

CLEARFIELD CITY COUNCIL MEETING MINUTES  
7:00 P.M. POLICY SESSION  
August 11, 2015

PRESIDING:	Mark Shepherd	Mayor
PRESENT:	Keri Benson	Councilmember
	Kent Bush	Councilmember
	Ron Jones	Councilmember
	Mike LeBaron	Councilmember
	Bruce Young	Councilmember
STAFF PRESENT:	Adam Lenhard	City Manager
	JJ Allen	Assistant City Manager
	Brian Brower	City Attorney
	Greg Krusi	Police Chief
	Wendy Brimhall	Dispatch Supervisor
	Curtis Dickson	Community Services Deputy Dir.
	Rich Knapp	Administrative Services Director
	Lee Naylor	Accountant
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder
EXCUSED:	Scott Hodge	Public Works Director
	Spencer Brimley	Development Services Manager
	Eric Howes	Community Services Director

VISITORS: Paige Florez

Mayor Shepherd called the meeting to order at 7:01 p.m.

Mayor Shepherd informed the citizens present that if they would like to comment during Public Hearings or Citizen Comments there were forms to fill out by the door.

Councilmember LeBaron conducted the Opening Ceremony.

APPROVAL OF THE MINUTES FROM THE JULY 28, 2015 POLICY SESSION AND THE AUGUST 4, 2015 WORK SESSION

Councilmember Bush requested a correction in the second to last paragraph on page 2 of the July 28, 2015 policy session. He stated there was a typo specific to Mr. Allen's response in the second line and requested "if" be changed to "it."

Mayor Shepherd pointed out the August 4, 2015 meeting was a special session and not a work session.

**Councilmember Jones moved to approve the minutes from the July 28, 2015 policy session as amended and the August 4, 2015 special session, as written, seconded by Councilmember Bush. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.**

PUBLIC HEARING TO RECEIVE PUBLIC COMMENT ON 1) TRUTH IN TAXATION TO CONSIDER MAINTAINING THE CITY'S TAX RATE AT 0.001800, 2) THE BUDGETED TRANSFER OF RESOURCES FROM THE WATER FUND TO THE GENERAL FUND, AND 3) THE ADOPTION OF THE 2015/2016 FISCAL YEAR BUDGET

The Clearfield City Council held a public hearing on the proposed budget on June 9, 2015. The Council is now proposing to adopt the fiscal year 2015/2016 budget, which included a tax rate of 0.0018. This would maintain the same tax rate as the last few years, but would be higher than the certified tax rate of 0.001614, consequently requiring a “truth in taxation” hearing. The proposed budget also included a transfer of resources from the Water Fund to the General Fund, with an estimated value of \$92,400.00 (for water used at City-owned facilities), which also required a public hearing. City staff has prepared and submitted to the Council a balanced final budget for fiscal year 2015/2016, which began July 1, 2015 and ends June 30, 2016.

Rich Knapp, Administrative Services Director, stated the proposed budget met with the City’s identified policies and priorities. He reviewed the following:

- An anticipated increase in sales tax revenue of approximately \$165,000
- A proposed increase of approximately \$70,000 in gas tax revenue
- \$85,000 in new revenue from the recently adopted PARAT tax
- Revenue from maintaining the certified property tax rate of .0018
- A proposed 2 percent merit increase for staff
- An increase of 4.4 percent health insurance increase
- New staffing of an Assistant City Attorney, Planning Intern, Management Intern, part-time IT position, and part-time facilities maintenance position
- Steed Park irrigation system improvements
- Road construction project of 400 East to 1700 South
- Next phase of the Public Works Facility Reconstruction

Mr. Knapp reported on the changes made to the budget since adoption of tentative budget and mentioned most of them were rollovers from fiscal year 2015:

- Decrease of \$15,000 in the General Fund for uniforms and safety equipment
- Inclusion of PARAT Tax Revenue Fund
- \$3,000 for Intranet implementation
- Reduction of full-time judge expenses
- Elimination of the Public Works Administrative personnel due to restructuring resulting in \$25,000 decrease
- Irrigation and open space expenses
- ADA exercise machine at the Aquatic Center

Adam Lenhard, City Manager, explained when the budget was initially presented to the Council the City anticipated the possibility of taking on Davis County's court cases which would require a full time judge and when that didn't materialize the figure decreased to current levels.

Mr. Knapp reviewed other changes to the budget:

- Additional \$75,000 programmed for the 550 East road project from the water, sewer and storm sewer Enterprise Funds

He asked if there were any questions from the Council.

Mr. Knapp informed the Council of one correction which needed to be made to the budget which was a change from \$15,000 to \$1,500 for sign permit revenue.

Mr. Knapp reviewed Capital expenditures and projects with the Council. He also stated another change was the City was now obligated to reflect the cost it used for the water at its own facilities.

Mr. Knapp directed the Council to the CDRA portion of the budget document and announced the biggest portion of that budget was specific to the ATK incentive payment.

Mr. Lenhard mentioned the importance of reserves and announced it would be the City's goal to have the maximum twenty five percent in the fund balance.

Mr. Knapp reviewed the process used in determining the tax rate and pointed out the value of property was assessed by Davis County. He stated Truth in Taxation was the law in Utah and stated the City desired to maintain the rate and shared an illustration explaining why the City would need to maintain the rate. He reviewed the different ways in which revenue received from property tax was appropriated by the City. He stated the average value in property increased from \$153,000 to \$157,000 and because of that the calculated tax rate from Davis County actually decreased. He emphasized the rate of .0018 had been in place since 2011.

Mayor Shepherd opened the public hearing at 7:17 p.m.

Mayor Shepherd asked for public comments.

There were no public comments.

**Councilmember Bush moved to close the public hearing at 7:18 p.m. seconded by Councilmember Young. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.**

#### CITIZEN COMMENTS

There were no citizen comments.

APPROVAL OF RESOLUTION 2015R-16 SETTING THE TAX RATE FOR ALL REAL AND PERSONAL PROPERTY IN CLEARFIELD AT 0.0018

**Councilmember LeBaron moved to approve Resolution 2015R-16 setting the tax rate for all real and personal property in Clearfield at 0.0018 and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Benson. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.**

APPROVAL OF RESOLUTION 2015R-17 ADOPTING THE FISCAL YEAR 2015/2016 BUDGET

City staff prepared and submitted to the Council a balanced final budget for fiscal year 2015/2016 which began July 1, 2015 and ends on June 30, 2016. Mayor Shepherd expressed appreciation to staff for its efforts in compiling the budget document.

**Councilmember Young moved to approve Resolution 2015R-17 adopting the fiscal year budget for 2015/2016 and authorize the Mayor's signature to any necessary documents, seconded by Councilmember LeBaron. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.**

UPDATE ON THE 2015 FISCAL YEAR END FINANCIAL STATUS

Rich Knapp, Administrative Services Director, shared a visual presentation which updated the Council on the 2015 fiscal year end financial status and pointed out the following:

- The figures were in draft form and final numbers would be provided at completion of the audit.
- Revenues were higher than anticipated.
- Expenditures were less than budgeted.
- Fund balance was spent down by \$315,000
- Reported the City would receive an audit finding because of the amount of funds in the unrestricted fund balance. Adam Lenhard, City Manager, explained funds had been appropriated for projects but had not yet been expended. He added the funds would be expended upon completion of the projects.

Councilmember Bush inquired about the rent revenues specifically in the CDRA. Mayor Shepherd responded the funds were related to the rental of the Clearfield Auto Parts building owned by the CDRA.

Mr. Knapp reviewed the following:

- Property tax revenue was approximately \$116,000 higher than last year.
- The City had already recognized \$15,000 in PARAT tax revenue which was higher than anticipated.
- Municipal telecom tax revenue was down \$70,000 and reported he didn't have an answer as to why. He mentioned he had discussed it with other finance directors and reported the

trend was being recognized by other entities also and they also didn't have an explanation other than residents choosing different services which weren't exposed to that tax.

- Building permit revenue was \$52,000 higher than last year.
- Decrease in fines/forfeitures revenue by \$70,000.
- City began investing and interest earnings were higher for the previous three months.
- Due to the property tax levy being higher last year, there was no need for the Enterprise Fund transfer to help pay for the GO Bond.
- Water charges were down which was due to usage.
- Consumable charges had decreased because of the decrease cost of fuel which was approximately \$50,000.
- Police/investigations were approximately \$240,000 less than last year due to staffing and turnover in the police department.
- Parks department was using less part time labor and less equipment compared to last year.
- Marketing/PR was over budget due to the Fourth of July and due to accounting and timing.
- Water and sewer funds had less expenditure because of a lesser contribution to the GO Bond debt.

## COMMUNICATION ITEMS

### ***Mayor Shepherd***

1. Mentioned the Night out Against Crime on Tuesday, August 4, 2015 had been a great success.
2. Informed the Council that he had met with Weber Basin Water Conservancy District to project future water needs and believed the City was in a good position. He stated it was anticipated that water rates would double within the next 15 to 20 years due to replacing and maintaining infrastructure. He emphasized conservation was encouraged.
3. Announced he and other City staff would be traveling to San Francisco on Thursday, August 13, 2015 for a meeting with Standard & Poors in conjunction with refinancing some Sales Tax Revenue Bonds.
4. He stated Councilmember LeBaron would be representing him and the City at a Lockheed Martin event in Texas.
5. Informed the Council that the southwest gate to HAFB was officially closed and reported on the impact experienced at 650 North due to the increased traffic.
6. Announced UDOT would be sharing a presentation at the work session scheduled for Tuesday, August 18, 2015 explaining the proposed traffic changes for the 650 North/North Main intersection.

### ***Councilmember Benson***

1. Welcomed Adam Lenhard back from an extended vacation out of the Country.
2. Expressed appreciation to staff for the budget document.

### ***Councilmember Bush***

1. Complimented the finance staff for its efforts during the budget process.
2. Expressed appreciation for staff's participation and organization of Night Out Against Crime last week.
3. Announced the Kiwanis Club president had moved from the State and announced the organization was seeking and recruiting a new president and was also pushing for new membership.

*Councilmember Jones* – expressed appreciation to staff for its efforts regarding the budget.

*Councilmember LeBaron* – shared his perspective of how the City’s finances and budget process had evolved since 2006 when he first served on the City Council and pointed out how the City was now operating on nine million dollars less than it was approximately ten years ago. He expressed his appreciation to staff for presenting a balanced and conservative budget. He complimented the finance staff for its efforts on the budget.

*Councilmember Young* – commended staff on its preparation of a conservative and transparent budget document.

*Adam Lenhard, City Manager*

1. Announced he was pleased with the budget and mentioned there was always room for improvement; although he believed the City was moving in a positive direction.
2. Stated it was nice to be home from vacation.
3. Informed the Council that the 300 North overpass was anticipated to open on Sunday, August 23, 2015.

STAFFS’ REPORTS

*Nancy Dean, City Recorder*

1. Reviewed the Council’s calendar:
  - Work session scheduled for Tuesday, August 18, 2015, 6:00 p.m. in the multi-purpose room
  - Policy session on Tuesday, August 25, 2015

**Councilmember Bush moved to adjourn as the City Council and reconvene as the Community Development and Renewal Agency (CDRA) at 7:42 p.m., seconded by Councilmember LeBaron. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.**

*\*\*The minutes for the CDRA are in a separate location\*\**

**APPROVED AND ADOPTED  
This 8<sup>th</sup> day of September, 2015**

**/s/Mark R. Shepherd, Mayor**

**ATTEST:**

**/s/Nancy R. Dean, City Recorder**

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, August 11, 2015.

/s/Nancy R. Dean, City Recorder