



ADOPTED MINUTES
LOCAL BUILDING AUTHORITY MEETING
June 20, 2023, at 8:48 PM
40 South Main Street
Spanish Fork, UT 84660

Councilmembers Present:

Mike Mendenhall, Mayor
Chad Argyle, Councilmember

Kevin Oyler, Councilmember
Jesse Cardon, Councilmember

Councilmembers Absent:

Shane Marshall, Councilmember
Stacy Beck, Councilmember

Staff Members Present:

Jordan Hales, Finance Director
Dave Anderson, Community Development Director
Tara Silver, City Recorder
Dale Robinson, Parks and Recreation Director
Chris Thompson, Public Works Director
Nick Porter, Public Information Officer

Krista Horting, Fire & EMS Deputy Chief
Vaughn Pickell, City Attorney
Bryan Perry, IS/SFCN Director
Seth Perrins, City Manager
Matt Johnson, Police Chief
Jered Johnson, Engineering Division Manager

Staff Members Absent:

Tyler Jacobson, Assistant City Manager
Eddie Hales, Fire & EMS Chief

Board Member Argyle ▾ made a **Motion** to **Adjourn to the Local Building Authority (LBA)**

Board Member Cardon ▾ **Seconded** the motion and it **Passed** at 8:48 pm .

Chairman Mike Mendenhall	Yes
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Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent
Chad Argyle	Yes
Shane Marshall	Absent

LBA CONSENT:

a. LBA City Council Meeting Minutes 06-02-2023

Board Member Cardon ▾ made a **Motion** to **LBA City Council Meeting Minutes 06-02-2023**

Board Member Argyle ▾ **Seconded** the motion and it **Passed** at 8:48 pm with a roll call vote.

Chairman Mike Mendenhall	Yes
evin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent
Chad Argyle	Yes
Shane Marshall	Absent

LBA PUBLIC HEARING:

a. LBA Resolution Approving the Fiscal Year 2023 Revision 3 Budget

Jordan Hales mentioned that the current process of working with two budgets simultaneously is a unique situation and will not be a regular occurrence. He expressed the hope that such a situation would never happen again. Councilman Oyler then highlighted some budget changes, including an increase in the budget debt principal amount and budget debt interest amount. He explained that the local building authority receives a lease payment for certain buildings, and the city is using that payment to make the debt payment. However, there was an underestimation of the debt payment in the budget, so it needs to be adjusted accordingly. Additionally, there was a significant increase in interest earned, resulting in higher revenue than anticipated from the construction cash.

Councilman Argyle wanted to know if the interest went towards construction costs.

Jordan Hales responded it would go to the debt payment or the construction costs.

Seth Perrins indicated it could go to anything the council wanted.

Councilman Oyler clarified that when there is a final budget revision with an increase in

revenue, specifically from interest, and there isn't a corresponding increase in expenses to match it, the excess amount can carry over to the next year's budget.

Jordan Hales explained that each fund has a cash balance, and when the budget has an effect on the cash balance of those funds, any excess amount falls into the cash reserves. This surplus can then be budgeted in the next fiscal year.

Seth Perrins explained that the fund currently has bond money and cash reserves, which may overstate its actual financial position. The fund receives revenue from various entities, such as the library hall bond and SFCN. While the fund currently has a surplus of cash, Perrins suggested using the interest to cover potential additional construction costs for the projects. He also mentioned that the funds are under the council's discretion, and if they choose to use the funds differently, it can be researched and decided accordingly.

Councilman Argyle wanted to know why there was still 200,000 budgeted for Library Hall.

Jordan Hales indicated it was done but invoices were still coming in.

Seth Perrins mentioned that there is a remaining payment of approximately \$1,000,000 for the warranty period, which will earn interest next year. He estimated that at current interest rates, it would be around \$40,000 over a 12-month period. This indicates that there will still be additional interest earnings on the remaining payment.

Mayor Mendenhall explained that the Local Building Authority holds the assets and receives lease revenue from the city for them. He wanted to clarify the relationship between the Local Building Authority and the city regarding the assets.

Board Member Oyler ▾ **Moved** to go into a Public Hearing

Board Member Argyle ▾ **Seconded** and the motion **Passed** all in favor at 8:54 pm.

Chairman Mike Mendenhall	Yes
Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent
Chad Argyle	Yes
Shane Marshall	Absent

Public Comments:

There were none.

Board Member Argyle ▾ **Moved** to go out of Public Hearing

Board Member Oyler ▾ **Seconded** and the motion **Passed** all in favor at 8:55 pm

Chairman Mike	Yes
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Mendenhall	
Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent
Chad Argyle	Yes
Shane Marshall	Absent

Board Member Cardon ▾ made a **Motion** to **Approve** the **LBA Resolution Approving the Fiscal Year 2023 Revision 3 Budget**

Board Member Oyler ▾ **Seconded** the motion and it **Passed** all in favor at 8:55 pm. roll call vote

Chairman Mike Mendenhall	Yes
Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent
Chad Argyle	Yes
Shane Marshall	Absent

LBA NEW BUSINESS:

a. LBA Resolution for the Fiscal Year 2024 Budget

Jordan Hales indicated there were no changes from six weeks ago.

Mayor Mendenhall pointed out we had a public hearing already.

Jordan Hales stated this was simply to approve the budget.

Board Member Argyle ▾ made a **Motion** to **LBA Resolution for the Fiscal Year 2024 Budget**

Board Member Oyler ▾ **Seconded** the motion and it **Passed** at 8:56 pm with a roll call vote.

Chairman Mike Mendenhall	Yes
Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent

Chad Argyle	Yes
Shane Marshall	Absent

Board Member Argyle ▾ made a **Motion** to **Reconvene back to City Council**

Board Member Cardon ▾ **Seconded** the motion and it **Passed** at 8:56 pm all in favor

Chairman Mike Mendenhall	Yes
Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent
Chad Argyle	Yes
Shane Marshall	Absent

Councilman Cardon ▾ made a **Motion** to **Adjourn to Closed Session for Land Transaction**

Councilman Oyler ▾ **Seconded** the motion and it **Passed** at 8:57 pm with a roll call vote.

Councilman Cardon ▾ made an Amended **Motion** to **Adjourn to Closed Session for Land Transaction** and **Strategy sessions to discuss pending or reasonably imminent litigation.**

Councilman Oyler ▾ **Seconded** the motion and it **Passed** at 8:57 pm with a roll call vote.

Kevin Oyler	Yes
Jesse Cardon	Yes
Stacy Beck	Absent
Chad Argyle	Yes
Shane Marshall	Absent

Attest: June 20, 2023

I, Tara Silver, City Recorder of Spanish Fork City, hereby certify that the foregoing minutes represent a true, accurate, and complete record of the meeting held on June 20, 2023. This document constitutes the official minutes of the City Council meeting.

Tara Silver

TARA SILVER, CITY RECORDER

