



## **SPECIAL CITY COUNCIL MEETING – BUDGET REVIEW**

Friday, October 28<sup>th</sup> at 5:00 PM

Court Room/Council Chambers (2<sup>nd</sup> floor) and Online

### **MINUTES**

Mayor Olson called the meeting to order at 5:00 p.m.

#### **ROLL CALL**

Councilors present included Councilors Adcock, Hathaway, Mecham, Montoya and Siddoway.

Others present included City Manager Norm Beagley, Assistant City Manager Jason Bond, Finance Director Shannon Hoffman, Recorder Amalie Ottley.

No members of the public attended the meeting.

#### **PLEDGE OF ALLEGIANCE**

Councilor Adcock the Pledge of Allegiance.

#### **INVOCATION/INSPIRATIONAL THOUGHT**

An invocation was offered by Councilor Mecham.

Mayor Olson spoke about attending the “Spook Alley” activity put on by the Santaquin City Chieftain Museum and the memories that he reflected on in the building where he went to Elementary School and learned the Pledge of Allegiance. He expressed his gratitude for the opportunity to live in America where we can express our freedoms and thanked Lynn for the prayer.

#### **BUDGET REVIEW DISCUSSION ITEMS**

1. Fraud Risk Analysis (as required by the State of Utah)
2. Possible Budget Amendment (Discussion only, no decisions made)
3. Current budget and revenue standing
4. FD staffing and wages needs
5. Budget items “on hold” (mostly the same as identified in the budget planning session in February, 2022)
6. Upcoming resolution (pending Mayor’s timeline)
7. Zions Bank Financial Sustainability Report (forthcoming, once complete)
  - a. property taxes
  - b. user rates

### c. capital repair

Finance Director Shannon Hoffman presented the findings from the recent Fraud Risk Assessment. Manager Beagley spoke to the state requirements for the Fraud Risk Assessment and the city's willingness to make sure that controls are in place to mitigate possible fraud. Scoring on the Fraud Risk Assessment reflects that the city is at "Low Risk" for fraud. Shannon addressed the possibility of putting together an Audit Committee in lieu of having someone on city staff who is certified as a CPA or has a bachelor's degree in accounting (which is one of the scoring categories on part of the Fraud Risk Assessment).

Manager Beagley presented information regarding a proposed Budget Amendment. Director Hoffman went over possible changes in the budget and line items in General Funds where revenues and expenditures were examined and will be updated accordingly. The council and city staff discussed building permit numbers and the fluctuation of those numbers throughout the year and how building permit numbers directly affect multiple budget items, such as water meters, general fund revenue, and impact fees.

Manager Beagley discussed the grant funding that was received for both a generator for the Emergency Operations Center and for kitchen equipment in the new City Hall building. Director Hoffman discussed where the city has been able to save money in the General Fund and where additional, unexpected revenue has come in. Mayor Olson spoke to the process of covering the emergency repair costs of the pump at the Public Safety building. Manager Beagley spoke to the Capital Repair and Replacement account that has been set up for emergency expenses for things such as pipe or pump replacements.

Revenue and expenditures for capital asset line items were reviewed. The line items discussed have been approved by City Council previously but will not be purchased unless the appropriate revenue is available to cover the cost of each line item for the corresponding departments.

Manager Beagley spoke about the process of gathering data to bring information back to the council regarding fire department wages. Mayor Olson talked about the future sustainability of the fire department and public works departments. The council and staff discussed staffing needs in each department as the city grows. Director Hoffman and Manager Beagley discussed the request to Zions Bank to perform a Financial Sustainability Model Report to project fees, expenditures, and property taxes. The council briefly discussed Truth in Taxation guidelines and how that topic may be approached in the future, if/as needed.

### **ADJOURNMENT**

Councilor Mecham motioned to adjourn the Special City Council Meeting. Councilor Siddoway seconded the motion.

Councilor Adcock	Yes
Councilor Hathaway	Yes

Councilor Mecham	Yes
Councilor Montoya	Yes
Councilor Siddoway	Yes

Motion passed unanimously in the affirmative.

The Special City Council Meeting adjourned at 8:00 p.m.

ATTEST:



**Daniel M. Olson, Mayor**



**Amalie R. Ottley, City Recorder**