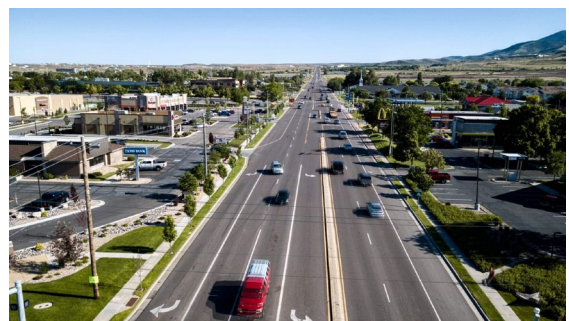




Magna Metro Township

2020 Tentative Budget



Magna Metro Township

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ACKNOWLEDGEMENTS

In the development of the 2020 Budget, the following individuals and organizations are recognized for their contributions:

The Magna Metro Township Council

Councilmember Trish Hull
Mayor Dan Peay
Councilmember Brint Peel
Councilmember Audrey Pierce
Councilmember Steve Prokopis

Municipal Administrator Gregory L. Schulz, MPA
Attorney Paul H. Ashton

Greater Salt Lake Municipal Services District

Bart Barker, General Manager
Brian Hartsell, Associate General Manager
Cathy Jensen, Chief Financial Officer
Ina Oviatt, Office Manager

A special note of thanks to the Utah State Historical Society and Scott Taylor for the pictures used in this document.

TO OUR COMMUNITY RESIDENTS AND STAKEHOLDERS

2019 Strategic Highlights

As one of the newest municipalities in the State of Utah, Magna had several successes that strengthened the municipality and improved its strategic positions for growth and sustainability. They included:

- Created the Magna Long-Range Strategic Planning Committee – An Advisory Committee to the Council that developed Magna’s Vision and Mission Statements; and, is currently working on certain community areas of focus to develop initiatives that support Magna’s approved Vision and Mission.
- Updated the code enforcement processes in ordinance to create them more transparent, predictable, and timely.
- Commenced the transfer of the Magna Main Street CDA, Commerce Park CDA, and Arbor Park URA from the Redevelopment Agency of Salt Lake County to the Community Reinvestment Agency of Magna.
- Commenced the process of developing the Magna Economic Development Plan – the plan that will guide Magna’s Economic Development efforts.
- Continued collaboration and communications with the Utah Inland Port Authority as a partner agency participating in the development of the Utah Inland Port.
 - Continued the discussions with the Utah Legislature to have Magna added as a full member of the Board of Trustees of the Utah Inland Port Authority.
- Developed the Magna Moderate Income Housing Plan pursuant to State Law.
 - *To be adopted on or before December – 2019.*

2019 Financial Highlights

As 2019 ends, it is important to remember it will complete the third year of the existence of the new municipality. Given all the issues and challenges of performing this transformational change from an unincorporated area to an incorporated municipality, there were several financial highlights of note. Those included:

- Ongoing improvement in the amount of revenues collected and distributed to Magna through the Local-Option Sales and Use Tax, and the Local-Option Sales Tax for Transportation.
- With the July 2019 revenues reported in September, began receipt of funds collected by the State of Utah from the Local-Option Sales Tax for Transportation.

- Received a clean audit report from the independent auditing firm Gilbert & Stewart CPA, PC for Magna’s 2018 Audit showing all funds and transactions of Magna Metro Township were accounted for, and there were no account discrepancies.

2019 Operating Highlights

2019 also saw several operational changes that helped stabilize Magna’s administrative operations and begin the normalization of service provider operations in the wake of all the transformation of roles and responsibilities. Those included:

- Collaborated with the Greater Salt Lake Municipal Services District to transition Planning and Development Services from a contract service to a direct-provided service.
 - *Transition was completed on October 1, 2019*
- With the transition of finance to the MSD, the processing of payments, posting and reporting of transactions, and improved budget information have made the work of managing Magna’s finances more predictable and transparent. These improvements and refinements are expected to continue into 2020.
- Based on the work of the MSD’s Planning and Development Services Department, began the process of transitioning from the use of an outdated land-use planning process that was ineffective and inefficient to a new predicable, transparent process that is data driven and information based.

“Magna is the fastest growing municipality in the Greater Salt Lake Municipal Services District, and one of the fastest growing municipalities in Salt Lake County.”

Looking Ahead

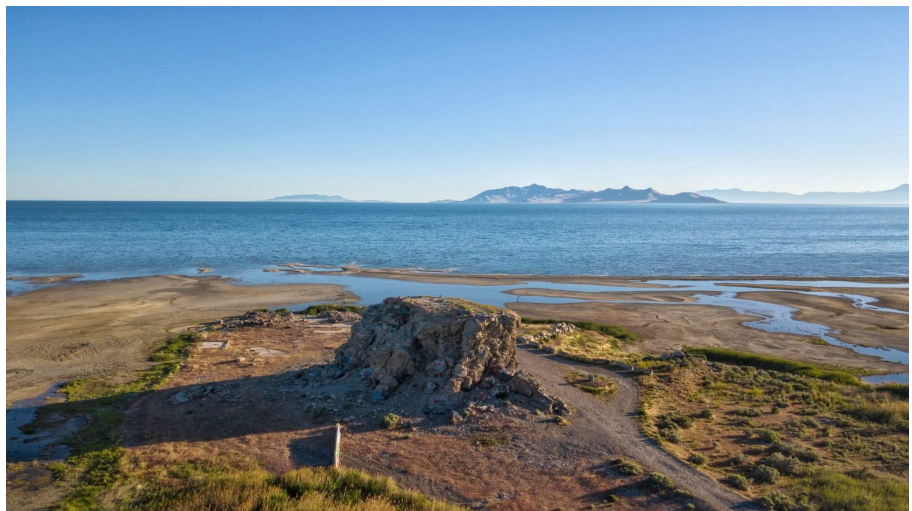
At we transition to 2020, there are numerous challenges Magna will face as the municipality moves forward. Some of the issues that need to be addressed include:

- Bringing outdated infrastructure up to a very good to good standard. The reason for this standard expectation is to ensure Magna streets the municipal storm drain systems are of a quality that ensure Magna follows federal and state laws. Continued delays in addressing these issues could trigger large municipal tax increases and the need for Magna to assume long-term debt to fund the work.
- Code Enforcement Improvements. With the creation of Title 12 – “Code Enforcement and Community Preservation,” there will be costs transition the administrative processes, updating forms and equipment, and training officers and their managers to the standards of the process. Though some benefits have already been recognized, further improvements need to be made.

- Looking for more cost-effective delivery of some municipal services. As has been the case since the transition in 2017, there are still numerous information and structural challenges Magna and the other members of the MSD face in service provision. Though contractor reports and invoicing have seen some improvement in their cost reporting to the MSD and Magna, there are still considerable improvements that need to be made to achieve a 2020 reporting standard. As was reported by Salt Lake County to the MSD and its member-entities, contracts with the cities for Salt Lake County for Public Works Services were being subsidized by the MSD to a cost of over \$4 million a year. The subsidy to the contract cities, if allowed to continue, will drive a need for tax and fee increases that are higher than would otherwise be needed. Resolving the subsidy issue is expected to be a high priority item next year.

This budget reflects the administrative needs of Magna. It is offered it this way to provide a better understanding for how revenues are generated and used by Magna. It is my hope you find the information contained here to be beneficial. As always, if you have questions about Magna and its service relationship, please contact us at (385)258-3690 or you can leave comments online at www.magnametrotownship.org.

Gregory L. Schulz
Administrator



MAGNA'S VISION AND MISSION

On September 24, 2019, with the recommendation of the Magna Long Range Strategic Planning Committee, the Magna Metro Township Council adopted the Magna Vision and Mission Statements for Magna. The purpose of the Vision and Mission Statements is to provide the community, its service providers, community stakeholders, administration, and the Council a direction to for guiding discussions to achieve long range goals and successes for Magna. The adopted Vision and Mission Statements for Magna are as follows:

Magna's Vision

“Magna is an historic, diverse, family-friendly community that is a great place to live, work and play.”

Magna's Mission

“To provide resources, services, opportunities to implement the vision.”

The Long-Range Strategic Planning Committee is currently focusing on several strategic areas of community interest. These include:

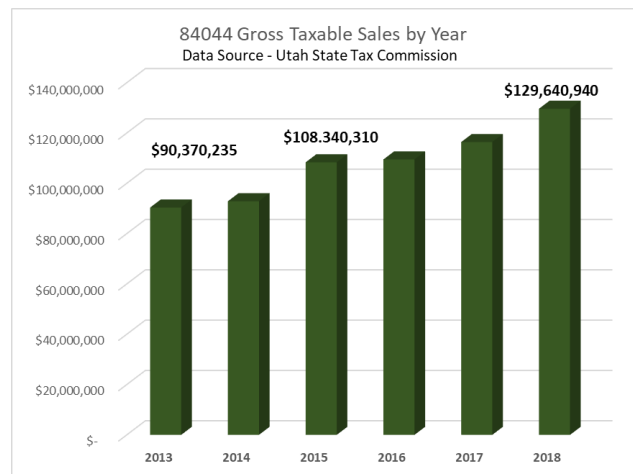
Arts and Culture
Beautification
Emergency Preparedness
Historic Preservation
Occupation and Education
Physical Fitness, Sports, Outdoor Activity
Social Services

If you are interested in volunteering to help the committee develop these recommendations, please contact Councilmember Trish Hull by email at Trish.Hull@magnacity.org.

2018 FINANCIAL SUMMARY

As the only member entity of the Greater Salt Lake Municipal Services District that is growing in land acreage, population, businesses, and tax revenues from both sales tax and property tax taxable values, Magna is the best positioned member of the MSD to drive revenue growth moving forward. Examples that quantify that growth include:

- Gross Taxable Sales have grown 43.46% from 2013 to 2018 in Magna. ¹
- Magna's inclusion in the Utah Inland Port and the designation of Opportunity Zones for Magna Main Street and other areas within or adjacent to the Inland Port will also fuel additional revenue growth through job growth.
- Magna's entitlement for construction of over 2000 housing units to be built over the next 5-7 years will increase population and with it, taxable sales.



¹ Information provided by the Utah State Tax Commission <https://tax.utah.gov/econstats/sales/yearly>

Considering all the growth coming to Magna over the next 5-10 years, there are a series of challenges that exist regarding municipal infrastructure that may become escalating costs for which revenues beyond just growth may be needed. These include:

- Unfunded Federal and State mandates that require the monitoring and reporting of the quality and environmental protections of storm water discharge into Magna’s storm drain system.
- Replacement, and in some cases development, of storm drain infrastructure to comply with both Federal and State mandates.
- Declining surface and maintenance conditions of existing municipal roads may require an escalation in priority and appropriations if delayed beyond existing plans.
- Ongoing constituent requests for street lighting, curb, gutter, and sidewalk, and other infrastructure improvements will require additional delays in development and completion.
- Increases in administrative costs to simply manage the business of providing governance to the services being provided to Magna.



Though the 2020 Magna Budget does not address the cited ongoing infrastructure issues, it does provide a revenue stream to the MSD to set the baselines so future needs may be addressed.

This Budget focuses primarily on Magna’s Administrative Budget – the costs of administering to the business of providing local governance.

INDEPENDENT AUDITOR'S REPORT

The Independent Auditor's Report of the 2018 Greater Salt Lake Municipal Services District and the Metro Townships' financial reports and records was completed by Gilbert & Stewart CPA, PC on June 29, 2019. Magna and the MSD were found to be following the General Accounting Standards Board's rules for local entities. A copy of the full audit report can be found at <https://www.magnametrotownship.org/administration/page/budget-information>.



2019 MAGNA PROPOSED BUDGET

Understanding the Terminology – Municipal Budgeting 101

Budgeting is a financial plan of the organization for a given period, usually one year. It identifies revenues and expenses and creates a prioritized plan for managing organizational goals.

Government budgeting shares all the same basic attributes of budgeting that private sector businesses and nonprofits use when writing their budgets. The accounting and statistical methodologies used for projecting revenues and expenses to meet the goals set by leadership are the same in both the public and private sector. The key differences between the budgeting of a government versus a private sector entity are 1) the private sector profit motive, and 2) the general flexibility of revenues to meet expenses. First, though there is no forced incentive to generate savings to go to profits as there is in a private sector entity, most government entities generally encourage effective and efficient use of revenues to achieve a balanced budget. The other key difference is the flexibility of revenues to meet expenses. The private sector can use all their revenues collected, regardless of source, to pay for expenses from doing business. In government, some revenues can only be used to pay for the expenses for which it was collected. They cannot be used to fund other services. As an example for description, all revenues collected for the Class “C” Road Fund Grant from the Gasoline Tax, or the Local-Option Sales Tax for Transportation, must be used to fund municipal road upkeep, maintenance, repair, and replacement, per State Law. All other funding streams can be prioritized and used to fund the expenses for the general needs of the municipality. Some terms worth defining include:

- *General Fund* – The fund account where the unrestricted revenues and expenses of a governmental entity are budgeted and later recorded once the revenues are received and expenditures are made. In short, general fund revenues can be used to fund any service or improvement the elected officials prioritize and deem necessary. ***Magna’s Administrative Budget, which is contained in this document, is funded from general fund revenues.***
- *Special Fund* – The fund account where the revenues received are restricted by law (either by State or Municipal enactment) to fund specific expenses. The Class “C” Road Fund Grant and recently passed Local Option Sales Tax for Transportation would be examples of special fund revenues generated pay for roads. ***Currently all special fund revenues are sent to the MSD to fund the collective roadwork of all members of the MSD.***

- *Enterprise Fund* – The fund account where the revenues received come from a fee for service that are generally based on the cost to deliver that service. An example of an enterprise fund entity would be the Wasatch Front Waste and Recycling District (WFWRD).
- *Capital Improvement Fund* – The fund account where municipal assets (new roads, sidewalks, streetlights, storm drains, park improvements, etc.) are budgeted, then later expenses accounted for. From the MSD budget, the 8000 West project would be an example of a Capital Improvement Fund item. ***All Magna capital improvements are budgeted from revenues sent to and shared with the MSD.***
- *Debt Service Fund* – The fund account where any debt accrued by the governmental entity would be budgeted, and later adjusted as the debt payments are made. ***The Magna Metro Township does not have any debt accrued from capital asset development or operations requiring the use of a debt service fund account at this time or is expected during the 2020 Budget period.***
- *Fund Balance* – The reserve account mandated by State Law to insure the operation of the local entity’s operation as a “balance budget.” The simple definition on how fund balance is calculated for budgeting is simply it is a percentage of the expected revenues of an entity that must be retained to fund operations. Per State Law, all local governmental entities are required to maintain a certain minimum in fund balance so expenses can be paid efficiently and effectively while revenues come in, which is typically later than the service expenses are needed to be paid. Though State law generally requires a minimum fund balance of five (5) percent versus revenues, many entities will budget for a higher reserve balance to avoid disruptions in service delivery due to changes in economic conditions or other extraordinary events.
- *Budget period* – The amount of time a budget is in use, typically one year. The Magna Metro Township budget and MSD budget periods run from January 1 to December 31 each year. Also called the *Budget year*.
- *Rebudget Item* – Projects in a budget, typically capital projects, though budgeted to and expensed to a certain budget year, may take a few years to complete. An example of a rebudget item would be when Salt Lake County built the Magna Rec Center. It took 3 budget years to complete the project, from design to finished construction. Many Magna capital improvement projects in the MSD budget that take more than one budget period to complete will show the unexpended portions budgeted for that item carried forward to the new budget period as “rebudgeted.”
- *Budget Format* – The method which an organization uses to develop their budget. Government typically uses a format that contains the prior budget year, containing a reporting of actual classified revenues and expenditures, current budget year, next budget year, and two or more forecasted budget years beyond the next budget year. **The Magna 2020 Budget uses this format.**

- *Pass-Through Revenues/Expenses* – Something unique to a Metro Township budget is the pass-through lines for revenues and expenses to the MSD. Pursuant to State Law, all revenues identified by State Law are remitted to the MSD and pooled to fund certain municipal-type services to all Metro Townships and those areas of Unincorporated Salt Lake County that are part of the MSD. Based on this shared revenues and services model, Magna is required to report these revenues as a pass-through to properly account for their origin. To achieve a balanced budget per State Law, the Magna Budget must show a corresponding expense line representing the MSD's intent to spend those revenues to provide services. Both lines are provided as estimates-only in the Magna Budget. The actual budgeting and expenditures of the MSD pass-through funds may be different based on the MSD's budget.



Budget Forecast Methodology

An important part of budgeting is forecasting growth and planning to address increased service needs based on growth. It helps policymakers, administrators, and elected officials determine how to fine tune budget priorities to meet goals. Sometimes the needs of growth or costs of service delivery outpaces the growth of revenues, understanding that potential gap can help elected officials plan to address the shortfall. It is an inexact science, so forecasts tend to err on the side of conservative projections.

Given Magna's complete dependence on sales tax revenues to fund its administrative needs, and legal prohibitions imposed on Magna for assessing and collecting the Energy and Use Tax, Municipal Telecommunications Tax, and Property Tax, it was considered prudent to use a conservative revenue growth projection due to the inherent volatility of sales taxes. Though most forecasts used by Salt Lake County and others reflect up to a five percent revenue sales tax growth rate for next year, the 2020 Magna Budget uses a flat growth rate for sales tax due to the flattening of sales tax growth. Certain other revenues may be forecasted as flat in consideration of volatility risks.

Based on the passage of Senate Bill 136 during the 2018 legislative session, and Salt Lake County enacting the ordinance to collect the Local Option Sales Tax for Transportation, Magna began receiving its portion of this tax in September 2019, amounts based on the July 2019 taxable sales. The estimates used in this budget for this new revenue were provided by the Utah League of Cities and Towns for 2019 and 2020. Per State Law, these new revenues will be reflected as sent to the MSD to use for road and transportation maintenance projects in the MSD.

Forecasts for expense growth for 2020 were calculated based on actual 2019 cost escalations for professional and legal services, supplies, and other service needs.²

² Ordinance enforcement costs, unfunded mandates, and other legislative actions due to ongoing transition issues became Magna expenses, causing increased costs. Some economic market adjustments to certain costs were also made.

2020 Magna Proposed Budget

Magna Metro Township

2020 Tentative Budget

Revenues

Accounting Code(s)	Item Description	2017 Actual	2018 Actual	2019 Adopted Budget	2020 Proposed Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget
	Beginning Fund Balance				\$ 649,923	\$ 649,923	\$ 649,923	\$ 649,923
403010	Sales and Use Tax	\$ 1,855,249	\$ 3,632,815	\$ 3,698,550	\$ 3,633,000	\$ 3,633,000	\$ 3,633,000	\$ 3,633,000
	Local Option Sales Tax - Transportation (SB136)	\$ -	\$ -	\$ 210,584	\$ 334,400	\$ 334,400	\$ 334,400	\$ 334,400
	UDOT Class "C" Road Fund Grant (Gas Tax)	\$ 1,313,760	\$ 1,006,824	\$ 957,544	\$ 960,000	\$ 960,000	\$ 960,000	\$ 960,000
	Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
405005	Telecommunications Franchise Tax (Cable TV)	\$ 113,781	\$ -	\$ 104,006	\$ -	\$ -	\$ -	\$ -
	State Liquor Fund Allotment	\$ -	\$ 14,118	\$ -	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200
425015	Justice Court - Fines and Forfeitures	\$ -	\$ 167,832	\$ 278,148	\$ -	\$ -	\$ -	\$ -
407005, 409025, 409030, 409035, 421200	Planning Services - Licensing, Permits, Fees, and Fines		\$ 418,873	\$ 502,355	\$ 918,700	\$ 918,700	\$ 918,700	\$ 918,700
409040, 421280	Engineering - Licensing, Permits, Fees and Fines		\$ 216,065	\$ 40,598	\$ -	\$ -	\$ -	\$ -
	Licensing, Permits, Fees and Fines	\$ 910,509	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Interlocal Revenue	\$ 260,825	\$ 260,825	\$ -	\$ 435,000	\$ 435,000	\$ 435,000	\$ 435,000
429005	Interest	\$ 7,943	\$ 55,030	\$ 7,943	\$ -	\$ -	\$ -	\$ -
	Other Revenue		\$ 57,848		\$ 260,700	\$ 260,700	\$ 260,700	\$ 260,700
	Other Government/Private Grants		\$ -		\$ -			
	Total Revenues (Excluding Fund Balance)	\$ 4,201,242	\$ 6,413,755	\$ 5,799,728	\$ 6,556,000	\$ 6,556,000	\$ 6,556,000	\$ 6,556,000
	Total Revenues (Including Fund Balance)	\$ 4,201,242	\$ 6,997,280	\$ 6,449,651	\$ 7,205,923	\$ 7,205,923	\$ 7,205,923	\$ 7,205,923

Magna Metro Township

2020 Tentative Budget

Expenses

Accounting Code(s)	Item Description	FY 2017 Actual	2018 Pre Audit Financials	2019 Adopted Budget	2020 Proposed Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget
Administrative and Operational Expenses								
639050	SLCO Client Support Service		\$ 6,177	\$ 51,294	\$ 36,500	\$ 53,859	\$ 38,325	\$ 56,552
	Website Operation and Maintenance			\$ 3,000	\$ 3,100	\$ 3,255	\$ 3,418	\$ 3,589
615005	Office Supplies			\$ 2,000	\$ 1,000	\$ 1,050	\$ 1,103	\$ 1,158
	Postage and Mailing			\$ 2,000	\$ 1,500	\$ 1,575	\$ 1,654	\$ 1,736
613010	Public Hearing Notices/Publication			\$ 3,000	\$ -	\$ -	\$ -	\$ -
	Payroll Processing			\$ 2,000	\$ -	\$ -	\$ -	\$ -
611015	Education and Training Services/Support		\$ 585	\$ 10,000	\$ 10,500	\$ 11,025	\$ 11,576	\$ 12,155
	Communications				\$ 10,000	\$ 10,500	\$ 11,025	\$ 11,576
617015	Computer and Software Expenses		\$ 10	\$ 8,000	\$ 5,000	\$ 5,250	\$ 5,513	\$ 5,788
619015	Mileage Allowance			\$ 5,000	\$ 2,500	\$ 2,625	\$ 2,756	\$ 2,894
611005	Subscriptions and Memberships		\$ 1,025	\$ 2,000	\$ 1,500	\$ 1,575	\$ 1,654	\$ 1,736
657005, 657015	Insurance Expense - ULGT		\$ 13,894	\$ 18,000	\$ 15,000	\$ 15,750	\$ 16,538	\$ 17,364
621025	Telephone			\$ -	\$ -	\$ -	\$ -	\$ -
633101	Rent - Buildings			\$ 4,200	\$ 4,200	\$ 4,410	\$ 4,631	\$ 4,862
613025	Public Hearing Notices/ Printing/Publication		\$ 73	\$ 5,000	\$ 8,000	\$ 8,400	\$ 8,820	\$ 9,261
	Credit Card and Bank Expenses		\$ 1,339					
	Non-Classified Expenses		\$ 4,200					
667005	Community Contributions/Special Events		\$ 25,000	\$ 80,500	\$ 80,500	\$ 84,525	\$ 88,751	\$ 93,189
Professional Services Expense								
	Attorney/Legal Services				\$ 70,000	\$ 73,500	\$ 77,175	\$ 81,034
639005, 639010, 639025	Professional Services - By Contract (*)		\$ 83,994	\$ 98,500	\$ 117,600	\$ 129,360	\$ 142,296	\$ 156,526
Salaries and Benefits								
601005, 601050	Council Compensation (*)	\$ -	\$ 58,131	\$ 58,131	\$ 58,200	\$ 64,020	\$ 70,422	\$ 77,464
	Total Magna Administrative Expenses		\$ 194,428	\$ 352,625	\$ 425,100	\$ 470,679	\$ 485,655	\$ 536,884

Magna Metro Township

2020 Tentative Budget

Expenses

Accounting Code(s)	Item Description	2017 Actual	2018 Actual	2019 Adopted Budget	2020 Proposed Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget
<i>Pass-Through Funding to MSD for Services (By Statute)</i>								
	Projected General Fund Revenues	\$ 2,303,960	\$ 4,562,580	\$ 4,278,975	\$ 4,836,500	\$ 4,790,921	\$ 4,775,945	\$ 4,724,716
	Projected Special Fund - Class C Roads	\$ 1,313,760	\$ 1,006,824	\$ 1,168,128	\$ 1,294,400	\$ 1,294,400	\$ 1,294,400	\$ 1,294,400
	Total Expenses	\$ 3,617,720	\$ 5,763,832	\$ 5,799,728	\$ 6,556,000	\$ 6,556,000	\$ 6,556,000	\$ 6,556,000
	Over/Under - Revenues vs. Expenses	\$ 583,525	\$ 649,923	\$ -	\$ -	\$ -	\$ -	\$ -
	Ending Fund Balance	\$ 583,525	\$ 649,923	\$ 649,923	\$ 649,923	\$ 649,923	\$ 649,923	\$ 649,923
	Percent of Revenues	13.89%	10.13%	11.21%	9.91%	9.91%	9.91%	9.91%

Descriptions of Certain Key Administrative Expenses

CONTRIBUTIONS

- *Purpose of the Proposed Expenses*
 - This section of the Magna Budget reflects the financial contributions the municipality makes to certain nonprofit organizations to provide “Quality of Life” services to Magna. Events such as “Music and Movies in the Park” series, Magna 4th of July Celebration, Magna Arts Festival, and others receive their primary funding from the Municipality to conduct the events.
- *How does the Proposed Expenses Support Magna’s Vision and Mission?*
 - By providing community events and activities directly to the public, the organizations satisfy and support Magna’s Vision; and providing them funding is consistent with Magna’s Mission.
- *Changes for 2020*
 - Magna in Motion has requested a \$2,000 contribution for program support for the various activities they manage.

Contributions					
Organization and/or Event	2018	2019 Proposed	2019 Adopted	2020 Proposed	Remarks
Magna 4th of July	\$ 20,000	\$ 20,000	\$ 25,000	\$ 25,000	
Magna Town Council	\$ 34,500	\$ 15,000	\$ 15,000	\$ 15,000	
Magna Chamber of Commerce	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	
Magna-Yuzawa Educational and Cultural Exchange	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	
Magna in Motion				\$ 2,000	New Request
Arts Council of Magna	\$ -	\$ 19,500	\$ 12,500	\$ 12,500	
Unallocated Contributions			\$ 2,000		
Total	\$ 80,500	\$ 80,500	\$ 80,500	\$ 80,500	

INSURANCE

- *Purpose of Proposed Expense*
 - Like all municipal entities, Magna required to carry certain forms of insurance to protect the municipality in the event of a property, casualty, worker’s compensation, or other claim. Magna receives its insurance from the Utah Local Governments Trust.
- *How does the Proposed Expenses Support Magna’s Vision and Mission?*
 - Insurance is simply a cost of doing business. Without insurance, monetizing potential liability exposures would financially prohibit Magna from performing

the business of government, and without it, Magna's Vision and Mission would become meaningless.

- *Changes for 2020*

- As the actuarial data regarding Magna's municipal infrastructure assets and liabilities become better identified, insurance costs assigned may increase the premiums payable for Magna's General Liability and Workers Compensation insurance. Based on annual filings and discussions with the Utah Local Governments Trust, there are no actuarial modifications needed for 2020 so any insurance cost changes will be nominal.

Insurance			
	2018 Adopted Budget	2019 Adopted Budget	2020 Proposed Budget
Insurance Type			
General Liability	\$ 14,034.00	\$ 13,122.00	\$ 14,525.00
Worker's Comp	\$ 492.00	\$ 492.00	\$ 492.00
	\$ 13,894.00	\$ 13,614.00	\$ 15,017.00
	2020 Budgeted Amount		\$ 15,000.00



ATTORNEY – LEGAL SERVICES

- *Purpose of the Proposed Expense*
- *How does the Proposed Expenses Support Magna’s Vision and Mission?*
 - As it was with insurance, funding attorneys to perform legal work for the Council is a necessary cost of doing business as a municipality.
 - Attorneys assist the Council in providing guidance for implementing policy and enacting legislative changes that support Magna’s Vision and Mission.
- *Changes for 2020*
 - In 2019 Salt Lake County District Attorney’s Office decided to discontinue its contract with the Metro Townships for certain civil-action legal services. With the change, the MSD and Metro Township decided that for transparency purposes, the Metro Township civil legal costs should be monetized and budgeted by the Metro Township. The new proposed item reflects those costs.
 - The proposed funding increase for the contract for council legal services was increased to properly reflect those ongoing costs.

Attorney - Legal Services					
Person/Firm Providing Service	Service Being Provided	2018 Adopted Budget	2019 Adopted Budget	2020 Proposed Budget	Remarks
Ashtree Legal Services, LC / Paul Ashton	Attorney/Legal	\$ 25,000	\$ 40,000	\$ 36,000	
Miscellaneous Legal Services	Attorney/Legal	\$ -	\$ -	\$ 34,000	New Item - Costs of Code Enforcement, Ordinances, and Other Non-Land Use/Planning Commission Items
				\$ 70,000	

PROFESSIONAL AND TECHNICAL SERVICES

- *Purpose of the Proposed Expense*
 - To conduct the administrative, professional and other technical work of the Council, Magna has these services provided through outside professional contracts. Using contracted services allows Magna to have these service provided and contain its costs.
- *How does the Proposed Expenses Support Magna’s Vision and Mission?*
 - These services manage the day-to-day administrative and critical service implementation of Magna’s Vision and Mission. Without these services, councilmembers would have to spend more time away from work managing Magna’s municipal business.

- *Changes for 2020*
 - Due to the loss of Salt Lake County as a direct provider of emergency services management, pursuant to the legal opinion of the Salt Lake County District Attorney's Office, Magna has negotiated and retained those services from the Unified Fire Authority. The proposed cost covers work of the Emergency Management Specialist for two days a week in 2020.
 - As a direct result of certain necessary municipal public works work being delayed due to inefficiencies with the contracted service provider, Magna updated its procurement policy in 2019. The proposed new budget item allows Magna to take the lead in addressing urgent public infrastructure issues, thus reducing its risk exposures to public infrastructure failures.
 - In collaboration with the White City Metro Township, it was determined the Municipal Administrator's workload is full-time. Based on a salary comparison for peer-sized entities, it was determined the current contracted rates were well below market for full-time work. Proposed increase reflects the market adjustment to the bottom end of the market rate for Administrator work; and reflects Magna's negotiated share of the cost.

Professional and Technical Services					
Person/Firm Providing Service	Service Being Provided	2018 Adopted Budget	2019 Adopted Budget	2020 Proposed Budget	Remarks
Ashtree Legal Services LLC / Paul Ashton	Council Legal Services	\$ 25,000	\$ 40,000	\$ -	Item Moved to Attorney/Legal
Government Consultants LLC / Greg Schulz	Municipal Administration	\$ 36,000	\$ 42,000	\$ 61,200	Market Adjustment
KH Consulting / Kory Holdaway	Lobbyist Services	\$ -	\$ 7,500	\$ 7,500	Proposed Year-Round Contract for Lobbying Work
	Accounting Services	\$ -	\$ 9,000	\$ -	
Miscellaneous Professional and Technical	Miscellaneous	\$ -	\$ -	\$ 12,900	NEW REQUEST
Unified Fire Authority	Emergency Manager	\$ -	\$ -	\$ 36,000	NEW REQUEST - Two Days/wk Contract
	Total	\$ 61,000	\$ 98,500	\$ 117,600	

MEMBERSHIPS AND SUBSCRIPTIONS

- *Purpose of the Proposed Expense*
 - Membership in professional organizations provide councilmembers, planning commissioners, and administrative staff with education and tools to more productively perform their roles and duties.
- *How does the Proposed Expenses Support Magna's Vision and Mission?*
 - By exposing councilmembers, planning commissioners and administrative staff to new policies, procedures and ideas, it gives them a diverse toolbox of ideas

they can use for making land use decisions, crafting and amending ordinances, and implementing processes that support Magna’s Vision and Mission.

- *Changes for 2020*
 - No changes are expected for 2020.

Memberships and Subscriptions				
Membership/Subscription Name	2018 Budget	2019 Adopted Budget	2020 Proposed Budget	Comments
AICP - Planning Commission	\$ -	\$ 700	\$ 700	Member Dues for 9 Planning Commissioners and the Annual \$115 Organization Participation Fee
AICP - Council	\$ -	\$ 325	\$ 325	Member Dues Only for the Council
	\$ 100	\$ 1,025	\$ 1,025	
		2020 Budgeted Amount	\$ 1,500	



COUNCIL COMPENSATION

- *Purpose of the Proposed Expense*
 - Councilmembers, in their service to Magna, regularly miss time from work from their full-time jobs to attend meetings of service-providing agencies as Magna’s representatives on those boards. Attending council meetings can also accrue lost work costs. The stipend helps defray the losses due to missed work time.
- *How does the Proposed Expenses Support Magna’s Vision and Mission?*
 - To quote Woody Allen, “Nine-tenths of success is just showing up.” Councilmember missing meetings because of financial conflicts reduces Magna voice and impact with the service providers, thus reducing their ability to implement the Vision and Mission.

- Stipends also reduce to risk of creating an economic exclusion from service. Many people in Magna may desire to serve on the Council but cannot afford to do it for free. Over time the stipend may allow a diverse group of interested people to consider a run for public office.
- *Changes for 2020*
 - No changes are expected for 2020.

Compensation				
Expense	2018 Budget	2018 Council Approved Expenses	2019 Adopted Budget	2020 Proposed Budget
Council Compensation		\$ 54,000	\$ 54,000	\$ 54,000
Payroll Taxes		\$ 4,131	\$ 4,131	\$ 4,131
Total	\$ 66,000	\$ 58,131	\$ 58,131	\$ 58,131

