

MINUTES OF A REGULAR CITY COUNCIL MEETING HELD DECEMBER 5, 2013
AT THE CIVIC CENTER, 83 WEST MAIN, HYRUM, UTAH.

CONVENED: 6:30 p.m.

CONDUCTING: Mayor W. Dean Howard

ROLL CALL: Councilmembers Martin L. Felix, Paul C. James, Stephanie Miller, Craig Rasmussen, and Aaron Woolstenhulme present.

CALL TO ORDER: There being five members present and five members representing a quorum, Mayor Howard called the meeting to order.

OTHERS PRESENT: City Administrator Ron Salvesen and seventeen citizens. City Recorder Stephanie Fricke recorded the minutes.

WELCOME: Mayor Howard welcomed everyone in attendance.

PLEDGE OF ALLEGIANCE: City Administrator Ron Salvesen led the governing body and the citizens in the Pledge of Allegiance.

INVOCATION: Mayor W. Dean Howard

APPROVAL OF MINUTES:

The minutes of November 7, 2013 were approved as written.

ACTION Councilmember James made a motion to approve the minutes of November 7, 2013 as written. Councilmember Felix seconded the motion and all five councilmembers voted aye.

The minutes of November 14, 2013 were approved as written.

ACTION Councilmember Rasmussen made a motion to approve the minutes of November 14, 2013 as written. Councilmember Woolstenhulme seconded the motion and all five councilmembers voted aye.

AGENDA ADOPTION: A copy of the notice and agenda for this meeting was faxed to The Herald Journal, mailed to each member of the governing body, and posted at the Civic Center more than forty-eight hours before meeting time.

ACTION Councilmember James made a motion to approve the agenda for December 5, 2013 as written. Councilmember Miller seconded the motion and all five councilmembers voted aye.

8. PUBLIC HEARING:
 - A. Hyrum City will hold a public hearing to consider potential projects for which funding may be applied under the CDBG Small Cities Program for Program Year 2014. Suggestions for potential projects will be solicited, both verbally and in writing, from all interested parties. The expected amount of CDBG funds for this Program Year will be discussed along with the range of projects eligible under this program and a review of previously funded projects.
9. SCHEDULED DELEGATIONS:
 - A. Fred Burr, Wiggins and Associates - To present the 2012-2013 Audit Report.
 - B. Shaun Bushman, Cache Valley Transit District Representatives - To report on the CVTD milestones, progress, and benefits to the residents of Hyrum.
10. INTRODUCTION AND ADOPTION OF RESOLUTIONS:
 - A. Resolution 13-15 - A resolution repealing and reapproving the Personnel Policies and Procedures Manual for Hyrum City Corporation.
 - B. Resolution 13-16 - A resolution repealing and reapproving all land use application fees and building permit inspection and connection fees.
11. OTHER BUSINESS:
 - A. Consideration and approval of building and park rental and deposit fees.
 - B. Acceptance of Wasatch View Subdivision Phase VI.
 - C. Mayor and City Council reports.
12. ADJOURNMENT

PUBLIC HEARING:

HYRUM CITY WILL HOLD A PUBLIC HEARING TO CONSIDER POTENTIAL PROJECTS FOR WHICH FUNDING MAY BE APPLIED UNDER THE CDBG SMALL CITIES PROGRAM FOR PROGRAM YEAR 2014. SUGGESTIONS FOR POTENTIAL PROJECTS WILL BE SOLICITED, BOTH VERBALLY AND IN WRITING, FROM ALL INTERESTED PARTIES. THE EXPECTED AMOUNT OF CDBG FUNDS FOR THIS PROGRAM YEAR WILL BE DISCUSSED ALONG WITH THE RANGE OF PROJECTS ELIGIBLE UNDER THIS PROGRAM AND A REVIEW OF PREVIOUSLY FUNDED PROJECTS.

Mayor Howard said the Hyrum Senior Center is seeking sponsorship from Hyrum City to apply for Community Development Block Grant (CDBG) Funding to replace the shingles on the Senior Center roof. This hearing is being called to consider potential projects for which funding may be applied under the 2014 Community Development Block Grant Program. It was explained that the grant money needed to be spent on projects benefitting primarily low and

moderate income persons. The Bear River Region of which Hyrum City, Cache County is a member, is expecting to receive approximately \$600,000 in this new program year. Projects that are likely to displace LMI individuals will not be accepted. All eligible activities which can be accomplished under this program are identified in an "eligible Grant Activities" handout that was made available to the public. In the past Hyrum City has received four CDBG Grants: 1982 construction of 1.0 million gallon culinary water reservoir; 1984 piping of a large irrigation ditch on 800 East in Hyrum; 2000 to buy computers for Lincoln Elementary; 2012 purchase land for a Child Family Support Center satellite location; and 2013 to build transitional housing for Community Abuse Prevention Services Agency (CAPSA). The city has a capital investment plan as part of the regional "Consolidated Plan". This list shows which projects the city has identified as being needed in the community.

ACTION

Councilmember Felix made a motion to open the public hearing at 6:35 p.m. to receive public comment regarding consideration of potential projects for which funding may be applied under the Community Development Block Grant Program (CDBG) CDBG Small Cities Program for Program Year 2014. The expected amount of CDBG funds for this Program Year will be discussed along with the range of projects eligible under this program and a review of previously funded projects. Councilmember Rasmussen seconded the motion and all five councilmembers voted aye.

Mayor Howard said anyone with questions, comments or suggestions throughout the hearing please identify themselves by name, before they speak.

Claude Long said the Hyrum Senior Center is a great asset to Hyrum City and neighboring communities. It provides a place for seniors to socialize, exercise, and have a warm meal. The Senior Center building is getting old and repairs are necessary in order to maintain the building. The roof is in need of new shingles, the doors need replaced to be handicap accessible and the kitchen needs remodeled. He hopes the City Council will sponsor the CDBG Application for the Senior Center.

Katherine Morton said she frequently visits the Hyrum Senior Center. Seniors from all over Cache Valley come to the Center. She recommended the City Council support the Senior Center and sponsor its application for a new roof.

Mayor Howard asked for further public comment, there being none he called for a motion to close the public hearing.

ACTION Councilmember James made a motion to close the public hearing at 6:37 p.m. Councilmember Woolstenhulme seconded the motion and all five councilmembers voted aye.

SCHEDULED DELEGATIONS:

FRED BURR, WIGGINS AND ASSOCIATES - TO PRESENT THE 2012-2013 AUDIT REPORT.

Fred Burr, Wiggins & Company, presented the 2012-2013 audit report. He reviewed revenues and expenses for the general fund and the enterprise funds.

The total net assets of Hyrum City increased by \$874,783 totaling \$32,617,330. The governmental net assets increased by \$40,791 and the business type net assets increased by \$833,992.

The total net assets of governmental and business type activities is \$312,617,330 and is made up of \$23,834,477 in capital assets, such as, land, infrastructure and equipment, and \$8,782,853 in other net assets. The \$8,782,853 in other net assets is made up of \$486,265 which is restricted for capital projects; \$557,084 is restricted for debt service items related to the library, sewer system and water project; and \$176,004 is restricted for impact fees; \$39,492 is restricted for library purposes; and the remaining \$7,700,012 is unrestricted. Total long term liabilities for the City decreased by \$342,241. The long term debt for governmental activities decreased by \$86,637. The business-type activities long term debt decreased by \$348,878.

The results of the audit process disclosed immaterial instances of noncompliance with the United States Government Auditing Standards. There were two state legal compliance findings, and two other matters.

STATE LEGAL COMPLIANCE FINDINGS:

1. CASH MANAGEMENT - Utah Code 51-7-15(3) requires all public treasurers to file a written report with the Utah Money Management Council on or before January 31 and July 31 of each year. The required report contains information about the deposits and investments of that public treasurer during the preceding six months. The Council uses this form to determine if the entity is in compliance with the Utah Money Management Act. In our testing, we found that one of the reports filed did not agree with the bank balance for the main checking account. This was the result of a clerical error and the City has since filed a corrected report.

Recommendation: All future reports be reviewed by someone other than the preparer, prior to submission, to ensure that

the reports agree with the source documents of the City that are used to obtain the amounts needed to correctly compile the reports.

Response: The City Treasurer will continue to prepare the report and the City Administrator will review the report before submitting the report.

2. BUDGETARY COMPLIANCE - Utah Code 10-6-117 requires that no fund expenditures exceed the appropriated amounts in the final adopted budget. Our testing found that the General Fund had total expenditures in excess of the final approved budget amount.

Recommendation: The management of the City closely monitor the total expenditure amounts so that no fund has expenditures that exceed the final approved budget amounts.

Response: The City Treasurer and City administrator will closely monitor the expenditures to ensure that no expenditures exceed the final approved budget amount.

OTHER MATTERS:

1. REVIEW OF JOURNAL ENTRIES - The City policy requires that all journal entries have accompanying supporting documentation and that they be reviewed and approved by someone other than the preparer prior to the keying of the entries into the general ledger system. The purpose of this policy is to ensure that the entries are proper and reasonable. In our testing, we found many journal entries that were not independently reviewed and approved by someone other than the preparer prior to the keying of those entries into the general ledger system. We also found many of the entries did not have the required accompanying supporting documentation to help understand why the entry was being made. This is a continuing finding.

RECOMMENDATION: City policy be complied with in that the required supporting documentation accompanies each journal entry and that the formal review and approval process be indicated on the face of the journal entry from.

RESPONSE: The City Treasurer will more carefully review the journal entries and provide additional supporting documentation. The City Administrator will also continue to review all journal entries.

2. PAST DUE UTILITY ACCOUNTS - The City has a policy that requires all utility accounts that are past due by 45 days or more be shut off after the proper shut off notices have been sent. We found in our testing, that there was one account that is consistently past due beyond 45 days and is

not shut off or sent the required written notifications. This account happens to belong to an employee of the City. Exceptions. To the City policy should not occur unless they have been specifically approved by the City Council regardless of who the account holder is.

RECOMMENDATION: The City policy be followed when utility accounts become past due. If any exception is needed, then all exceptions to the policy should be presented to and approved by the City Council in a formal meeting.

RESPONSE: The City Staff will review all City Employee accounts and treat City Employees the same as the rest of the citizens; thus following the policy.

ACTION

Councilmember Felix made a motion to approve the 2012-2013 Audit Report. Councilmember Rasmussen seconded the motion and all five councilmembers voted aye.

SHAUN BUSHMAN, CACHE VALLEY TRANSIT DISTRICT REPRESENTATIVES - TO REPORT ON THE CVTD MILESTONES, PROGRESS, AND BENEFITS TO THE RESIDENTS OF HYRUM.

Shaun Bushman thanked the City Council for reappointing him to serve as Hyrum City's representative on the Cache Valley Transit District Board. Over the past year the CVTD created an express route from Hyrum to Logan which increased the number of riders and decreased the amount of time on the bus from one hour to thirty minutes. A lot of students attending Utah State University ride the bus and about one third of the riders are commuters. Hyrum has a large number of riders that use the bus system to get from South Cache Junior High School to Mountain Crest High School.

INTRODUCTION AND ADOPTION OF RESOLUTIONS:

RESOLUTION 13-15 - A RESOLUTION REPEALING AND REAPPROVING THE PERSONNEL POLICIES AND PROCEDURES MANUAL FOR HYRUM CITY CORPORATION.

Mayor Howard said the proposed amendments to the Personnel Policy and Procedures Manual reflect changes in State and Federal Laws, and current City practices. The City Attorney has reviewed the proposed changes and is recommending approval.

ACTION

Councilmember James made a motion to approve Resolution 13-15 repealing and reapproving the Personnel Policies and Procedures Manual for Hyrum City Corporation. Councilmember Felix seconded the motion and all five councilmembers voted aye.

RESOLUTION 13-16 - A RESOLUTION REPEALING AND REAPPROVING ALL LAND USE APPLICATION FEES AND BUILDING PERMIT INSPECTION AND CONNECTION FEES.

Mayor Howard said City Staff have reviewed all land use application fees and building inspection and connection fees and are recommending approval of adjustments to some of those fees.

ACTION Councilmember Felix a motion to approve Resolution 13-16 repealing and reapproving all land use application fees and building permit inspection and connection fees. Councilmember Miller seconded the motion and all five councilmembers voted aye.

OTHER BUSINESS:

CONSIDERATION AND APPROVAL BUILDING OF PARK RENTAL AND DEPOSIT FEES.

Mayor Howard said City Staff reviewed the building and park rental fees and have recommended the following fees:

	Past Fees/Deposits				New Fees/Deposits			
	Resident		Non-Resident		Resident		Non-Resident	
	Rental Fee	Deposit	Rental Fee	Deposit	Rental Fee	Deposit	Rental Fee	Deposit
Civic Center (Family Party)	\$ 50.00	\$ 200.00	\$ 150.00	\$300.00	\$ 50.00	\$ 200.00	\$ 150.00	\$ 300.00
Civic Center (Wedding)	\$ 100.00	\$ 200.00	\$ 300.00	\$300.00	\$100.00	\$ 200.00	\$ 300.00	\$ 300.00
Elite Hall (Family Party)	\$ 50.00	\$ 200.00	\$ 150.00	\$300.00	\$ 50.00	\$ 200.00	\$ 150.00	\$ 400.00
Elite Hall (Wedding)	\$ 100.00	\$ 500.00	\$ 300.00	\$750.00	\$200.00	\$ 300.00	\$ 400.00	\$ 500.00
Canyon Lodge	\$ 25.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 25.00	\$ 75.00	\$ 50.00
AJ Park		\$ 25.00	\$ 50.00	\$ 50.00	\$ 25.00		\$ 50.00	\$ 25.00
Gazebo		\$ 25.00	\$ 50.00		Part of City Square Rental			
City Square			\$ 50.00	\$ 25.00	\$ 25.00		\$ 50.00	\$ 25.00
	Per Space		Per Space		Per Space		Per Space	
CCC Camp	\$ 10.00				\$ 10.00		\$ 20.00	
Canyon Campground	\$ 10.00		\$ 20.00		\$ 10.00		\$ 20.00	
Left Hand Campground	\$ 10.00		\$ 20.00		\$ 10.00		\$ 20.00	

ACTION Councilmember James a motion to table the proposed changes to the park rental and deposit fees to the first City Council Meeting in January. Councilmember Rasmussen seconded the motion and all five councilmembers voted aye.

ACCEPTANCE OF WASATCH VIEW SUBDIVISION PHASE VI.

Mayor Howard said City Engineer Craig Neeley is recommending the City Council accept Wasatch View Subdivision Phase VI. A final inspection was conducted and all public improvements are completed.

ACTION Councilmember Rasmussen a motion to accept Wasatch View Subdivision Phase VI. Councilmember James seconded the motion and all five councilmembers voted aye.

MAYOR AND COUNCIL REPORTS:

Councilmember Woolstenhulme said Hyrum City's Arborist Preston Culver held a tree trimming workshop November 9 at the Hyrum Senior Center. There were over 27 people who attended the workshop.

Councilmember Felix said the Hyrum Senior Center Craft Fair is December 6 & 7.

Councilmember Miller said Hyrum's Holiday at Hardware Ranch is December 7 from 11:00 a.m. to 2:00 p.m. She has arranged for Santa Claus to be there, and hot chocolate and cookies.

ADJOURNMENT:

ACTION There being no further business before the City Council, the Council Meeting adjourned at 7:15 p.m.

W. Dean Howard
Mayor

ATTEST:

Stephanie Fricke
City Recorder

Approved: January 8, 2014
As written