

# City of Washington Terrace

Minutes of a Regular City Council meeting

Held on November 17, 2015

City Hall, 5249 South 400 East, Washington Terrace City,

County of Weber, State of

## **MAYOR, COUNCIL, AND STAFF MEMBERS PRESENT AT WORK SESSION**

Mayor Mark C. Allen

Council Member Mary Johnston- Excused

Council Member Blair Brown – Excused

Council Member Robert Jensen – Arrived 5:20 p.m.

Council Member Scott Monsen

Council Member Shupe

Finance Director Shari' Garrett

Public Works Director Steve Harris

City Manager Tom Hanson

City Recorder Amy Rodriguez

## **Others Present**

Scott Barker

### **1. WORK SESSION 5:00 p.m.**

#### **Presentation and overview on the Comprehensive Annual Financial Report (CAFR)**

Garrett stated that the CAFR shows that the City is responding well in regards to financial conditions, however, staff recognizes that there are still some challenges.

Garrett stated that the CAFR works from June 30, 2015 and looks back on the previous year in regards to accounting, budgeting, and financial matters.

Garrett explained the budget and accounting cycle, noting that staff is beginning the budget plan phase.

Budget priorities will be discussed at the Council Retreat on Saturday.

Hanson explained the factors affecting financial conditions, noting that the budget priorities and legislative policies take many factors into consideration.

#### **1. What is a CAFR?**

The CAFR provides information as to how well the City performed last fiscal year.

#### **2. Why is it important?**

The CAFR communicates how the funds were collected and how they were used. She stated that it is a financial report. It also assesses health and fiscal sustainability. It provides economic and demographic information. It offers a 10 year historical perspective which is important to monitor trending.

#### **3. CAFR Structure**

The CAFR has an introductory section which has a transmittal letter as well as a profile of the City.

The CAFR has a financial section that contains the independent auditor's report, basic financial statements and a management discussion and analysis. Garrett stated that the auditor will report on city compliance and if reporting was in compliance with GAP- General Accounting Procedures.

The CAFR has a statistical section which addresses trending and assesses the economic condition of the city finances.

#### **4. Analyzing data**

Hanson stated that the city is driven by service delivery rather than profit motive. Garrett stated that debt adequacy is dependent on the revenue source and the commitments we have towards the revenue source.

49 She stated that current debt is being managed appropriately and future debt will have to be reviewed on a  
50 case by case basis.

51 **5. Focal Points for Analysis**

52 Near term financial position: Garrett stated that regular operating revenues are sufficient to cover regular  
53 expenditures plus regular contributions to fund capital requirements. Garrett stated that access to  
54 resources for unanticipated events is adequate but limited. Hanson stated that staff and Council realize  
55 that there are needs in the City that are unable to be met.

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57 Net position: Garrett stated that the city's net worth government wide is increasing and is showing  
58 greater indicators of financial health and sustainability.

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60 Economic condition: Garrett stated that economic condition reviews trending. She stated that there are  
61 indicators in demographics that present their own challenges.

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63 Garrett stated that factors that affect financial conditions are environmental and organizational. She stated  
64 that the CAFR is a tool but not all inclusive.

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66 **MAYOR, COUNCIL, AND STAFF MEMBERS PRESENT**

67 Mayor Mark C. Allen  
68 Council Member Mary Johnston  
69 Council Member Blair Brown - Excused  
70 Council Member Robert Jensen  
71 Council Member Scott Monsen  
72 Council Member Shupe  
73 Finance Director Shari' Garrett  
74 Public Works Director Steve Harris  
75 City Manager Tom Hanson  
76 City Recorder Amy Rodriguez

77  
78 **Others Present**

79 Charles and Reba Allen, Scott Barker, John Kraiima, Garry Keddington,

80

81 **2. ROLL CALL 6:00 p.m.**

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83 **3. PLEDGE OF ALLEGIANCE**

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85 **4. WELCOME**

86 Mayor Allen welcomed Scout Troop 75. Scout David Witherspoon led the pledge of allegiance.

87

88 **5. CONSENT ITEMS**

89 **5.1 APPROVAL OF AGENDA**

90 Item 14 "adjourn into closed session" has been deleted.

91 **5.2 APPROVAL OF OCTOBER 20, 2015 MEETING MINUTES**

92 Items 5.1 and 5.2 approved by general consent.

93

94 **6. CITIZEN COMMENTS**

95 There were no citizen comments.

96

97 **7. COUNCIL/STAFF RESPONSE AND CONSIDERATION TO CITIZEN**

98 **COMMENTS**

99 Due to lack of citizen comments in item 6, item 7 is unnecessary.

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101 **8. NEW BUSINESS**

102 **8.1 PRESENTATION: THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
103 **(CAFR) FOR FISCAL YEAR ENDING JUNE 30, 2015**

104 Hanson introduced Gary Keddington from the auditing firm of Keddington and Christensen.  
105 Keddington reported that the firm tests internal controls for the City as part of the audit. They  
106 review payroll, checks, and fraud procedures, among other controls. Keddington stated that his staff did  
107 not see anything that was fraud related. He stated that the auditors also test for compliance. He  
108 stated that there were no disputes between his staff and management. He stated there were no matters or  
109 issues that came up during the audit. He stated that it went smoothly. Keddington stated that there are  
110 some opinions that the auditors need to give to Council. He stated that there were no internal control  
111 findings in regards to federal requirements.

112 Keddington stated that the audit found one issue concerning a Deposit Investment Report that needs to be  
113 filed twice a year with the State Treasurer. He stated that there was a misunderstanding as to what was  
114 needed to go on the form and a bond account was left off. He stated that it was resolved and does not  
115 believe that the account will be left off again.

116 Keddington stated that there was a new requirement this year regarding GASB 68, which relates to  
117 pensions. He stated that the State of Utah is not fully funded. He stated that the City's portion of the  
118 unfunded balance had to be put on the books. He stated that the liability is a new number on the books.  
119 He stated that we will not need to change anything in the budget to make up the difference.

120 Keddington stated that the contribution rate plan is already set by the state. He stated that it is estimated  
121 that the fund will be fully funded within 5 years. Keddington stated that unused vacation is kept on the  
122 books as a liability and is reviewed during the audit. Hanson noted that the city has a limit on how much  
123 vacation can be accrued and carried over.

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125 **8.2 PRESENTATION: SHERIFF'S OFFICE MONTHLY REPORT**

126 Sgt. Stephanie Patton reported to Council that there were three incidents of death in October and several  
127 medical assists. She stated that the Office responds to residences as well as the living facilities in the  
128 City. She stated that calls to the living facilities remain fairly consistent. Sgt. Patton stated that the Fire  
129 Department will always respond to medical calls. Hanson stated that there was an active shooter training  
130 at the schools today. Council Member Shupe stated that he would like to receive investigative reports as  
131 to how the cases are closed and what cases are active. He also noted that the reports show how many  
132 times the City is assisted by other jurisdictions and the types of calls they are assisting with.

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134 **9. ADJOURN INTO RDA MEETING**

135 Council adjourned into RDA meeting at 6:33 p.m.

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137 **10. CONTINUATION OF NEW BUSINESS**

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139 **10.1 MOTION/ORDINANCE 15-09: AN ORDINANCE ADOPTING THE URBAN**  
140 **RENEWAL PROJECT AREA PLAN**

141 Hanson stated that the Council will need to approve the RDA Development Plan that was approved by  
142 the Redevelopment Agency. The Plan is renewed for the extension of the RDA.

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144 **Motion by Council Member Monsen**  
145 **Seconded by Council Member Shupe**  
146 **To approve ordinance 15-09 adopting**  
147 **The Urban Renewal Project Area Plan**

148 **Approved unanimously (4-0)**  
149 **Roll Call Vote**

150  
151 **10.2 MOTION/ORDINANCE 15-08: AN ORDINANCE AMENDING SECTION 17.48.010**  
152 **OF THE MUNICIPAL CODE RELATING TO SWIMMING POOLS**

153 Hanson stated that the amendment will change the setback from 10 feet to 5 feet. He stated that the  
154 change has gone through the Planning Commission process.

155 **Motion by Council Member Johnston**  
156 **Seconded by Council Member Mosen**  
157 **To approve ordinance 15-08**  
158 **Amending section 17.48.010 relating to swimming pools**  
159 **Approved unanimously (4-0)**  
160 **Roll Call Vote**

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162 **11. COUNCIL COMMUNICATION WITH STAFF**

163 \* Council Member Mosen stated that he is confused on the transportation tax proposed by the  
164 county. Hanson stated that the initiative passed in Weber County and the additional sales tax will go  
165 into effect in Weber County. Hanson stated that the tax will essentially double the city's funding for  
166 roads and transportation. He clarified that that includes both transportation and sales tax. Council  
167 Member Mosen commented that the roads on the north end is looking very nice and thanked Harris  
168 on his efforts.

169 \* Mayor Allen stated that 10 counties have passed the initiative. Mayor Allen stated that he received  
170 a letter from the Bonneville PTSA thanking Council for their donation for the 2015 Graduation Party.

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172 **12. ADMINISTRATION REPORTS**

173 Hanson stated that the yard waste clean-up is occurring. He stressed that residents need to bundle and bag  
174 the items. The items must remain under 70 lbs.

175 Hanson stated that the Council Retreat will be this Saturday at the Utah Local Governments Trust Offices  
176 in North Salt Lake.

177 Hanson stated that the seismic upgrade project has begun this week. He stated that the Victory Park  
178 project had to be re-engineered and is moving forward.

179 Hanson stated manhole and collaring is continuing. He stated that road striping has been completed.

180 Hanson asked if it was possible to hold a gratitude dinner for Planning Commission. Council agreed that  
181 it was a valuable dinner to hold to show appreciation to the volunteer Commission.

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183 **13. UPCOMING EVENTS**

184 November 21<sup>st</sup>: City Council Retreat 8:00 a.m. to be held at the Utah Local Governments Trust Offices in North Salt  
185 Lake

186 November 26-27: City Offices closed for Thanksgiving Holiday

187 December 1<sup>st</sup>: City Council Meeting 6:00 p.m.

188 December 17<sup>th</sup>: Planning Commission Meeting 6:00 p.m.

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190 **14. ADJOURN INTO CLOSED SESSION**

191 Item 14 has been deleted from the agenda.

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193 **15. ADJOURN THE MEETING: MAYOR ALLEN**

194 Mayor Allen adjourned the meeting at 6:57 p.m.

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196 \_\_\_\_\_  
197 **Date Approved**

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197 **City Recorder**