

**HEBER CITY CORPORATION
75 North Main Street
Heber City, UT 84032
Heber City Council Meeting
April 29, 2025**

APPROVED Minutes

5:00 p.m. Special Budget Workshop Meeting

I. BUDGET WORKSHOP #1 - 5:00 P.M.

Mayor Heidi Franco called the meeting to order at 5:00 p.m. and welcomed everyone present.

City Council Present: Mayor Heidi Franco
Council Member Yvonne Barney
Council Member Aaron Cheatwood - arrived 5:15 p.m.
Council Member Mike Johnston - arrived 5:05 p.m.
Council Member Sid Ostergaard
Council Member Scott Phillips

Staff Present: City Manager Matt Brower
Finance Director Sara Jane Nagel
Human Resources Director Cherie Ashe
Assistant City Manager Mark Smedley
Community Development Director Tony Kohler
Planning Manager Jamie Baron
City Engineer Russ Funk
Airport Manager Travis Biggs
Staff Accountant Lynsee Sulser
Accounts Payable Coordinator Wendy Anderson
Public Works Director Matthew Kennard
Fleet Manager Preston Hicken
Building Official Curt Davis
Chief of Police Parker Sever
City Recorder Trina Cooke
IT Director Anthon Beales

Staff Participating Remotely: IT Director Anthon Beales, Human Resources Director Cherie Ashe, Engineering Administrative Assistant Desiree Muheim, Assistant City Manager Mark Smedley, City Engineer Russ Funk, Engineer Ross Hansen, and Chief of Police Parker Sever.

Also Present: Matt and Henry Nagel, and Del Barney.

Also Attending Remotely: (Names are shown as signed in online) Catherine, Jami Hewlett, TL, Shorty5, Shelley Ryan, S, Louise, Kelli, John, Jim, J S, Hw, H, B, Grace KPCW, Andrew Dudik, and Lori Gagan.

II. WORKING DINNER

Mayor Franco invited staff to break for dinner and reconvene in ten to fifteen minutes.

1. Call to Order (Heidi Franco, Mayor)

Mayor Franco reconvened the meeting at 5:13 p.m. and welcomed everyone present.

III. 2026 FISCAL YEAR BUDGET

1. Fiscal Year 2026 Budget Workshop Number One (Sara Nagel, Finance Manager, Matt Brower, City Manager) -

Heber City Manager Matt Bower provided the outline for the Budget Meeting as included in the meeting presentation. Heber City Finance Director Sara Jane Nagel explained to the Council how to Navigate the Budget Book also included in the meeting materials.

Mr. Brower reviewed the Council's budget priorities as identified during the January 2025 Council Retreat and included in the meeting presentation. He shared federal and state economic assumptions; projected population increases for the next ten years for the state of Utah and Wasatch County; and the 2025 sales tax revenue projection for Heber City. He continued to review the details of the budget as included in the presentation.

Ms. Nagel described her approach to allocating the funds and provided changes that might be observed as the Council and Staff continued to review each independent fund.

Human Resources Manager Cherie Ashe reviewed the employee Safety Incentive Program as outlined in the meeting materials. The program would give the City a significant discount on insurance.

Ms. Nagel outlined the general budget details and assumptions for Fiscal Year 2026.

Ms. Ashe shared the proposed cost of living adjustment (COLA) of 2.8% for the City employees, and the removal of the annual merit increase to be replaced by a wage step increase program. She provided a breakdown of employee benefits. She then reviewed the new position hiring history and General Fund salary costs.

Ms. Nagel shared the debt portfolio for the City.

Mr. Brower introduced part two of the budget meeting, providing the names of the 27 individual budget funds. He shared a graph reflecting the all-funds budget breakdown; listed key revenue assumptions; shared a table of General Fund revenues; trending sales tax; general funds, and property taxes.

Ms. Nagel shared the small 8% portion of property tax allocated to the City. Mayor Franco opened the public comment period at 6:53 p.m.

Jami Hewlett asked for an explanation of the zero-balanced budget. She wanted clarification on the developer reimbursement; asked why the City was hiring engineers instead of using the in-house engineers and wanted to know how the City was paying for that in the budget; she asked what the current population of Heber was; why the City was subsidizing health insurance; how many building permits were being issued and how many people that would add to the community that the tax-payers would have to pay for.

Catherine Moore questioned the angled parking proposed for 100 West and asked if it was proposed to extend past the park. City Engineer Russ Funk described the parking project would include angled and parallel parking and stated the intent to begin in spring of 2026. He informed that the City would have a public outreach and input program prior to the project kick-off. The project would extend from 100 North to 300 South. Ms. Moore asked if the City expected to meter the parking in order to prevent the residents in the area from using the parking. Mayor Franco indicated there would be future discussion on the subject, but no decision had been made yet.

Mr. Brower described that zero-based budgeting in a municipality was a budgeting method where each department started from a "zero base" each fiscal year, rather than building on the previous year's budget. Every expense must be justified and aligned with current priorities, ensuring resources were allocated based on need and program effectiveness rather than historical spending. The approach promoted transparency, accountability, and more strategic decision-making in municipal finance.

City Engineer Russ Funk provided an example to explain the City's developer reimbursement process. The City collected impact fees from developers at the beginning of the development process. Developers agreed to install City roads within their developments and the City reimbursed them using the previously collected impact fees. Roads were public infrastructure.

City Manager Matt Brower explained the City utilized consultants when there was not certain in-house expertise for specific needs or the City did not have the capacity, or enough staff, to execute a project in-house. The City's population was approximately 20,000 people.

Laurie Gagan asked how many engineers were on staff. The answer was three.

The public comment period was closed at 7:13 p.m.

Mr. Brower reviewed the individual funds included in the budget. City Engineer Russ Funk described the enterprise-type funds.

Ms. Nagel provided the 2026 utility study results from Zions Public Finance.

The Council discussion included various budget items, capital improvement projects, and the allocation of funds for parks, infrastructure, staffing, and public safety.

Staff would be prepared to provide additional information, and answers to questions, at the next Budget Workshop Meeting number two scheduled for May 6, 2025. It was determined that the Public Hearing for the Budget adoption would be held at the June 3, 2025, City Council Meeting.

IV. COMMUNICATION:

V. ADJOURNMENT:

Motion: Council Member Phillips moved to adjourn.

Second: Council Member Ostergaard made the second.

Discussion: Mayor Franco reviewed the information Council asked staff to provide at the next meeting: fiscal impact of the proposed nine-step employee wage program, whether staffing growth was keeping pace with City growth and the budget impact this could potentially have.

Voting Yes: Council Members Phillips, Ostergaard, Cheatwood, Barney, and Johnston.

The meeting adjourned at 8:29 p.m.





Trina Cooke, City Recorder