

Minutes of the Roy City Council Work Session held via ZOOM on June 2, 2020 at 5:30 p.m. Notice of the meeting was provided to the Utah Public Notice Website at least 24 hours in advance. A copy of the agenda was posted.

The following members were in attendance:

Mayor Robert Dandoy  
Councilmember Burrell  
Councilmember Paul  
Councilmember Saxton  
Councilmember Wilson  
Councilmember Jackson

City Manager, Matt Andrews  
City Attorney, Andy Blackburn

Also present were: Management Services Director, Camille Cook; Police Chief, Carl Merino; Fire Chief, Craig Golden; Parks and Recreation Director, Travis Flint; Public Works Director, Ross Oliver; City Recorder, Morgan Langholf

**A. Welcome & Roll Call**

Mayor Dandoy welcomed those in attendance and noted Councilmembers Burrell, Paul, Saxton, Wilson, and Jackson were present.

**B. Discussion**

1. Recreation Discussion

Mr. Flint explained that several situations had been discussed with Parks and Recreation. He stated that there had been ideas put forth to allow the Recreation Complex to reopen. He added that he had sent out a procedural manual to show the different steps required to open during a Yellow Phase of COVID-19. He explained that the three main concerns were procedural, economical, and legal: procedural measures had been addressed through the email provided to Council the night prior, he noted. He continued that Staff had PPE equipment and thermometers available and that he felt comfortable that Staff would be protected with PPE equipment. He continued that signage would be critical as well as employees checking facilities use. He explained that in certain areas, it would hard to police patrons. He shared that the cost of opening the Complex would be \$8,000 per week. Memberships, he continued, might cause issues from a PR perspective and additional liability waivers might be required.

City Attorney Andy Blackburn explained that there had been questions regarding liability issues. He explained that negligence on the part of the City might lead to lawsuits. He read a definition of liability based off of the current crisis.

The question was asked as to whether this applied to both employees and patrons. Mr. Blackburn answered that this was the case. Councilmember Jackson suggested waiting for the Green Phase. Councilmember Burrell explained that she believed this crisis might not go away quickly. Mr. Flint explained that he believed there to be a new normal with an increase of needed cleaning in fitness rooms and highly touched areas. He added that the Complex had always been a clean and sanitized facility but pointed that there would need to be added measures. Councilmember Jackson explained that the basketball team was resuming its workouts on June 2, 2020. She explained that students were not

allowed to bring their bags, use water fountains, etc. She asked whether the Complex had to provide showers and locker rooms. Mr. Andrews explained that the conclusion had been that it would not be allowed to shut out showers. Furthermore, he added, patrons would be asked to shower before entering the pool, therefore showers were necessary. He explained that a set number of keys would be handed to know which lockers required cleaning. He mentioned that Staff had tried to think through all potential issues. He went on discussing water fountains which would be shut off while touchless fountains would be kept running.

Mayor Dandoy asked for the earliest date the Complex could be opened to the public. Travis Flint, Parks and Recreation Director, stated that after talking to building maintenance, the earliest the Facility could be opened would be June 15, 2020. He continued that if the Council wished to push opening to a later date to work on other guidelines, Staff would make this possible. Mayor Dandoy stated that the Complex could be opened between June 15 and July 1, 2020. He added that the County was preparing to resume normal meetings with some social distancing and asked the Council whether the City was ready to open the Complex.

Councilmember Burrell stated that this was 10 weeks ahead of the initial September 8, 2020 deadline. She pointed that this would cause an added \$80,000 expense. Camille Cook, Management Services Director, explained that the amount for the current fiscal year was already included in the budget. She continued that the budget could be used "as is" with an additional \$63,000 from fund balance. Councilmember Burrell confirmed that an early opening would only cost \$63,000. Councilmember Paul asked about the cost for opening two weeks early. He was told that it would amount to \$16,000, which was budgeted in the current year budget.

Mayor Dandoy asked whether the Council saw any reason not to open the Complex between June 15 and July 1, 2020. Councilmember Paul stated that it was important to open when it was safe while not generating too many extra expenses and work. He explained that the Complex was meant as a service for patrons which should be opened as quickly and safely as possible.

Councilmember Burrell asked whether the number of patrons would be limited. Mr. Flint stated that the loss of participation should be minimal. He added that there would be limits in specific areas such as the weight room. He noted that other facilities that had opened had seen a reduction in attendance and stated that one unknown variable would be the Saturday open-swims. Councilmember Jackson asked if there was a possibility that so few people would come that the Complex could not be kept open. Mr. Flint explained that he hoped this would not be the case. Councilmember Wilson asked about the number of people allowed in the Complex under the Yellow Status versus the Green and added that she would like to know whether patrons would have to wear masks. She also discussed the age of patrons. Mr. Flint stated that wearing a mask would be up to the patrons though Staff would be wearing a mask. He continued that when it came to seniors, an idea was to give them their own entrance and exit. He further added that the difference in number would be that the Green Phase allowed 250 people in the pool versus 125 during the Yellow Phase. He continued that the fitness room with its occupation capacity of 70 would have to be kept at 30. Mr. Flint further explained that when it came to the basketball court, the same amount of people could be let in while the weight room would be limited during the Yellow Phase. Andy Blackburn asked whether high risk individuals could be kept safe. Mr. Flint explained that the facility was used by individuals who qualified as high risk and continued that such individuals would be encouraged not to come to the Complex. Mr. Blackburn mentioned that there might be situations where seniors could not be kept away from the rest of patrons. Councilmember Paul asked whether this would be part of the screening process patrons would go through. Mr. Flint stated that it would be and added that there would be tracing taking place as well as screening. Councilmember Wilson asked whether tracing was about keeping track of patrons' body temperature or answers to the health questions. She asked whether answers to the questions could lead to barring patrons from entering the Complex. Mr. Flint stated that

Staff did not need to document this information but rather needed to be able to contact patrons in the event of an outbreak at the facility but added that someone with an elevated temperature would be turned away. Mr. Blackburn confirmed that this was legal.

Councilmember Burrell stated that if the Complex could safely be opened, it should be. She added that this might be a moving target requiring a closure later on. Councilmember Paul stated that seniors were often looking forward to using the Complex and added that he was interested in opening the facility. Councilmember Wilson stated that issues of minimum occupancy needed to be addressed. Councilmember Burrell explained that the Complex did not operate on a cost base, but rather saw its facilities as a service. Mr. Flint mentioned that he believed the Council considered itself a good steward of City funds. He continued that if the Complex did not serve enough members of the community, a closure would be considered. Councilmember Burrell stated that this should be known quickly because of the demographic served by the Complex. Councilmember Saxton mentioned that he hoped that the Health Department would provide guidelines and that higher numbers could be drawn in. He pointed that he understood that seniors needed the facility and continued that to justify the closing of the Aquatic Center, it would be important to have the Complex functioning at capacity. He added that it was important for the City to offer some form of wet service during the Summer months.

Councilmember Wilson asked whether the City had to contend with an illness like this in the past. She added that when people got ill, they often blamed a public location. Mr. Travis stated that this question had not been asked before and pointed that things were changed going forward. He mentioned that the Complex Staff knew a lot of the patrons and called them by name. Councilmember Jackson asked whether the guidelines would be displayed. Mr. Flint explained that this would be the case and emphasized the importance of signage. Councilmember Saxton explained that his workplace used signage to prevent customer service representatives from having to ask hard questions to patrons. Councilmember Burrell stated that the SLC airport had changed and pointed that signage explained what was allowed but that bags were also checked. She added she appreciated both the monitoring and the awareness and recommended going beyond signage. Mr. Flint explained that different disinfectants had been discussed and added that every individual walking into the facility would have the opportunity to disinfect the space they used on top of staff's efforts. He added he wanted everyone to feel safe in the City's facilities. Councilmember Wilson stated that people wanted to lose the weight they had gained during quarantine and that the Complex should be reopened. She added that seeing the safety of the space, more people would attend through word of mouth.

Mayor Dandoy stated that he believed the Council felt the cost was acceptable and that PPE was available for employees. He added signage had been deemed important as was disinfecting the space. He went on stating that there would be no legal issues with reopening and pointed a vote was not necessary: the process of reopening could be started. Councilmember Burrell explained that Staff had to be conservative in the event of any concern. Mr. Andrews explained there would be a financial impact to the budget of \$8,000/week. He added that the budget would need to be balanced and mentioned that this would need to be taken from sales tax or fund balance. Councilmember Burrell asked Ms. Cook what the best plan for the budget would be. Ms. Cook stated that it could be done as a resolution on June 16, 2020, with a budget amendment. She continued that adjustments might be needed throughout the year depending on the fluctuations of sales tax. Councilmember Paul stated that he liked the idea of a ladder as everything in the budget was based on projected income and adjustments would be made.

Councilmember Wilson pointed to page 51 of the budget and asked what the \$53,000 would be added to. Ms. Cook pointed to the Recreation Complex expenses. She detailed the different amounts including revenues and explained this could be revised in September 2020. Councilmember Saxton pointed that he believed the City revenues would improve because restaurants had reopened or were working online. He asked Mr. Flint if it was possible for the City to take the temperature of all people coming in the

Complex. Mr. Flint stated that the Complex had been equipped with touchless thermometers. Councilmember Saxton stated he hoped to see additional sales tax revenues now that eateries had reopened. Councilmember Burrell stated that while it was good to be optimistic, the sales tax revenue from eateries would not be that significant. Councilmember Saxton stated that these sales tax would make up for some of the expenses created. Ms. Cook stated it was important to be conservative until the City knew how businesses had weathered the crisis. Councilmember Wilson stated that she believed there would be a chance the Complex would create a deficit by opening before September.

## 2. FY 2021 Budget

Mr. Andrews shared his screen. He explained that there had been several questions from the Mayor and Council.

Ms. Cook mentioned that she had worked on 16 budgets but added that this one was the most challenging ones. She explained that budgets were based on revenue projections, forecast, and historical information. She explained that this budget had been based on the reports and advice of subject matter experts. She explained that 68% of general fund revenues came from tax revenue. The second largest source of revenue, she continued, was charges for services. She pointed to the major categories of tax revenues, which were sales tax and added that sales tax was the most volatile due to economic conditions. Many experts, she continued, had referred her to the UCLA Anderson forecast. She explained that for April and June, predictions were that sales tax would decrease by 6.5% and by another 1.9% July through September. Though reopened, she continued, businesses were not at full capacity with a lack of consumer confidence. She continued that sales tax projections predicted a 9% decrease from the previous fiscal year. She explained that sales tax was distributed in both point of sale and population. She further went on that half of the sales tax came from population, which, she added, meant that all the sales tax collected from the State of Utah went into a fund which was later distributed to cities based on their population. She added that the economic recovery of other counties would impact how much all cities would receive and continued that there was a two months delay in terms of sales tax data: April sales tax information would not be available until June 20, 2020. Projections had been a challenge, she continued, and there would be no year-long sales tax numbers until the end of August. She explained that numbers all the way through June needed to be examined before making final decisions on the budget. She mentioned that August would be the time to do so.

Mayor Dandoy spoke of the 50% split with one half based on population and the other half based on POS. He explained that things were different for Roy. He explained that 1/3 of all revenue gained from sales tax was generated as a result of POS while 2/3 of all sales tax was based on population.

Ms. Cook explained that Staff usually did three budget openings a year. One, she pointed was in June while another happened in September. She mentioned sales tax projections were likely to require revisions throughout the year. She continued that fund balance was estimated based off of the available fund balance from the previous years' audit, with the addition of the estimated current year revenues, and the subtraction of estimated expenditures. She explained that this budget attempted to cut expenses as much as possible. The percentage of fund balance might need to change, she added, as there was a large decrease from the previous year. The budget, she continued, was a plan of expected revenue and expected expenses. The CAFR, she pointed, would provide actual amounts in December. She mentioned that FY19 finished with about 21% in fund balance reserves and pointed that expenses had been slowed since March. She explained that she hoped the reduction in sales tax revenue could be matched in order to keep the fund balance as close as possible to what it was. She added that until the sales tax data was obtained, it was unclear what this percentage would be.

Mr. Andrews reviewed the year end fund balance methodology. He explained that fund balance was a

percent of revenue, therefore, if revenue went down or budget went down, the fund balance would go up. Decreasing revenues, he continued, meant the City had to spend less. He added that he was often asked what the fund balance was and clarified that this number was a moving target. He continued that this would be settled in December but reminded the Council that the City had slowed its expenditures quite a bit. He pointed to good sales numbers in the auto market due to discounts. He added that some of the fund balance could be moved to capital projects funds. He added that a lot of capital needs had been cut from the budget and pushed to a later time. He clarified that some projects were required while others had to be pushed back. The budget, he continued, was very versatile.

Councilmember Paul asked whether, in the event of more revenue than planned, the budget could be opened, and projects added. He was told that it would be possible. Mr. Andrews explained that there would be a budget amendment for the current year during the upcoming council meeting. At this time, he continued, money coming out of fund balance or going into capital projects could be anticipated. He continued that the end of the year would be too late to course correct, but that actual number should be available in September 2020. He mentioned that the threshold was 5% to 25% and that anything over that would be put into capital projects. There would be a proposal during the next Council meeting, he continued. Mayor Dandoy clarified that these comments were made regarding the current budget, but that Mr. Andrews was also presenting a budget for the next physical year, a budget which should also be up for approval.

Ms. Cook explained that charges for services were reviewed every year and added that revenue projections were based on known factors at the time of the proposal. She pointed that the April forecast for charges and services had been studied and added that there might be a slowing for future development. She mentioned that there were commercial developments that were expected to continue and listed several such developments. She added that charges for services should remain flat as there were some offsets. She continued that the sales tax budget was also very adaptable. When it came to the Justice Court, she continued, the Court was currently open and hearing cases through electronic processes. Certain trials and cases, she added, had been reschedule to mid-June based on recommendations from the Court. She further stated that fines were anticipated to be assessed as usual with no decrease in fine revenue.

Ms. Cook explained that Class C road funds were based on the number of gallons of gas sold and the number of miles of road in each City. UDOT, she continued, had estimated that during the Red Phase, 40% less vehicles were traveling the I-15 every day. While there had not been such a large decrease in Roy, she continued, people had been teleworking, and the Yellow Stage encouraged teleworking. She pointed that consumption would therefore be lower this summer. She added that Class C road funds could only be used on roads. She mentioned that the City wanted to continue with road projects, or \$423,000 of the \$3 million available, and about \$84,000 of the \$500,000 available in the transportation and infrastructure fund.

Mr. Andrews reviewed the strategic planning session and legislative budget. He explained that the plan had been adopted four years prior. He explained that five different area of improvement had been identified and mentioned that a strategic planning session should be scheduled in November as it provided ample time for Staff to include any planning processes. He added that budget priorities, long term goals, capital needs, and revenue sources could be discussed. He stated that he had hoped to have this strategic plan completed in February 2020 but added that the timing had been disrupted by the pandemic. He explained that November 2020, might now be the best time for this plan and explained that it would be beneficial for all members of the Council to be on the same page. Mr. Andrews discussed the different non-profit agencies that Roy had supported and mentioned the Roy High graduation where banners and signs had been purchased. He continued that the Boys and Girls Club was also sponsored. He further discussed the \$8,000 that had been given to the YCC during the prior physical year. He continued that

the funds given to non-profits had been reduced by \$16,000 but mentioned that the City Council still had a \$23,000 line item for Council contingency, which could be allocated to some non-profits.

Mr. Andrews discussed the memberships included in the budget. He explained that memberships were still in the budget. Ms. Cook explained that all positions becoming vacant had been evaluated by HR for outside recruitment starting in mid-March. She added that recruitment was only taking place when a position could not be absorbed by other, existing positions. The majority of part time and seasonal positions, she continued, had been suspended. She explained that only three full-time positions had been recruited externally: A Police Officer, a Fire Fighter, and a Building Official. She pointed that the personal changes were reviewed in the budget and that there was a title change from Finance Clerk to Payroll HR Technician. She added that Roy City had one full time janitor position with the remainder of janitorial functions completed by an outside company. The Streets Division she pointed had an employee retire which allowed a reduction in the amount of wages. She further added that part of the process of evaluating positions was to look at the skills involved. One new position had been added in the prior fiscal year and the actual amounts needed for the position had been adjusted in the present budget. She mentioned the Miss Roy Scholarship Funding, which, she explained, would be booked as a liability to continue with the obligation.

Ms. Cook explained that there was an enterprise fund transfer every year. She mentioned that the general fund covered IT and Risk management funds that provided administrative, clerical, and maintenance support. Enterprise funds, she continued, were Water, Sewer, Storm Sewer and Solid Waste Utility Funds. These funds received revenue in the form of user fees with the personal supporting this fund split between the general fund and the utility fund. She added that a public hearing would need to be held and was schedule for the June 16, 2020, Council meeting. She added that the Utility Fund should act like a business: the fees charged should cover the cost of operation. She continued that fees had been increased, though not during the pandemic, and would be revisited in the Fall.

Ms. Cook explained that there were a few public meetings. She mentioned the FY2021 Budget Adaption as well as property tax rate certification. This information was being decided by the county based on the values of the homes, she explained. The FY2021 Enterprise Fund transfer was also on the agenda for the June 16, 2020, Council meeting. Furthermore, she added that a Year End Budget opening would be proposed to close the year. She continued that there would be a public hearing for the RDA meeting which would allow a budget to be adopted by June 22, 2020.

Mayor Dandoy asked if Council members had any questions. There were none.

Mayor Dandoy asked how much the City paid for the Miss Roy Scholarship. Ms. Cook explained that the winner received \$1250, and the First Runner Up \$500. She added she did not know what the Second Runner Up received. Once they had won, student winners had to be registered somewhere and submit their registration for reimbursement. Mayor Dandoy pointed that there might be previous winners who might not have claimed their scholarship yet. Ms. Cook explained that Staff was keeping track of previous winners.

Mayor Dandoy explained that there had been comments about non-profit donations. He explained that the budget having been reduced, the question would come before the Council of how to spend the money approved. Ms. Cook confirmed that this portion of the funds came from the Legislative portion of the budget. Mayor Dandoy explained that even the Council's pay came out of this budget.

Councilmember Paul pointed that there had not been any downsizing and that merits had been put on hold. Ms. Cook explained that the merits had been included in the budget but differed to January 1, 2021. Councilmember Paul explained that he was impressed by the Staff and all the work they had

accomplished. He added that Roy's quality of life came from its employees.

Mayor Dandoy explained that going through the last recession from 2009 until 2015, there had been no merit increase for the employees. He pointed to Ogden City had declared they would not be giving any merit increase to any of their employees during the upcoming fiscal year. He added that the GDP would be looked at in July and a possible recession announced but mentioned that he believed all indicators pointed in that direction. He explained that the employees had gone through this trial before and would have to wait and see. He further added that this was about protecting the employees' jobs. Councilmember Paul explained that the projections would show what could be done later on. He explained that this was a difficult decision that could be re-evaluated quarterly. Councilmember Wilson explained that citizens were paying the bills while they had no income. She therefore appreciated the attempts to complete the budget. Councilmember Burrell explained that the moral had to be kept up for employees. Mayor Dandoy stated that there was no better time for Mr. Andrews and Ms. Cook to guide the City through these difficult financial times. Councilmember Burrell explained that it was good to lean on Ms. Cook and Mr. Andrews' advice. Councilmember Paul stated that there still was development on Falcon Hill, which was beneficial to the City. He continued that developers were still interested in the City despite the current conditions and added that the City should still be able to attract other businesses while monitoring the situation.

Mayor Dandoy stated that the challenge was that the budget had shed \$1.7 million or 10% of the revenue out of the revenue stream. He explained that there would not be time to get into a Truth in Taxation process: there would be no property tax revenue increase. He added that an election year was coming and explained that it would be hard for a City Council to discuss an increase in property tax then. He mentioned that the best the Council could hope for was to sit down together two years from the current moment to ask how to generate revenue. This, he continued, was with the assumption that the City could recover from the current blow. He pointed that if the budget continued suffering such deep cuts, there would be difficulties paying City bills. He pointed that the Council was the revenue generating organism through approval of fee increases, tax increases, etc. Mr. Andrews and his team, he added, was responsible for expenditures. Maintaining the same level of services, he continued, would become impossible without a property tax increase. Mayor Dandoy explained that more sales tax and business opportunities was also a way to increase revenue. He added that some of these developments needed to happen before UDOT made the decision to remove 75 properties from Roy. He added he hoped UDOT slowed down to allow Roy to work on its plan for the corridor on the South side of 5600 South. He reminded the Council that UDOT did not pay property or sales tax. Councilmember Paul explained that Falcon Hill should be a catalyst for commercial development.

Councilmember Burrell explained that trust needed to be developed with constituents through education. Mayor Dandoy stated that all downtown developments had been handled slowly. He continued that Council meetings could resume normally as early as July and added that a strategy needed to be developed and expressed in a townhall before making a legislative decision. Councilmember Burrell explained that the Council had to be flexible with their strategy. Mayor Dandoy pointed that the few people who were involved in the last tax increase were no longer on the Council. He added that to make up a \$1.7 million deficit, there would need to be a sizeable tax increase. Councilmember Burrell stated that constituents needed to be provided with the facts. Mayor Dandoy stated that if this fiscal burden were to be carried for more than one year, the impact would be significant. Councilmember Wilson explained that the current measures taken would be good practice for what might be coming.

Mayor Dandoy stated that when he was on the City Council, some years prior, he had heard the statement that ongoing resources to replace infrastructure were always needed. He added never having seen a budget where there were no funds for police cars. Police Chief Carl Merino stated having looked at the budget closely and added that the Roy PD should not need the cars as of yet: there were more important

items to obtain. Mayor Dandoy stated that he did not think these budget cuts could be maintained for two to three years. Chief Merino stated that he would like to see a rotation of cars. Councilmember Burrell explained that Chief Merino was representative of all the department heads: willing to be kind with other departments and willing to work as a team.

Councilmember Jackson asked about any potential help from the State government in helping local cities in case the situation dragged on. Mr. Andrews explained that there was some possibility of this through the CARES act. He added that the City was not a direct recipient as the funds were given to the State. He clarified that these funds would be distributed by the State. Mayor Dandoy stated that the Council needed to be part of the solution and find ways to generate revenue.

Police Chief Merino stated that he had received a call from Erin Meldenhall, Mayor of SLC, who expressed her appreciation for the support received the prior Saturday during protests.

Mayor Dandoy thanked the PD for their phenomenal efforts during the events taking place. He added being troubled by the way police officers had been treated during these events. He explained that it was hard to stand in front of a group people calling officers filthy names and maintain a professional attitude and posture while every abusive word was used and, in some cases, officers being batted. He explained that he was not sure how long he himself would stand such abuse and stay professional. He thanked the Police Officers. Councilmember Paul explained that there had been some impressive action and still shots of the Roy officers. Councilmember Burrell asked whether Chance Malay had been in the front as she had seen him in photos and recognized him because of his small stature. She was told that this officer had been there. She pointed that the Roy Officers trusted their Chief.

**C. Adjournment**

**Councilmember Paul Motioned to Adjourn the City Council Work Session meeting at 7:15 p.m. Councilmember Wilson seconded the motion. All Councilmembers voted “Aye.” The motion carried.**

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Robert Dandoy  
Mayor

Attest:

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Morgan Langholf  
City Recorder

dc: