

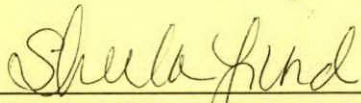
River Heights City

RIVER HEIGHTS CITY COUNCIL BUDGET WORKSHOP

Tuesday, May 7, 2019

Notice is hereby given that the River Heights City Council will hold a budget workshop beginning at 5:30 p.m. in the River Heights City Office Building at 520 S 500 E.

Posted this 2ND day of May 2019



Sheila Lind, Recorder

Attachments for this meeting and drafts of previous meeting minutes can be found on the State's Public Notice Website (pmn.utah.gov)

In compliance with the American Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sheila Lind, (435) 770-2061 at least 24 hours before the meeting.

River Heights City

River Heights City Council Budget Workshop

May 7, 2019

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9 Present: Mayor Todd Rasmussen
10 Council members: Doug Clausen
11 Robert "K" Scott
12 Elaine Thatcher
13 Dixie Wilson
14 Blake Wright, attended by phone
15
16 Public Works Director Clayton Nelson
17 Minute Taker Joe Ames
18
19 Excused: Finance Director Clifford Grover
20 Treasurer Wendy Wilker
21 Recorder Sheila Lind
22
23 Others Present: None
24
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Proceedings of the Meeting:

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29 The River Heights City Council met at 5:30 p.m. in the Ervin R. Crosbie Council Chambers in
30 the River Heights City Building on Monday, May 7, 2019 for a budget workshop.
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32 Mayor Rasmussen opened the meeting and asked to seek the best interest of the city for the future
33 budget.
34

35 CM Clausen felt the 400 south improvements were more around \$500,000 instead of \$300,000. PWD
36 Nelson explained that it could go either way.
37

38 Tennis Courts – CM Clausen questioning \$35,000. He estimates worst case \$124,000 to \$125,000.
39

40 CM Clausen uncomfortable with cost of Stewart Hill Fence at \$40,000. Will discuss offline with
41 others.
42

43 CM Wright asked if we are looking at projects approved for 2019-2020 budget. Stewart Hill is 2018-
44 2019 budget and should be done by 2020. Mayor Rasmussen shared that these are on here to show
45 what money will be spent and show what will be available in 2020. Stewart Hill Park will have another
46 \$60,000 on top of the \$40,000 to complete the project.

47
48 CM Clausen wanted to do calculation on reserves: \$1,800,000 in total.
49 Mayor Rasmussen says most other cities around country are around 1.5 to 2 times revenue in reserves,
50 plus debt. We'd be talking \$600,000. Next year we'd plan to have \$300,000 in revenue from various
51 taxes. \$370,000 in total revenue next year without building any reserve fund. Feels we should have,
52 conservatively, about 1 million in reserves. To be better we'd want 1.5 million. CM Clausen mentioned
53 in the past we've tried to have \$750,000. PWD Nelson 1.797 total cash balances right now. CM
54 Clausen asked if should now raise that reserve to 1 million? CM Scott mentioned that if we don't have
55 the luxury money we've had in the past how do we make sure we have what we need when we need it?
56 Mayor Rasmussen feels we are not high enough on reserves, that we should have at least 1 mil in
57 reserves since \$350,000 for a water or sewer emergency goes quickly. CM Scott mentioned FD Grover
58 also feels we are low on reserves. PWD Nelson mentioned a lot of money in water and sewer funds are
59 for connection fees. He mentioned costs he listed are estimated very low, that water is not going to
60 make money again like it has in the past. Mayor Rasmussen mentioned council needs to determine if
61 they will keep spending the way they have or grow the funds further in the future. CM Wilson feels
62 that if we are going to be in the hole, which projects to get rid of? Mayor Rasmussen feels we spend
63 \$100,000 from sewer and same from water and then put \$100,000 into reserves. CM Thatcher says it is
64 prudent to be careful about what we spend to build reserve. Mayor Rasmussen says tonight we should
65 balance what needs to be done versus what we can put into savings. CM Wilson says that park perks
66 and such could be reduced. Mayor Rasmussen says the \$100,000 per year is on "extra" stuff. CM
67 Wilson asked if we need to raise the water rates? Mayor Rasmussen mentioned that is one option, or
68 we can cut other things. CM Thatcher mentioned we aren't in trouble, just need to work on growing
69 savings. We are not in big trouble, but Mayor Rasmussen feels we are in worse trouble than council
70 realizes – looking down the road to 2040, not 2020. Mayor Rasmussen says we can't spend \$800,000 in
71 2020, or else we'd be down to \$500,000 reserves. Mayor Rasmussen more comfortable with 1.5 mil
72 combined in the water and sewer. CM Thatcher feels it is wise to have 1 to 1 expenditures/reserves, but
73 better with a year and a half reserve.

74
75 CM Wright question on water fund – service charges don't include connection fees? Correct. I agree
76 with building the reserve, but doesn't feel we need to do it all in 2020. Several council members
77 mentioned that in the last 15 years we have really done well in coming from being in debt to having
78 reserves. It is good to build reserves, but we don't want to take money out of taxpayer's pockets and
79 then sit on it in reserves. Mayor Rasmussen isn't recommending that, just wants to reduce what we are
80 spending.

81
82 Mayor Rasmussen asked over next 5 years how do we build up reserves in Sewer and Water Funds?
83 What amount combined are we comfortable with? CM Clausen happy with not raising water rates next
84 year, but need to raise sewer rates to equal Logan's raised rate charging – ok with 1 mil reserves as we
85 stand on this budget projection. CM Thatcher says we are coming out of a lot of growth and higher
86 spending habits – we need to monitor what we are doing, don't need to raise water, but sewer soon, but
87 what we've spent in last 5 years will be different when we are more landlocked in coming years. We
88 won't be having connection fees in the future. CM Thatcher feels we should be thinking 20 years out –
89 in favor of increasing reserve to a level where we can meet any emergency that may come along,
90 knowing we can't budget for that. Not sitting on money, but prudent planning. CM Scott says it keeps
91 us from raising things later. CM Thatcher in favor of 5-10 year plan to increase reserve, while having a
92 modest budget to accomplish projects we need to accomplish. CM Clausen shared that we need to

33 decide whether to raise water, sewer or taxes, but ok with letting go another year to see where we are.
4 CM Wright feels we ought to look at a water rate increase plan, not this year or next year, but start
95 planning now so that we can share with next administration what we think ought to happen with water
96 rates, projecting out 20 years. CM Scott agrees with CM Wright to set plans in place to prepare to shift
97 gears for future planning. CM Scott would like 1.2-1.3 reserve. CM Wright comfortable with 1 mil in
98 today's dollars.

99
100 Mayor Rasmussen asked council to review for next year and figure out what they need to spend for
101 next year. CM Clausen polled some from the Saddle Rock area, who said they mainly want open
102 grassy area to play with maybe just a small swing set or discussed a small gazebo, but don't need a lot,
103 mostly grassy space. Mayor Rasmussen again asked if you have projects for next year that you need to
104 spend money on? CM Wright feels we need infrastructure at Stewart Hill Park. Mayor Rasmussen
105 asked about improvements at the old school? \$23,000 ongoing cost per year for old school
106 maintenance. Discussed possibility of getting old church. CM Thatcher mentioned if we go back to a
107 float we'd need a place to park it. CM Clausen ok with no additional expenditures out of his areas.

108
109 CM Wright asked what next road project is – CM Clausen doesn't see one for 4-5 years – need to see
110 what happens with 400 S. Not sure what will happen with 800 S but will not happen next year.

111
112 Mayor Rasmussen asked how much needed for roads next year? PWD Nelson says 800 S will need
113 some funds. Mayor Rasmussen asked CM Wright about cost for infrastructure of Stewart Hill? CM
114 Wright says we need more information from Craig. Mayor Rasmussen feels enough funds this year to
115 continue this year. \$60,000 to go towards existing plans. CM Wilson asked about zoning of old church
6 and old school – CM Wright thinks old school is zoned as R1 and would need to switch to Parks and
117 Rec.

118
119 Mayor Rasmussen would like to get right of way secured from Bob Davis – going to ask if he would
120 donate or meet in middle at \$5000.

121
122 Mayor Rasmussen says we are about \$120,000 to \$130,000 right now – we would have some money to
123 do 800 South (about \$170,000). Discussed Riverdale asphalt. PWD Nelson mentioned that a lot of
124 little things like trail money, sidewalks, there is money in there for that. CM Wilson says just Stewart
125 Hill for now. PWD Nelson informed, we may need to upgrade mower for mowing up at ponds, but
126 feels enough in budget for that. CM Thatcher has no other capital projects. CM Scott says to maintain
127 Logan with fire protection, sewer, keep them happy.

128
129 Mayor Rasmussen asked about 400 S taking through to Saddle Rock subdivision? CM Wright says
130 property not wide enough to develop – would mostly go to road. Would need to forecast money for
131 that someday. It does show as a road on the master plan. Mayor Rasmussen to put on future plan but
132 not budget for next year.

133
134 Mayor Rasmussen asked if any sidewalks that aren't already planned for? PWD Nelson says \$10,000
135 per year for ADA compliance. Plan to keep it the same. Mayor Rasmussen asked about sidewalk in
136 front of his house whether it should go up to cemetery and down to Stewart Hill Park? Feels there
137 would be a lot of slope work. Could add heading east to cemetery in a future year, but not sure if it is
8 feasible to go west. Discussed how 700 South received some grant money for “safe walk to school” -

139 maybe could apply for that for the extension to cemetery project. Are there others we have missed that
140 aren't complete? CM Clausen reports no other road projects projecting.

141

142 Mayor Rasmussen says for now we will not spend any more out of reserve funds, take revenue from
143 next year and allocate \$60,000 to Stewart Hill Park, \$24,000 to old school for utilities, \$10,000 to
144 roads for repair of 800 South (Stone Creek), Stewart Hill Park Right of Way \$10,000, sidewalk ADA
145 \$10,000. \$114,000 total allocated from \$311,000 for capital expenditures. PWD Nelson has a few
146 more: \$40,000 for street sealing, \$5000 for skidster lease, and \$15,000 for plow and sander. CM
147 Clausen -\$5000 for selling orange truck. About \$175,000 for capital projects total. CM Wilson would
148 like to know how much we are paying for labor time for park improvements. PWD Nelson also
149 brought up that we have extra money in phone budget, but we have a better plan that doesn't use all of
150 those funds so could use that extra money to jump on board with the county with the way they do
151 tablet software to track public works repairs, time, etc., but, again, county let us jump on board for no
152 cost, but funds needed for the tablets and cell service, which could come out of existing phone budgets
153 in each department. CM Wilson had spoken with FD Grover about giving each park a number. PWD
154 Nelson mentioned storm water brings in money but is already in the budget (brings in \$26,000). PWD
155 Nelson to talk to FD Grover to see if storm water revenue could be used to pay for pond maintenance
156 (mowing).

157

158 CM Clausen offered motion to adjourn – CM Scott seconded.

159

160 The meeting adjourned at 7:23 p.m.

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Todd Rasmussen, Mayor

Joe Ames, Minute Taker