

MINUTES OF THE VERNAL CITY COUNCIL SPECIAL BUDGET WORKSHOP MEETING HELD JUNE 1, 2022 at 5:30 p.m. in the Vernal City Planning conference room, 374 East Main, Vernal, Utah 84078.

PRESENT: Councilmembers Nicholas Porter, Dave Everett, Robin O’Driscoll, Ted Munford, and Corey Foley and Mayor Doug Hammond.

WELCOME: Mayor Doug Hammond welcomed everyone to the meeting.

ACKNOWLEDGEMENT & APPROVAL OF SPECIAL MEETING: Councilmember Robin O’Driscoll moved to acknowledge and approve this special meeting. Councilmember Dave Everett seconded the motion. The motion passed with a unanimous vote.

DISCUSSION REGARDING FINANCIAL SOFTWARE BIDS: Carl Morton reported that a request for proposals was sent out for financial software and five bids were received. Three of the companies were too expensive and the other two were invited to make a presentation. The current software vendor is Caselle, and they are one of the two invited back. Councilmember Ted Munford asked why there is a one-time implementation cost for Caselle. Carl Morton answered it is needed to pay for the change over. Councilmember Robin O’Driscoll asked if the City is using Clarity or Connect. Carl Morton answered the City would change from Clarity to Connect which is a more web based product. The City is already paying \$14,000 a year for Caselle and the annual cost is on top of what is already being paid. He stated that he asked the Government Finance Officers Association members what software they are using and 20% responded they are either looking to change or in the process of changing from Caselle to Pelorus with 75% of those that responded being with Pelorus. Quinn Bennion commented that there are good and negatives for both systems with Caselle being a module based system with a cost per system and Pelorus all one package. Councilmember Ted Munford suggested the staff call other users and get their opinion. After further discussion, *Councilmember Ted Munford moved to check references and prepare a contract to switch to Pelorus. Councilmember Nick Porter seconded the motion. The motion passed with Councilmembers Munford, Porter, O’Driscoll, Everett and Foley voting in favor.*

Quinn Bennion stated the contract to switch to Pelorus will be reviewed by the City Attorney and the staff will contact Ballard, Duchesne and Roosevelt who all use Pelorus before the next meeting.

FY23 BUDGET: Quinn Bennion explained that the revenue for this budget has been adjusted considering the higher sales tax numbers, room tax, SAA fees and funds from selling vehicles. The expenses have been changed with the vehicles that have been approved and salary increases. The T-Rex donations and expense of \$40,000 has also been added to this budget. Another item that has been added is \$2000 for a new City logo. The City has built up a reserve in the MBA fund enough for 3 years of bond payments so some of those funds are been moved. Many of the reserve funds will be moved to the Capital Improvement Plan which is a five year plan. Those projects with expenditures within the next year are in this budget. He proposed the City consider some debt reduction in the amount of \$300,000 paying off three interest bearing loans. Councilmember Nick Porter thought that made complete sense. Quinn Bennion hoped the

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funding would allow this to happen again next year. The vehicle reserve fund has \$250,000 in addition to the vehicles being purchased for future years. The City will need to consider purchasing or leasing dump trucks next year. The Emergency Preparedness Fund has not had any expenditures so those funds will be used to purchase police radios.

Quinn Bennion reported that the funding for the Capital Improvement Plan (CIP plan) has been modified with the general fund putting \$3.7 million dollars into it from other capital funds. The focus is on downtown for now although funds are needed for street maintenance. One project that was added is downtown parking signs. He noted that the City has secured millions in grants for downtown projects. Councilmember Corey Foley stated the City has the nicest maintained roads and it is not bad to focus on other projects for now. He suggested the street department look into purchasing line striping and chip and seal equipment possibly from the public surplus website. Councilmember Dave Everett agreed it would be better to purchase now so that work can still be done in a tight budget year.

Mayor & Council Budget – sponsorships:

Councilmember Dave Everett asked where the expenses for event sponsorship is in the budget. Councilmember Nick Porter stated he would also like to see that list. Carl Morton stated he would print it for the Council. Quinn Bennion acknowledged that the discretionary funds for sponsorships was increased to \$6000. There was some discussion regarding the Story Telling Festival and other events that are being funded out of the discretionary amount. Quinn Bennion suggested the priority list be shared with the applicants so they know what to expect and some will realize they will not get funded based on parameters. Councilmember Dave Everett suggested the Mayors Walk be increased to \$1000 as it is not run by the Recreation District anymore. Quinn Bennion stated the Downtown Alliance may take more of an active role for events that benefit them. There was some discussion regarding events that only needed a few years of major sponsorship. Councilmember Corey Foley suggested those that the City knows will ask for funding and it is currently being taken out of miscellaneous funds be earmarked for funding and move them out of miscellaneous. Quinn Bennion stated the last 2 years Marvelous Extreme Bull Madness and Rock the ride concert have fallen into that category. After further discussion, the consensus of the Council was to increase the miscellaneous and give a few of those a regular slot.

Wages: Quinn Bennion reminded the Council of the lengthy discussion on salary increases at the last budget workshop. The Administrative Committee looked at several different scenarios and is recommending the salary schedule be increased by 5%. This does not mean there is an increase for the employee. The cost-of-living (COLA) increase should be \$1 per hour per employee which is the most significant expense to the budget. The merit increase is recommended to be 50% of the evaluation score. The average of the scores for last year was 3.78 so it is expected the cost will be just under 2%. The market study that was conducted shows there are fifteen positions that need to move up a grade with a lot of them being in the

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police department. City policy requires the employee receive a 5% increase if they are moved up a grade. When you add all those changes together, it is a significant increase. The Administrative Committee is recommending a maximum increase of 9%, 7%, 5% based on grade, or salary scale. The lower grades would be eligible for up to a 9% increase, the middle grades up to a 7% and salaried or higher range would get a maximum amount of 5%. The perception will be the City is giving a 9% increase. That is not true except for entry level or lower grades and some employees will not even hit the maximum. Councilmember Corey Foley stated this may help keep the employees in positions with the highest turnover. Quinn Bennion explained that the police officer I employees may be the exception to the percentage based on policy they may end up with a 10% increase. It is needed to compete with the market. Councilmember Nick Porter stated the City may need another increase for some positions next calendar year based on what other agencies do the first of the year. Quinn Bennion agreed as the City is still trying to catch up with no significant increases for nine years. Councilmember Robin O'Driscoll stated it is tough to find that balance to keep the employees happy and have a wage that is sustainable. Councilmember Dave Everett thanked the staff for all the hard work.

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

Mayor Doug Hammond

ATTEST:

Roxanne Behunin, City Recorder

(S E A L)