

Minutes of the Riverdale City Council Strategic Planning Meeting held Saturday, May 12, 2018, at 8:00 a.m., at the Senior Center, 4433 South 900 West, Riverdale City, Weber County, Utah.

**Present:** City Council: Norm Searle, Mayor  
Braden Mitchell, Councilmember  
Brent Ellis, Councilmember  
Alan Arnold, Councilmember-arrived at 10:44 a.m.  
Cody Hansen, Councilmember  
Bart Stevens, Councilmember

City Employees: Rodger Worthen, City Administrator  
Steve Brooks, City Attorney  
Shawn Douglas, Public Works Director  
Scott Brenkman, Police Chief  
Cody Cardon, Business Administrator/Finance Director  
Jared Sholly, Fire Chief  
Rich Taylor, Community Services  
Jackie Manning, City Recorder

Visitors: None

Excused: Mike Eggett, Community Development

- **Welcome and Opening Comments (First Recording)**

Mayor Searle called the meeting to order and welcomed all in attendance. It was noted all Councilmembers were present with the exception of Councilmember Arnold; and all staff members were present with the exception of Mike Eggett, in Community Development. The meeting began at 8:00 a.m. Mayor Searle reminded the Councilmembers of the donation request made by the YCC Family Crisis Center in Ogden. He asked they keep this request in mind as they discuss the budget.

- **Budgeting Process**

Rodger Worthen, the City Administrator, explained the purpose of this meeting is to finalize the budget for the next fiscal year. The final budget adoption will be on June 19, 2018.

- **Tentative Budget Enterprise Funds Review**

Cody Cardon, the Business Administrator, explained this budget is the same as the tentative budget which was presented at the May 1, 2018 City Council Meeting. Mr. Cardon discussed the employee salary survey and explained there was a 4 percent wage increase. Medical and dental premiums have increased, with retirement benefits staying the same, with the exception of tier 1 fire fighters, which increased. The workers compensation premium is expected to rise.

Mr. Cardon explained the Public Treasurers Investment Fund (PTIF) is up 2.2 percent. Mr. Cardon discussed best accounting practices when establishing the budget.

Water Fund (page 42 in the packet)

Mr. Cardon explained the budget worksheet which displays 2 prior fiscal years to show comparisons as well the projection for the upcoming fiscal year. Fiscal year 2017-2018 is current thru April of 2018.

The Water – Interest Revenue will be increased by \$12,450. There will not be a rate increase for the customers. Other changes to this account is a late fee increase of \$10,000.

Water Expenses (page 43 in the packet)

For all budgets discussed in this meeting, Mr. Cardon explained he will only cover the specific account if there was a change implemented. Account 51-40-2800, the Weber Basin Water, increased approximately \$110,000. The increase is to accommodate new peaking charges enforced by Weber Basin Water. Mr. Cardon, Mr. Worthen, and Shawn Douglas, the Public Works Director, are continuously meeting with Weber Basin to negotiate and explore all water options. This increase is a precaution until a final decision can be made regarding water.

Account 51-40-4500, Special Department Expense, increased by \$1,700 due to anticipated projects in the upcoming year. Account 51-40-5300, Depreciation Expense, increased by \$15,000 to more accurately reflect the actual depreciation

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of equipment. Account 51-40-5600, Info Technology Payments, decreased by \$432. Account 51-40-5700, Motor Pool Payments, decreased by \$2,865; this change is in relation to vehicle changes. Account 51-40-6200, Capital Projects, decreased by \$110,000. The Well is still listed as a capital project, but as previously mentioned other water options are being explored with Weber Basin.

Sewer Revenue (page 45 in the packet)

Mr. Cardon discussed the 1.15 percent sewer increase, as imposed by the Central Weber Sewer District. Account 52-38-1000, Sewer Service Charges, increased by \$13,000 to accommodate the sewer rate increase. Mr. Cardon referred to page 56 in the packet which gives the exact details to the individual rates. Account 52-38-6100, Interest Revenue, increased by \$10,000.

Sewer Expenses (page 46 in the packet)

Mr. Cardon explained the changes to the sewer expenses. Account 52-50-2100, EPA Pre-treatment, increased by \$300. Account 52-50-6200, Capital Projects, increased by \$100,000 to accommodate manhole collars and a sewer line repair. As previously agreed by the City Council, the sewer bond will be paid off early and as such account 52-50-7400, Sewer Bond Payments, reflects the \$1,125,000 amount.

Storm Water Revenue (page 47 in the packet)

Mr. Cardon explained the Storm water fees will remain unchanged. Account 53-39-6100, Interest Revenue, increased by \$6,000.

Storm Water Expenses (page 48 in the packet)

Mr. Cardon explained the changes made to the storm water expenses. Account 53-60-3300, Professional Services, increased by \$30,000. The Riverdale City Sweeper's motor is broken and the cost to repair exceed the vehicle value, as such the machine is on the surplus list. After comparing the cost of a new sweeper vehicle versus the cost to contract this service out, Mr. Douglas determined it would be more cost efficient to contract the sweeping service. There was a brief discussion relating to the contracted sweeping service with an emphasis on how many times the sweeper would run. It was noted the sweeper used by the contractor has a wider sweeping range. There was a discussion relating to dumping requirements for the sweeper.

Account 53-60-6200, Capital Outlay, increased by \$64,000.

Garbage Revenue (page 49 in the packet)

Mr. Cardon explained the changes made to the garbage revenue. Account 55-39-1000, Garbage Collection, increased by \$21,000. This increase is to accommodate trash hauler rate increases, transportation increases, as well as recycling increases. Page 57 in the packet details the rate increases and the increases are outlined in the budget notes:

Transfer Station Increase	\$ .45	
Transportation Cost Recycling	\$ .24	
Proposed Fees:	\$10.42 first can	\$5.32 second can
Recycling Fees:	\$3.12 per month	

Mr. Cardon emphasized the unknowns about recycling, which could continue to increase.

Capital Project Revenue (page 40 in the packet)

Mr. Cardon explained the State of Utah has a new state auditor and as such has different auditing expectations for cities in relation to how funds are transferred. In relation to these new auditing transfer practices account 45-38-1400, Transfer from Other Funds, has a transfer of \$1,200,000 represents an overall transfer for capital projects.

There was a discussion relating to the curb side trash pick-up and there was a general consensus to keep doing the spring/fall pick-up.

Capital Projects Expenditures (page 41 in the packet)

Mr. Cardon explained there were changes made to account 45-47-7400, Miscellaneous Projects. This change was to allow new accounts to be created to more accurately reflect the budgetary needs for the Riverdale City Departments. Account 45-47-7000, Civic Center, has a budget amount of \$145,000 for Civic Center parking lot improvements and exterior lighting needs. Account 45-47-7100, Police Station, has \$75,000 budgeted for new radios. Account 45-47-7200, Fire Station, has a budgeted amount of \$39,000 for the overhead bay doors and fire station improvements. Account 45-47-7400, Miscellaneous Projects, has \$100,000 budgeted amount, which is a partial rollover from the current year budget,

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to allow for continued costs relating to the Riverdale landslide. Account 45-47-8100, Parks and Trails, has a partial rollover budget amount of \$20,000 left over from the new park fence.

There was a brief discussion relating to landslide costs with an emphasis on the monitoring costs by the Utah Geological Survey (UGS). Mr. Worthen stated the piezometer data will be available soon.

RDA Revenue (page 22 in the packet)

Mr. Cardon explained RDA fund transfers are not as restrictive as the regular City budget. Account 21-36-1000, Interest, has a budget of \$27,000. Account 21-39-9200, Transfers from 550 West, has decreased to \$15,000, because the tax increments have decreased.

RDA Expenditures (page 23 in the packet)

Mr. Cardon discussed the changes in the RDA expenditures budget. Account 21-40-1500, Performance Incentives, was reduced to \$5,000. Account 21-40-2300, Travel and Training, was reduced to \$750. Account 21-40-3400, Professional Services, increased to \$15,000. Account 21-40-4600, Miscellaneous, was reduced to \$2,000. Account 21-40-5600, Increase in Reserve Accounts, increased to \$2,800.

Riverdale Road RDA Fund (page 24 in the packet)

Mr. Cardon explained the Riverdale Road RDA no longer collects property tax increments. Weber County audited the Riverdale Road RDA and determined they over paid, as such account, 22-31-1000, Tax Increment, has a negative balance of \$1,184.27 to reimburse Weber County for the overpayment. Account 22-36-9100, Use of Fund Balance, has a revenue budget of \$470,000. The use of fund reserve needs to be used for RDA approved projects.

Expenditures (page 25 in the packet)

Mr. Cardon explained the changes in the RDA expenditures. Account 22-40-3400, Professional Services, has a budgeted amount of \$50,000. Account 22-40-5400, Improvements, has a budgeted amount of \$420,000. The improvement budget is related to the Riverdale Road RDA project development area, beginning with the development of the Krispy Kreme project. Mr. Worthen explained more information will be given during the upcoming RDA meeting regarding the Krispy Kreme development as it relates to the RDA's involvement in developing that area with regards to utilities and road development. Councilmember Hansen asked what the professional service cost would cover and Mr. Worthen explained the majority of the professional service cost would cover the engineer design of the roadway.

1050 West RDA Fund (page 26 in the packet)

Mr. Cardon explained account 23-31-1100, Increment Transferred, is the transfer that helps fund the Riverdale Senior Center.

There was a discussion regarding the 700 West CDA area with an emphasis on progress. Mr. Worthen explained the ongoing progress, and explained he will be meeting again with the Weber School District regarding tax increment negotiations. Mr. Worthen explained the requirements the school district outlined at the last meeting. Mr. Worthen is working to meet those requirements before he presents to them again.

There was a discussion regarding the Leslie Mobile Home Park with an emphasis on potential storm drain improvements depending on the decision the property owner makes regarding the property's future development.

There was a discussion relating to the types of projects that would qualify for the 700 West CDA area.

550 West RDA Fund (page 30 in the packet)

Mr. Cardon explained this overall budget has been reduced. Account 25-31-1100, Increment Transferred, reflects a transfer amount of \$75,000 for the purpose of meeting RDA requirements, such as the 20 percent housing from the 550 West RDA to the statutory housing RDA fund in the amount of \$60,000, as well as the 5 percent administration fee in the amount of \$15,000 to the general RDA fund.

Expenditures (page 31 in the packet)

Mr. Cardon explained account 25-36-200, Use of Fund Balance, was increased to \$45,000 to accommodate the following 550 West RDA costs such as attorney fees, professional services, and land improvements. Mr. Cardon noted account 25-40-5300, Increment Payments, in the amount of \$210,000 which is to accommodate the Riverdale Center IV, LLC.

Statutory Housing Fund (page 34 in the packet)

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As previously referenced, account 28-31-100, Tax Increment Transferred, represents the statutory housing transfer of \$60,000. There was a discussion regarding the budget note's referenced on page 34, which explains the purpose of transferring/ allocating monies in the appropriate RDA area.

Expenditures (page 35 in the packet)

Mr. Cardon discussed the expenditures associated with the statutory housing fund. In account 28-40-4510, Rental Related Expenses, the budget was reduced to \$1,000. Account 28-40-5400, Improvements, has a budgeted amount of \$25,000.

Housing RDA Fund (page 36 in the packet)

Mr. Cardon explained the housing RDA fund is associated with the Riverdale Road RDA area. The Riverdale Road RDA area is no longer collecting property tax. The overall Use of Fund Balance, in account 29-36-9100, is \$5,000.

Expenditures (page 37 in the packet)

Mr. Cardon noted the changes to the expenditures, such as a reduction in account 29-40-3400, Professional Services, which was reduced to the amount of \$8,000. There was a brief discussion regarding inter-fund loans relating to the upcoming Krispy Kreme project and it was noted all RDA inter-fund loans have been repaid.

Senior Facility RDA Fund (page 38 in the packet)

Mr. Cardon explained there would not be an increase in rental fees at the Senior Center this upcoming fiscal year. Mr. Cardon explained the Use of Fund balance, in account 30-36-9100. This amount was used to pay of the bond that purchased the Riverdale Senior Center.

Expenditures (page 39 in the packet)

Mr. Cardon explained the Senior Center budget remained fairly consistent in comparison to the prior year. He noted account 30-40-1300, Employee Benefits, which increased to \$1,000. Account 30-40-2500, Equipment Maintenance, increased to \$17,000. This increase is to accommodate the growing maintenance needs of the Senior Center. Account 30-40-2700, Utilities, was increased to \$42,000. Account 30-40-4510, Management Administration Operations, was increased to \$60,000.

There was a discussion regarding the expenditures in the Senior Center budget relating to the expiring RDA tax increments in 2021. Mr. Cardon explained accounting practices in relation to fund transfers and the purpose of keeping each fund separate and accurate to help display the actual cost of services for each fund. The purpose of this accounting method is to accurately display how much the Senior Center is costing to run the facility.

There was a brief discussion regarding the RDA versus Riverdale City, and Mr. Cardon explained they are two separate entities.

Mr. Cardon discussed internal staffing efforts to draft the budget in such a way as to allow for more transparency and to make it easier to understand the true cost of services.

There was a break from 9:18 a.m. to 9:38 a.m.

Mayor Searle welcomed everyone back from the break and invited Mr. Cardon to continue the meeting.

Motor Pool Revenue (page 51 in the packet) **(Second Recording)**

Mr. Cardon explained the Motor Pool Revenue and described the changes made to accommodate department needs. Account 61-37-1400, Lease Revenue, decreased by \$5,277. Account 61-37-6100, Allocation of Interest, increased by \$12,500. Account 61-37-8100, Sale of Assets, decreased by \$15,000. The changes include vehicle sales in the amount of \$100,000 and the loader for \$135,000.

Motor Pool Expenses (page 52 in the packet)

Mr. Cardon explained the main change in the Motor Pool Expenses budget is account 61-40-6200, Capital Equipment Purchase, which increased by \$46,251. The budget notes highlight the vehicle needs, such as a mower for \$30,000, a truck for \$45,000 and a police patrol fleet for \$575,000.

IT Revenue (page 53 in the packet)

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Mr. Cardon explained the only change to the IT Revenue budget is in account 64-37-1400, Lease/Support Revenue, which decreased by \$46,016. The decrease is due to body camera reimbursements from the police department.

IT Expenses (page 54 in the packet)

Mr. Cardon explained the changes made to the IT Expenses budget. Account 64-40-2500, Support/Maintenance increased by \$5,000. This increase is to accommodate web survey, Caselle support, web site hosting, Yiptel support, and ETS server support. Account 64-40-3300, Professional Services, decreased by \$5,000. Account 64-40-5300, Depreciation Expense, increased by \$38,000. Account 64-40-7400, Equipment, decreased by \$145,000. Some of the changes in this budget are to accommodate a new laptop (for City Recorder), new switches and wireless access points, and City Council Chromebooks.

Mr. Cardon discussed the aging phone system and discussed the need to replace or modify to keep the system compatible with the equipment. The cost for a new system would be \$12,000, which doesn't include the phone equipment. The new system is estimated to last 5 years. The cost for the current system is \$1,800 per month, which includes 5 megabytes for internet and phone support shared between the city buildings. The city is contracted with ETS currently for I.T. services. Mr. Cardon explained ETS has proposed an option to include phone and internet service through them. The cost would be \$1,900 per month and would include 1 gigabyte of internet. The internet service offered through ETS has a feature that would allow more control how the bandwidth is dispersed. Their fee would also include the phone software, as well as support and maintenance for the software.

Mr. Cardon believed the ETS option would be more cost efficient for the city long term. There was a consensus from the City Councilmembers to do the ETS option for more internet and the new phone system. There was a brief discussion regarding the transition to the new phone system. Councilmember Hansen asked for an update regarding live streaming the City Council meetings and Mr. Cardon explained they have been working with Music Village to update the audio equipment and install the new system. It is anticipated to begin shortly.

General Fund – Tax Revenue (page 6 in the packet)

Mr. Cardon discussed the changes made to the General fund budget. Account 10-31-1000, Current Year General Property, increased by \$32,245. Account 10-31-3000, General Sales Tax, increased by \$201,255. The certified tax rate will be provided by Weber County, which could alter these figures because they have to match the county's projections. Mr. Cardon explained the allocation and process of the certified tax rate.

General Fund – Licenses and Permits (page 6 in the packet)

Mr. Cardon discussed the changes made to the licenses and permits budget. Account 10-32-2100, Building Permits, increased by \$25,000. Account 10-32-2200, Building Plan/Development Fees, increased by \$10,000.

General Fund – Intergovernmental Revenue (page 6 in the packet)

Mr. Cardon explained the changes made to the Intergovernmental Revenue budget. Account 10-33-2000, Grants, increased by \$9,750. The budget notes outlined the grants: TAP Planning Grant (Riverdale, South Ogden, Washington Terrace) \$90,000, JAG (Police) \$7,500, Live Fit Grant (Community Services) \$1,500, FY2018 RAMP Population Grants \$8,500, ULGT TAP Grant \$1,200, AOC Security Grant \$8,500.

Account 10-33-3100, Local Sales Tax HB362, increased by \$12,300. Account 10-33-3200, Allocation of Interest to County OPT HWY, increased by \$5,100. Account 10-33-5600, Class "C" Road Funds, increased by \$5,000. Account 10-33-5700, Allocation of Interest to Class C Roads, increased by \$1,300. Account 10-33-5800, State Liquor Fund Allotment, decreased by \$1,000. Mr. Cardon explained the Class C roads account is subject to change contingent upon the results of the certified sales tax rate, established by Weber County.

Charges for Services (page 6 and 7 in the packet)

Mr. Cardon explained the changes made to the Charges for Services budget. Account 10-34-1500, Zoning and Subdivision Fees, increased by \$1,000. Mr. Cardon explained the changes made to the activities hosted by the Riverdale Community Center are a result of the attendance for each activity. Account 10-34-7100, Volleyball, increased by \$300. Account 10-34-7300, Soccer, decreased by \$1,000. Account 10-34-7600, Old Glory Days, increased by \$3,500. Account 10-34-8300, Ambulance Transport Fees, decreased by \$10,000.

Miscellaneous Revenue (page 7 in the packet)

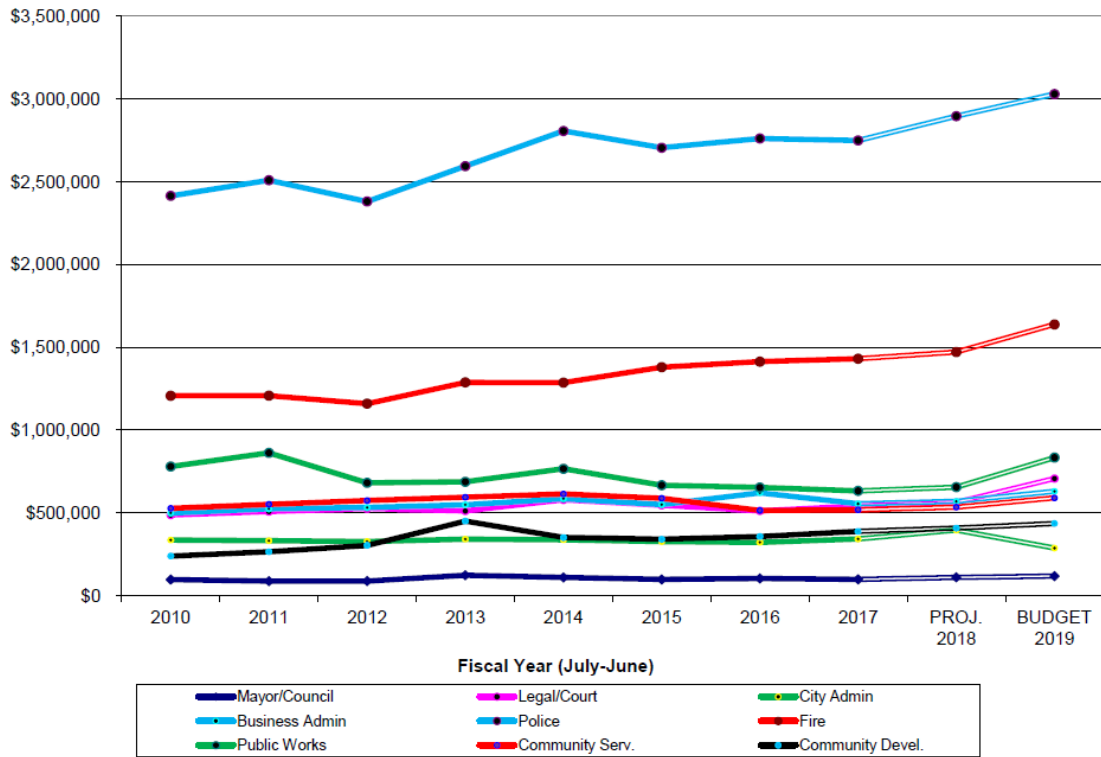
Mr. Cardon explained the changes in the Miscellaneous Revenues. Account 10-36-1000, Interest Earnings, was increased by \$100,000. Account 10-36-2000, Use of Class C Road Funds, decreased by \$100,000. Account 10-36-3000 increased by \$40,000, Mr. Cardon explained the Use of Class C Road Funds and the Use of Local Option Highway Funds is a partial rollover for fiscal year 2018. Account 10-36-9010, Hazmat Receipts, increased by \$2,000. Mr. Cardon

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explained account 10-36-9100, Use of Fund Balance, which is the offset for the revenues to allow for a more detailed outline of where revenues are established.

Mr. Cardon referred to the below graph which references general fund expenditures by department.

**Benchmark 4  
General Fund Expenditures by Department  
2010 to 2017 Actual; 2018 Projected; 2019 Tentative Budget**



**Mayor/Council (Page 8 in the packet)**

Mr. Cardon discussed the Mayor and Council budget. Mayor Searle has elected to not receive a raise this year, but Mr. Cardon explained if the Council decides to not take a raise it will need to be decided as a whole. There was a discussion relating to the annual research conducted by the Human Resources Supervisor, Stacey Comeau, in relation to salaries and wages. Mr. Cardon explained the purpose is to keep wages competitive in hopes of retaining quality employees.

There was a discussion regarding police salary trends in various cities with an emphasis on whether the shorter step grade increase would be sustainable for these cities. There was a discussion regarding the calculation of Mayor and City Council wages and Mr. Cardon explained the salary increase is based on the average increase for all the city employees.

**Legal (page 9 in the packet)**

Mr. Cardon explained the differences in the legal budget. Account 10-42-1100, Salaries/Wages – Full Time, increased by \$60,331. This increase is to accommodate a retiring court clerk. Account 10-42-1200, Salaries/Wages – Part Time, increased by \$18,964. Account 10-42-1300, Employee Benefits, increased by \$11,485. Account 10-42-1500, Performance Incentives, increased by \$363. Account 10-42-2400, Office Supplies, decreased by \$1,000. Account 10-42-2800, Telephone, increased by \$500. Account 10-42-5600, Information Technology Payments, decreased by \$108.

**City Administration (page 10 in the packet)**

Mr. Cardon explained the differences in the City Administration budget. Account 10-43-1100, Salaries/Wages – Full Time, decreased by \$89,325. Account 10-43-1300, Employee Benefits, decreased by \$27,888. Mr. Cardon explained the decrease is due to an employee retiring. It was noted the City will not be replacing this full time position. Account 10-43-1500, Performance Incentives, decreased by \$527. Account 10-43-2100, Subscriptions and Memberships, increased by

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\$1,200. Account 10-43-2300, Travel and Training, increased by \$500. Account 10-43-2400, Office Supplies, decreased by \$100. Account 10-43-3300, Professional Services, decreased by \$800. Account 10-43-4500, Special Department Expenses, increased by \$50. Account 10-43-5600, Information Technology Payments, decreased by \$216.

Business Administration (page 11 in the packet)

Mr. Cardon explained the differences in the Business Administration budget. Account 10-44-1100, Salaries/Wages – Full Time, increased by \$17,873. Account 10-44-1110, Sick Leave Paid, increased by \$37. Account 10-44-1200, Salaries/Wages – Part Time, decreased by \$5,114. Account 10-44-1300, Employee Benefits, increased by \$7,326. Account 10-44-1500, Performance Incentives, increased by \$185. Account 10-44-2600, Building and Grounds Maintenance, increased by \$4,500. Account 10-44-2800, Telephone, increased by \$650. Account 10-44-3400, Audit, increased by \$500. Account 10-44-3600, Safety Incentive Program, was created and given a budget amount of \$4,500. Account 10-44-4100, Insurance, was increased by \$2,000. Account 10-44-4800, Postage, increased by \$500. Account 10-44-5600, Information Technology Payments, decreased by \$864.

Non-Departmental (page 13 in the packet)

Mr. Cardon explained the Non-Departmental budget. Account 10-49-4810 reflects the transfer to other funds, with a total allocation of \$1,200,000. Account 10-49-5600, Information Technology Payments, increased by \$1,000. Account 10-49-9000, Increase in Reserves, increased by \$29,848.

Police (page 14 in packet)

Mr. Cardon explained the differences in the police budget. Account 10-54-1100, Salaries/Wages – Full Time, increased by \$60,962. Account 10-54-1110, Sick Leave Paid, decreased by \$883. Account 10-54-1150, Holiday Overtime Wages, increased by \$1,170. Account 10-54-1155, Other Overtime Wages, increased by \$58,000. Account 10-54-1200, Salaries/Wages – Crossing Guards, increased by \$1,461. Account 10-54-1300, Employee Benefits, increased by \$36,960. Account 10-54-1500, Performance Incentives increased by \$620. Account 10-54-2100, Subscriptions and Memberships, increased by \$400. Account 10-54-2500, Equipment Supply and Maintenance, increased by \$5,000. Account 10-54-2530, Lexipol, increased by \$400. Account 10-54-2850, Mobile Phone, increased by \$4,400. Account 10-54-3200, Animal Shelter, increased by \$250. Account 10-54-3700, Other Professional and Technical Service, CSI, increased by \$1,750. Account 10-54-4100, Insurance, increased by \$500. Account 10-54-4200, BCI, ULEIN, UCA – Access Fees, decreased from \$1,000 to zero. Account 10-54-4500, Special Department Expenses, increased by \$500. Account 10-54-4550, Uniform Expense, increased by \$3,000. Account 10-54-4700, Drug Task Force & SWAT, increased by \$400. Account 10-54-5010, State Liquor/Beer Expenditures, decreased to \$18,500.

It was noted that \$2,000 of the State Liquor/Beer Expenditure budget is allocated to Communities that Care (CTC). Account 10-54-5500, Prevention, was decreased by \$1,500. It was noted that the Bonneville High School Drug Free Activity in the amount of \$500 and the Nova, block parties in the amount of \$2,500 are allocated in the prevention budget. Account 10-54-5600, Information Technology Payments, decreased by \$43,428. Account 10-54-5700, Motor Pool Payments, increased by \$12,300. The Motor Pool payment increase is to accommodate the fleet purchase.

Fire (page 16 in the packet)

Mr. Cardon explained the difference in the fire budget. Account 10-57-1100, Salaries/Wages – Full Time, increased by \$36,644. Account 10-57-1150, Overtime Wages, increased by \$5,323. Account 10-57-1200, Salaries/Wages – Part Time, increased by \$6,548. Account 10-57-1250, Shift Coverage Wages, increased by \$2,500. Account 10-57-1300, Benefits, increased by \$32,660. Account 10-57-1500, Performance Incentives, increased by \$454. The budget notes outlined various trainings needed for the department, such as: EMS Instructor Seminars, EMS Training Officer Seminars, CPR Certification, EMT Recertification, PALS Training, ACLS Training, and Training Supplies. Account 10-57-2510, Vehicle Maintenance, decreased by \$5,000. Account 10-57-4500, Special Department Expenses, decreased by \$2,524. Account 10-57-5600, Information Technology Payments, decreased by \$1,020. Account 10-57-6200, Capital Outlay, was given a budget of \$39,000 to accommodate the needs for radios, recoating the parking lot located at the fire station, and security cameras.

There was a discussion regarding the uniform allowance.

Community Development (page 17 in the packet)

Mr. Cardon explained the difference in the community development budget. Account 10-58-1100, Salaries/Wages – Full Time, increased by \$11,266. Account 10-58-1300, Employee Benefits, increased by \$7,678. Account 10-58-1500, Performance Incentives, increased by \$111. Account 10-58-2100, Subscriptions and Memberships, increased by \$1,000. Account 10-58-2300, Travel and Training increased by \$1,000. Account 10-58-2900, Fuel, decreased by \$300. Account 10-58-3200, Engineering, decreased by \$1,000. Account 10-58-4600, Miscellaneous, decreased by \$5,000. Account 10-58-5600, Information Technology Payments, decreased by \$288. Account 10-58-5700, Motor Pool Payments, decreased by \$7,188. Account 10-58-6200, Capital Outlay, has a budget of \$5,000 to purchase a large scanner.

Streets (page 18 in the packet)

Mr. Cardon explained the difference in the streets budget. Account 10-61-1100, Salaries/Wages – Full Time, increased by \$2,817. Account 10-61-1150, Overtime Wages, increased by \$3,000. Account 10-61-1300, Employee Benefits, increased by \$1,453. Account 10-61-2500, Equipment and Maintenance, decreased by \$2,000. Account 10-61-3300, Professional Services, increased by \$5,000. Account 10-61-4200, Class "C" Roads, decreased by \$193,700. Mr. Cardon explained part of the Class "C" Roads budget was rolled over to help pay for street projects. Account 10-61-4300, Local Option Road Expenditure, increased by \$57,400. The budget notes explained anticipated projects such as: sidewalk additions, sidewalk maintenance, and curb and gutter. Account, 10-61-5600, Information Technology Payments, was removed. Account 10-61-5700, Motor Pool Payments, decreased by \$9,744. Account 10-61-6200, Capital Outlay, decreased by \$3,000.

Parks (page 19 in the packet)

Mr. Cardon explained the differences in the parks budget. Account 10-70-1100, Salaries/Wages – Full Time, increased by \$709. Account 10-70-1200, Salaries/Wages – Temporary, increased by \$3,000. The budget notes outlined 2 seasonal workers for 29 weeks during April 15<sup>th</sup> – October 31<sup>st</sup>. Account 10-70-1300, Employee Benefits, decreased by \$13,881. Account 10-70-2500, Equipment and Maintenance decreased by \$1,049. Account 10-70-2650, Splash Pad Expenses, increased by \$14,000. Account 10-70-4500, Special Department Expenses, increased by \$1,700. The budget notes outlined anticipated projects such as: mulch, portable restroom, pole saw, and a pressure washer. Account 10-70-5010, RAMP Grant Expenditures, decreased by \$1,800. Account 10-70-5600, Information Technology Payments, was removed. Account 10-70-5700, Motor Pool Payments, was decreased by \$588. Account 10-70-6100, Equipment Rental, was increased by \$500. Account 10-70-6200, Capital Outlay, increased by \$4,000. The budget notes outlined anticipated projects, such as: fibar, tree removal, tree removal in a new park, garbage cans, playground parts, landscape Riverpark Drive roundabouts, picnic table.

Councilmember Hansen asked if \$6,000 was enough for decent landscaping in the Riverpark Drive roundabouts. Mr. Douglas replied that landscaping would be minimal for that allotted amount. There was a discussion regarding landscaping with an emphasis on the level of maintenance required for various features; the maintenance included watering, trimming, spraying for weeds, etc. Mr. Douglas discussed the difficulty in finding summer temporary employees for the public works department. As such, the public works department are under staffed during the summer season.

Riverdale City has maintained employment levels according to the 2005 action plan full time equivalent (fte) with some departments experiencing employee reduction. There was a discussion regarding the reduction of employees in the public works department with an emphasis on how it limits ongoing maintenance projects for city staff. Mr. Douglas emphasized every new project that is added to Riverdale City requires more maintenance from the public works department. The work is growing, but the amount of employees is not, which makes it difficult to maintain the additions. There was a discussion regarding xeriscape such as structures, stones, as a method to help reduce maintenance needs.

There was a brief discussion regarding the forth coming fencing area along the Weber River trail. Mr. Douglas explained the purpose of the fence is to address the property encroachment issues as well as the abandoned shopping cart issues. It was noted there would not be any openings from the mobile home trailer park to the trail, per the mobile home manager's request.

After much discussion regarding the landscaping maintenance issues there was a consensus among the City Councilmembers to explore xeriscape options to help reduce maintenance, preserve water, and increase the beautification of Riverdale City. The Council gave direction to Mr. Douglas to compile a list of the highest maintenance areas in the city and establish a plan for reduction. Mr. Douglas was directed to use the left over money that was set aside for the fence near the trail, for the xeriscaping. Mr. Cardon offered to conduct a cost analysis for the xeriscape and put it in the capital outlay budget for the final adoption of the budget. Councilmember Arnold volunteered his wife to offer design input to the city regarding the landscaping xeriscape initiative.

Community Services (page 20 in the packet)

Mr. Cardon explained the changes in the community services budget. Account 10-71-1100, Salaries/Wages – Full Time, decreased by \$4,716. Account 10-71-1200, Salaries/Wages – Part Time increased by \$5,611. Account 10-71-1300, Employee Benefits, decreased by \$7,026. Account 10-71-2300, Travel and Training, increased by \$500. Account 10-71-3230, Soccer, decreased by \$800. Account 10-71-3332, Baseball/Softball, increased by \$500. Account 10-71-5600, Information Technology Payments, decreased by \$1,068. Account 10-71-5700, Motor Pool Payments increased by \$2,808. Account 10-71-7400, Capital Outlay, has a budget of \$27,000.

There was a brief discussion regarding bleachers and the increase in maintenance as well as the rising cost to maintain the bleachers. Mr. Taylor emphasized the need to eventually replace the bleachers. He estimated they would need to be replaced within the next 2 years.



• **Discussion of budget future challenges and economic outlook**

Mr. Worthen discussed the 2030 Revenue Review Plan which emphasized the need and importance of diversifying revenues. Mr. Worthen summarized the memo included in the 2030 plan which explained:

The crisis imposed by the state upon Cities for sharing of local options sales tax revenue has been a great impact on Riverdale; with small resident population and large retail sectors that demand high level service delivery. Toss in the Great Recession 2007-2010 and we have placed tremendous fiscal pressure on the revenues of the City and its sustainability. State legislative mandated fiscal impacts are also demanding more of local governments, making it difficult to maintain current levels of public services with rising expenditures related to inflation, new regulations, and personnel costs. With all of these impacts upon sustainability combined with the 2030 reduction of .2% town option tax that we currently enjoy the City must evaluate our sources of City revenue for continuity of service levels. Furthermore, economic recession or stagnation strongly suggests that reliance on a more diversified local tax base other than sales tax would benefit service delivery level and sustainment of Riverdale City resiliency. The question of diversifying takes on heightened importance in the context of the fiscal pressure cities are facing in recovery from the Great Recession. As we all know, economic conditions have profound effects on City revenues...Riverdale is no different. Most of our revenue is in "one-basket" ...sales tax revenue. As such, we "live and die" with this elastic revenue source. More importantly with perpetual rising of expenses and inflation the City budget is becoming less able to sustain demands of current service level needs. Each recent budget year successfully adopted has been a challenge to meet current levels of service with less "economic head-room" available. The ability of Riverdale to provide adequate services ultimately depends on revenue availability and sustainability. Like all local governments, city revenue comes from taxes, from other locally raised sources, fines and fees, and miscellaneous sources. Almost 70% of City general fund revenue is from sales tax. The question for Riverdale is if these various revenue sources are balanced and stable or is one revenue source more dominant than others? If one is more dominant than others and elastic in nature the City lacks diversity and is more vulnerable in our operating budget to the ups and downs of the economy and is a budgetary weakness. To address the issue of sustainability and impacts of elastic revenue in our current budget policy Mr. Worthen is recommending consideration of a franchise tax implementation. In essence, a stable revenue source that will dilute the dependency of Riverdale upon the elastic sales tax domination under which we currently operate.

This recommendation for a franchise tax is based on the following:

- Preparing for the elimination of the .2% city/town option sales tax in 2030.
- Decreasing property tax rate and one of the lowest rates in the county indirectly related to the commercial "subsidy" of sales tax which is dangerous for sustainability of service levels.
- Currently almost 70% of budget revenue (could be) impacted by economic trends- sales tax.
- Opportunity for expansion (available land) of new retail opportunities in Riverdale is limited.
- City staff has investigated and analyzed the use of a franchise tax and the benefits and fairness of the tax is a relative tax burden to the users of the privilege. Franchise tax offers another alternative to reducing dependence on sales tax.
- A franchise tax is also a "use tax" and captures lost revenue from utilities and businesses that support the immense growth of online retail sales. In making an online purchase the end user utilizes all of the components in the City's right of way...including transit, roads, power, telecommunications, public safety, even having snow plowed from the streets...etc.
- Telecommunication service demand is indispensable in our society. As result of this demand local government(s) now see remote "small cell" communication towers being utilized and implemented in City Rights of Way. Eventually, Riverdale will see similar requests for use.
- Riverdale has built a wonderful community via commercial retail land use; we operate on what we have built, however, reliance solely on this aspect is dangerous as was the case in 2005-06 when the State Legislature shared 50% of the local option sales tax with the "have-nots". Today we remain in response to that change. Implementation of a franchise tax will help us continue the intent back in 2005-06 by "easing into" into a long-term remedy to that budgetary impact.

Mr. Worthen welcomed discussion regarding this idea. He believed the adoption of this tax would provide sustainability to service levels currently delivered to and is expected by Riverdale residents. In our analysis of residential users in similar communities we estimate annual revenue of approximately \$480,000 from a franchise tax. This is a conservative number, but clearly, these funds would be very helpful to cover the loss of the two tenths option sales tax and inflationary effects we will need to address before 2030.

There was a discussion regarding property tax rates and Mr. Cardon explained if the home value increases, the tax rate decreases. It was noted the Riverdale City property tax rate hasn't been increased since 2007. It was emphasized that the Riverdale City budget continues to get tighter every year, and it was noted if there was a recession the City would suffer financially. As such, it was emphasized the City should no longer rely solely on sales tax revenue as their main source of revenue. Mr. Worthen referred to an economic report generated by Zion's National Bank, by employee Robert Spendlove, which predicts a down turn economy in 2020. As such, included in the 2030 plan is the option to implement franchise tax. Mr. Cardon emphasized the reliability of revenue generated by franchise taxes and explained only the users pay the tax, which includes residents and businesses. There was a brief discussion regarding the public notification and hearing requirements associated with raising taxes. It was emphasized by members of the Council that they do not want to raise taxes, but they understand the need to diversify revenues to maintain a sustainable future for Riverdale City. It was determined a formal presentation regarding revenue diversification would be forthcoming in the near future.

**Riverdale City Council  
Strategic Planning Meeting: May 12, 2018**

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Mayor Searle thanked the City Staff for their efforts in assembling the budget.

The meeting adjourned at 12:09 p.m.

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Norm Searle, Mayor

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Jackie Manning, City Recorder

Date Approved: **June 5, 2018**