



**MINUTES OF THE SPRINGDALE TOWN COUNCIL WORK MEETING ON
WEDNESDAY, APRIL 24, 2019 AT 1:30PM
AT TOWN HALL, 118 LION BOULEVARD, SPRINGDALE, UTAH 84767**

Work meeting convened at 1:35PM

MEMBERS PRESENT: Mayor Pro Tempore Mike Alltucker, Council members Lisa Zumpft, and Adrian Player

EXCUSED: Mayor Stanley J. Smith, Council member Randy Aton

ALSO PRESENT: Town Manager Rick Wixom, Town Treasurer Dawn Brecke, DCD Tom Dansie, Police Chief Garen Brecke, Public Works Superintendent Robby Totten, Parks & Recreation Director Ryan Gubler, Street Department Robert George and Town Clerk Darci Carlson recording. See attached sheet for attendees signed into the meeting.

Motion made by Lisa Zumpft to approve the agenda; seconded by Adrian Player.

Zumpft: Aye

Player: Aye

Alltucker: Aye

Motion passed unanimously.

Discussion/Information/Non-Action Items

General discussion & announcements: There was no discussion or announcements.

Administrative Non-Action Items

Budget work session to discuss the FY 2019-20 budget: In the packet materials, Mr. Wixom provided graphs comparing current revenues to past revenues.

A simplified graph showing the revenue history from 2001-2018 of the three sales taxes (resort tax, sales and use, and the transient room tax) was also provided.

- Mr. Wixom indicated a number may have been transposed in the graph representing sales tax. It should be \$650,000.

The largest component of the debt service was the water fund. Debt service on the Canyon Community Center would expire in 2039, and the water tank expired in 2049.

Sales tax distribution should increase approximately 5% over the current year.

- The Town has traditionally built up a descent cash balance due to sales tax receipts however the economy may be cooling.

Mr. Wixom would review the Capital Improvement List to be sure projects on the one-year priority list were accounted for in the budget.

Ms. Zumpft asked about the reserve fund balance and the policy around how much was saved.

- Mr. Wixom said the state mandated the Town not hold more than 75% above General Fund expenses in the unrestricted fund balance. Ms. Brecke indicated there was approximately \$2,500,000 in one account and \$2,000,000 in another.
- The goal was to hold enough in reserve so if there was a significant economic downturn, Town operations could continue for several months. Mr. Wixom indicated money was also used for specific reasons such as street projects, then funds were replaced over time. At this time there was no determining methodology dictating how much money remained in the reserve fund.

Ms. Zumpft asked about the timing to spend money in restricted funds, specifically Parks.

- Mr. Wixom said the Town was three or four years away from having to spend money out of this fund. Parks Impact Fees must be spent on new recreation infrastructure based on priorities in the Parks Master Plan.
- The connection of the trail through Town was the biggest single parks improvement. Money could be used for easements, but improved dialogue needed to happen with property owners for this to come to fruition.

Ms. Zumpft asked how often the Town replaced vehicles.

- Police vehicles were recycled every two years; Public Works and Parks vehicles were replaced about every ten years based on need. Vehicles were not leased but purchased. The expense was amortized and money replaced into the fund balance.

At this point, there was a shortfall of \$114,000 in the General Fund, \$60,000 in the Irrigation Fund, and \$26,000 in the Water Fund. The Council began to discuss revenues and ways to bring this shortfall into balance.

The major taxes generated about three-fourths of Town revenues. Mr. Wixom heard from various sources that sales tax was growing approximately 6%; this was the number he used as a starting point. All the other revenues were fairly consistent from previous.

Additional items to be added into the budget included: a sound system at the Canyon Community Center to accommodate public meetings and wayfinding sign costs.

Chief Brecke indicated the Town Attorney was reviewing the contract to move the animal shelter to La Verkin. Animal shelter line item costs were now under Professional/Technical Services.

Mr. Alltucker questioned lease versus purchase of equipment including the backhoe, mini-excavator and bucket truck.

- Mr. Wixom said this had been repeatedly analyzed. At this point, it was determined only the backhoe wasn't cost-effective to lease anymore.

Expenditures in the Streets Capital Projects Fund included street maintenance and improvement projects on Manzanita and Winderlund, sidewalk on Tiley Hill, Balanced Rock storm drain, and Lion Boulevard sidewalk and curb and gutter.

- Costs for the Tiley Hill sidewalk would come from a FLAP Grant.

Retrofit of the old water treatment plant had not started and was therefore pushed into the next fiscal year budget. The money was intended to cover changes to electrical and HVAC in that building.

The Council discussed secondary water metering.

- Mr. Wixom submitted a Bureau of Reclamation grant request which could return \$75,000 for use toward the secondary water metering project. If the grant was approved, the irrigation metering

project would include Town-owned properties and customers. If not approved, the project would likely reduce to installing Town-owned properties only at this time.

- The fund balance appropriation included the cost of the meters, engineering, installation/construction materials, and salaries related to the project. Staff could determine the best place to transfer money, whether it was from the Water Fund or General Fund.
- The revenue page would be sent to the Irrigation Company prior to the tentative budget being approved so they had time to review.

Mr. Alltucker asked about the History Center.

- The budget proposed by the HPC balanced therefore Mr. Wixom recommended it be written into the budget as submitted. Once the amount of outside funding sources and staffing costs were determined, the Council would accommodate any adjustments as a future budget amendment.
- As an alternative, Mr. Player suggested numbers for the History Center not be included in the budget until funding had been proven. The Council agreed.

Mr. Dansie explained the Affordable Housing Plan consisted of two parts. The first component was an analysis that would identify types of housing, price ranges and quantities. The second component would address strategies the Town could implement to provide the requisite number of affordable housing units.

Ms. Zumpft wanted it on the record she was opposed to fireworks. Fireworks caused pollution, fire hazards, and created noise for the animals.

The Parks and Recreation budget was discussed.

- The electric fertilizer spreader and drone were removed from the budget.
- Changes in how Canyon Community Center instructors were paid was considered. Instructors would become Town employees and likely receive \$20-\$25/hour. Mr. Wixom estimated the total impact was \$11,500, but the goal was cost-recovery. Instructors had to become employees in order to meet building rental and insurance requirements. Other than payroll tax, no other benefits would be paid. The Town would pay workers comp and FICA.

A \$2,500 contribution to Zion Canyon Music Festival remained in the budget.

- Mr. Wixom explained 'Events' supported holidays or events under the Town's control, versus 'Contributions' were considered a sponsorship and money which supported an outside mission/activity.
- The Music Festival Department budget sheets would be removed since this event had been privatized and represented no revenue or expenses to the Town.

Fiscal year 2019/20 would be the last year the Town would contribute TRT to the fire district. This money came out of the General Fund.

Parks Revenue Capital Projects essentially remained a reflection of the current year.

- Mr. Wixom said funds for any proposed new trail projects could come from the Parks Impact Fee fund.

The Council reviewed the Water Fund and Sewer Fund with no significant changes.

In looking at the Transportation Fund, the question was raised as to why the Town had over-budgeted this year.

- Mr. Wixom answered the modeling was predicated off demand and car counts based on where they had parked in previous years. Additionally, there had been trail closures and weather-related issues that reduced the number of visitors.

Parking expenses in the last fiscal year totaled approximately \$500,000 with revenue coming in at \$230,000. This year-to-date, expenses were \$250,000 with \$359,000 in revenue, so the gap was closing.

- The parking meter expense was amortized over seven years. Money to pay for the meters came from the General Fund and would be paid back over several years' time.

Spending of parking meter and citation revenue was essentially restricted to transportation initiatives.

- Ms. Brecke said monies in a special revenue fund had to be internally committed or assigned.

Regarding purchase of open space, the budget included money to hire an open space bond consultant. The bond consultant would conduct a feasibility assessment and help determine what property the community wanted to buy and the money needed to be raised.

Mr. Wixom indicated property taxes may increase slightly based on the county's certified tax rate report.

The building permit fee calculation methodology had not changed in many years. The Council considered looking into a future adjustment.

The Council considered cuts to expenses in order to move toward a balanced budget. Staff would continue to review and fine tune the overall budget numbers before a tentative budget was approved in the May Council meeting. A public hearing would be scheduled in the June meeting.

Adjourn

Motion to adjourn at 4:18pm made by Adrian Player; seconded by Lisa Zumpft.

Zumpft: Aye

Player: Aye

Alltucker: Aye

Motion passed unanimously.





Darci Carlson, Town Clerk

DATE: 5/8/19

A recording of the public meeting is available by contacting the Town Clerk's Office. Please call Darci Carlson at 435-772-3434 or via email to springdale@infowest.com for more information.



PO Box 187 118 Lion Blvd Springdale UT 84767

ATTENDANCE RECORD

Please print your name below

Meeting Town Council Work Meeting Date 4/24/19

Name (please print)

none