson Young with the Dinosaur Roundup Rodeo Committee if there was any way to reduce the sponsorship amount for the rodeo this year. Carson Young stated that the Rodeo has committed to the elite tour which increases the purse costs and they have hired a specialty act. Councilmember Samantha Scott asked what the cost is for that. Carson Young answered it is \$12,000. Councilmember Bert Clark asked about travel costs and expenses for the Committee. Carson Young stated that happened in the past, however, the last three years only one Committee member has traveled to the National conference and he paid his own hotel and food with the Rodeo paying the registration cost of \$45. He noted that eight years ago over \$10,000 was spent on travel. Councilmember Travis Allan stated the Rodeo Committee is doing a phenomenal job; however, these types of events should be funded privately and only come to City government as a last resort to make their events work. Councilmember Samantha Scott asked if the City could drop their sponsorship to the \$12,000. Carson Young stated that the gamble is on ticket sales. He thought the rodeo could wait to invoice the City once that amount is known. There was some discussion about changing the dates of the rodeo to increase ticket sales and possibly forgoing a contribution from the City for FY2020.

Quinn Bennion stated that the City does pay \$3000 a year for fireworks and they do try to get private sponsorships. He noted that the Council Committee looked at options for a better procedure to approve sponsorships and presented those recommendations. He gave the Council a list of suggested cuts to sponsorships for next fiscal year. After discussion, the consensus of the Council was to go with the list as presented.

**ADJOURN:** There being no further business; *Councilmember Dave Everett moved to adjourn. Councilmember Samantha Scott seconded the motion. The motion passed with a unanimous vote and the meeting was adjourned.*

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Mayor Doug Hammond

ATTEST:

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Roxanne Behunin, Deputy Recorder

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