

**WOODS CROSS CITY COUNCIL MEETING
JUNE 18, 2024**

The minutes of the Woods Cross City Council meeting held June 18, 2024, at 6:30 P.M. in the Woods Cross City Hall located at 1555 South 800 West, Woods Cross, Utah.

COUNCIL MEMBERS PRESENT:

Ryan Westergard, Mayor
Julie Checketts
Jessica Kelemen

Wally Larrabee
Gary Sharp

COUNCIL MEMBERS EXCUSED:

Matt Terry

STAFF PRESENT:

Bryce Haderlie, City Administrator
LaCee Bartholomew, Community Services Coordinator
Sam Christiansen, Public Works Director
Curtis Poole, Community Development Director

Annette Hanson, City Recorder
James Bigelow, Chief of Police
Johnny Filler, Public Works Dept

PUBLIC ATTENDANCE:

LeGrande Blackley
Don Schrader

Breeann Wright
Lois Schrader

Nick Smith

INVOCATION:

PLEDGE OF ALLEGIANCE:

Gary Sharp
Jessica Kelemen

CONSIDERATION TO APPROVE MINUTES

The Mayor called for the review of the City Council minutes from the meeting held June 4, 2024. Following the review of the minutes, Council Member Kelemen made a motion to approve the minutes as written with Council Member Checketts seconding the motion and all voted in favor of the motion through a roll call vote except Council Member Larrabee who abstained as he did not attend that meeting.

RATIFY CASH DISBURSEMENTS

The Mayor gave the floor to the City Administrator who went over the cash disbursements with the Council for 5/25/24-6/12/24.

Following the review of the cash disbursements, Council Member Larrabee made a motion to ratify the cash disbursements as presented with Council Member Checketts seconding the motion and all voted in favor of the motion through a roll call vote.

PUBLIC COMMENTS

The Mayor then opened the meeting to items from those in attendance that they would like to bring before the City Council. There were no items from the public and the Mayor closed the public comment period.

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PUBLIC HEARING—COMPENSATION SCHEDULE APPLICABLE TO ELECTIVE AND STATUTORY OFFICERS IN ACCORDANCE WITH UCA § 10-3-818 THE CITY WILL RECEIVE PUBLIC COMMENT REGARDING THE COMPENSATION SCHEDULE FOR EXECUTIVE MUNICIPAL OFFICERS

The Mayor gave the floor to the City Administrator who noted the following for the City Council:

“Subject to requirements set for in the Utah State Code Title 10-3-818 (SB 91) a public hearing has been set regarding the compensation for Executive Municipal Officers. The public hearing will be held at the regular Woods Cross City Council meeting on Tuesday June 18, starting at 6:30 P.M. During that public hearing, the public may comment on the compensation increase as noted below:

“The proposed compensation of the Mayor, City Council, and Planning Commission members is included as part of this discussion to memorialize a proposed cost of living adjustment for these positions as follows:

Office or Position	FY24 Compensation	FY25 Compensation	% Increase
Mayor	\$12,000 yr.	\$12,480 yr.	4%
City Council Members	\$6,000 yr.	\$6,240 yr.	4%
Planning Commission Members	\$50 per mtg.	\$52 per mtg.	4%
Cross Guards and PT/Seasonal Positions			4%

“The compensation for the executive municipal officers of Woods Cross is identified in the wage is also noted in the document given to the Council. The cost of living (COLA) is anticipated to be 4%. Merit and market increases vary depending on the position and information obtained through the annual wage analysis. Depending on these variables, the compensation will range from 4% to 15%.

“Performance bonuses have not typically been given to employees, but Christmas bonuses have been issued in the past which range from \$500 to \$1,000 depending on the position and are in the FY25 budget.

“The City Administrator, Police Chief, Assistant Police Chief, and Public Works Director are issued city vehicles to perform their work duties. There are no deferred compensation agreements for any employees, elected or appointed officials of Woods Cross City.

“There is a cap on employer contributions to the Tier 2 retirement system. In 2024-25, the contribution rates far exceeded that cap and as a result, employees in the Hybrid System can now be required to pay .7% of his/her income toward the contribution. The cap for public safety Tier 2 employees was exceeded in 2020-21 and the City has paid both the employer and employee portion each year since that time. However, state law does not allow the employer to cover the .7% employee portion like it does the public safety/firefighter employee portion of 4.73 in 2024-25.

“Communities all over the state are handling this in a variety of ways that range from not covering the employee portion of either public employees or public safety, up to increasing the wages of all employees to cover the employee portion of the premium payment. As we have studied this and considering that we have continued to cover the public safety employee portion at 100%, it seems that paying a quarterly bonus to the public employees seems like a way of making them whole but does not create wage disparity by building it into the employees' wage.

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“The Resolution includes a paragraph defining this calculation and process. If the Council does not feel comfortable supporting the recommendation, the paragraph can be modified as part of the motion during the council meeting. Staff recommends adoption of the proposed ordinance upon completion of the public hearing.”

The City Council discussed the different ways compensation could be given such as a bonus or a 401K contribution and how that could be distributed. There was also discussion on what the easiest way to distribute the compensation would be for the payroll department. The City Council reviewed the compensation schedule as presented by the City Administrator.

Following the information given, the Mayor opened the public hearing on this matter. There were no public comments, and the Mayor closed the public hearing.

There were no further comments and Council Member Checketts made a motion to adopt Ordinance 616, an ordinance amending the compensation schedule for Municipal Officers per pay period as deemed most efficient by the payroll department. Council Member Sharp seconded the motion, and all voted in favor of the motion through a roll call vote.

PUBLIC HEARING—PROPOSED OPENING AND AMENDING OF THE FY 2024 BUDGET FOR ALL CITY FUNDS

The City Administrator continued with the floor and noted the following for the City Council:

“Given to the Council is the FY2023-24 Budget Amendments outlining each of the budget changes that we feel are needed to amend the budget for the upcoming audit. A summary of the changes are as follows:

Cash Allocation – We are working to make adjustments in all funds to ensure that all accounts are solvent and adequately funded.

General Fund – 10

Revenues – While some revenues were reduced due to actual income (in red), we have gained additional revenue in other accounts (property taxes, sales tax, energy tax, interest earned, etc.) that will likely result in revenue exceeding budget by as much as \$650,000 or more. This number will become more solid after the budget closes and all incoming revenue can be accounted for. The revenues also reflects the \$972,413 that was paid back to the general fund for the purchase of the 17 police vehicles in FY23. This could be misleading, but it is not “new” revenue. State law limits the general fund balance to 35% of the total revenue of the general fund for that fiscal year. That a 35% cap is approximately \$3.3 to 3.4 million dollars. To stay in compliance, we are infusing money into the fleet (Fund 61) and capital improvement (Fund 46) funds for reasons that will be explained below.

Expenditures – Administration took a conservative step in spending when the development and building permit revenues weren’t meeting expectations. As a result, savings were achieved. Funds worth noting include:

1. **Data Processing** – A payment became due for Elements software that was not anticipated. The contract was bid out this year and price increases started during this budget period. Several computers have exceeded their capacity and had to be updated this year for police and others. A

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proposal for next year is to adopt a consistent replacement schedule rather than waiting for computers to fail.

2. Non-departmental – Some of our insurance costs have gone down, namely workers compensation due to an effort to reduce injuries.
3. City Attorney – These costs exceeded the anticipated budget due to several legal issues that developed during the year.
4. Police – The overall expenditures are within budget amounts except that we are infusing an additional \$200,000 to allow for the rotation of the backup vehicles over the next two years.
5. Building Inspection fees went down due to fewer building permits. Our current contract building inspection service is terminating their contract, so we have issued an RFP for a new contractor to fulfill inspection duties.
6. Street Department – The increase is due to an extensive engine repair in one of the plow trucks and tree trimming services that were needed to maintain safe street corridors.

Class C Special Fund – 21

Revenue – Class C revenue appears high, but it is because of the \$1,730,500 in grant reimbursements from the County for the 1100 West road projects.

Expenditures – The expenditures also seem inflated over original budget, but this is due to the full cost of the two 1100 West road projects that were not included in the original budget.

RAP Tax – 23

Revenue – The RAP tax revenue exceeded expectations and benefited from interest rates on revenue in the PTIF account.

Expenditures – Expenditures were relatively mild this year, however, we are making a \$200,000 loan to resolve the negative fund balance. The loan for the DeLuna property comes due in Dec. 2024 and the fund balance of approximately \$1,000,000 could be used to settle that debt.

Park Development Special Revenue Fund (Park Impact Fees) – 24

Revenue – This fund has collected very little funds due to few building permits and the park impact fees associated with new residential development. A \$200,000 loan is included in this budget amendment to make this fund solvent.

Expenditures – This fund has been upside down as we continue to work to be reimbursed for the Legacy Trail asphalt project. The park impact fee study was also conducted this year.

Redevelopment Agency Fund – 25

Revenue – This revenue exceeds the original budget because of the CDBG grant of \$125,000 and growth in the RDA/CDA areas due to increasing property values.

Expenditures – The city was able to help one additional home with the subsidence grant due to additional money from the County. We have also been using funds to facilitate the water aquifer levels through the Bureau of Reclamation grant and application to the State Engineer for a water reuse application.

1960 S Assessment Area - 41

Revenue – The revenue for the bond payments has been coming in as anticipated. Please note that the General Fund infused \$377,864 for the construction costs that exceeded the contract. This now makes the assessment area whole. We have received some pre-payments to the assessment area as properties have sold and the assessment paid off in full. However, the bond does not allow for early payments and leaving the money in savings would have resulted in a shortfall of cash to pay the future bond payments. As a result, LRB and Gilmore Bell has helped the city structure a plan to purchase SLUGS (State and Local Government Series) financing that will earn sufficient interest to cover inflationary factors until the bond payment is required.

Expenditures – Now that the construction and associated work is complete, this fund will remain active for the bond payments due on the project.

Capital Improvements Development Fund – 46

Revenue - The city has not used this fund to its full capacity in the past, but with an eye on a future city hall and park improvements, this is what it is intended for. While I mentioned a 35% cap on fund balance in the general fund, there is no limit on retaining revenue in this account for future needs. The fund currently has about \$150,000 and we are proposing to deposit \$1,200,000 into this account for projects like the ones mentioned above.

Enterprise Funds – 51, 52, 53, 56

These funds have benefited by the recent utility rate increases. However, we do have concerns that with the future water projects that are coming up, we will need to increase the rates to meet the ongoing demand of projects or borrow to meet those costs. Utility, professional services, and projects are the primary costs outside of labor. Expenses in the Solid Waste Fund have increased with the contractor expenses.

Impact Fees – The park, storm water, and water impact fees were adjusted downward this year through the impact fee study. The funds have not had much activity this year due to the slowdown in construction.

Fleet Fund – 61 The fund is doing well and building up a healthy reserve to meet the demands of the City. As I mentioned earlier, we are infusing an additional \$200,000 as Transfers From GF Police this year to help cover expenses as we rotate six vehicles out next summer and need to outright pay for three of them to be used for backup police vehicles, and to provide one to the Community Services department.

Summary - The May financial report reflects a comfortable increase in fund balance and overall conservative spending by all departments. I wish to thank all of our employees for their efforts to use our citizens' money prudently and for Brian Passey's diligence to prepare the FY24 budget amendment. I could not have done it without him.

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Please remember that we budget ample money in each fund to pay for invoices that continue to arrive through July and early August. We do this so that there are no audit findings for insufficient funds. A true accounting of the year will come out during the audit report in December.

A public hearing for the budget amendment will be held during the June 18th meeting with the anticipated approval by the council so that we will close out the 2023-24 budget year with a balanced budget. Staff recommends approving the FY24 budget amendment as presented.

There were no further questions from the City Council and the Mayor opened the public hearing on this matter.

There were no public comments, and the Mayor closed the public hearing.

There were no further questions or comments, and Council Member Larrabee made a motion to adopt resolution 2024-865 opening and amending the FY 2024 Budget for All City Funds. Council Member Kelemen seconded the motion, and all voted in favor of the motion through a roll call vote.

PUBLIC HEARING—PROPOSED FY 2025 TENTATIVE BUDGET FOR ALL CITY FUNDS

The City Administrator continued with the floor and noted the following for the City Council:

“Given to the Council is the FY25 Tentative Budget documents for June 18, 2024, City Council meeting. The “FY2024-2025 Tentative Budget” document represents the proposed budget for Fiscal Year 2024-2025 that begins on July 1, 2024.

“Revenue – Except for the General Fund, projected revenues for all funds will cover the expenses for the year. The General Fund, however, will require using \$29,451 of the fund balance to balance this budget. It also does not include any Capital Projects and Line Items Increases identified.

“The associated documents contain more general information about the individual departments and funds as well as documentation of the transfer of revenue between funds to support various activities and budgets. This includes transfers from the General Fund and utility funds to the Fleet Fund to purchase and lease vehicles, debt payments, and the reimbursement to the General Fund from the utility and RDA funds for activities paid for by the General Fund.”

Following the information given by the City Administrator the Mayor then opened the public hearing.

There were no public comments, and the Mayor closed the public hearing.

There were no further questions or comments, and Council Member Sharp made a motion to adopt resolution 2024-866, a resolution approving the FY 2025 Tentative Budget for All City Funds. Council Member Checketts seconded the motion, and all voted in favor of the motion through a roll call vote.

**CONSIDERATION TO APPROVE AN AMENDMENT TO THE PORTOFINO SUBDIVISION,
APPROXIMATELY 1379 SOUTH REDWOOD ROAD**

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The Mayor gave the floor to the Community Development Director, Mr. Curtis Poole, who noted that Mr. Nick Smith is requesting approval of a proposed subdivision amendment of the Portofino Subdivision Amending Lot 3B. He noted this subdivision is located to the north of the Maverik trucking terminal facility and Rockwell. He said that Argyle Acres is located to the east and the Summit Subdivision is located to the west, with vacant property to the north. He also noted this subdivision is in the I-1 Zone. He said that the City Council had approved the Portofino Subdivision on May 14, 2021, and on May 17, 2022, the Council approved an amendment to the subdivision to create Lots 3A and 3B.

Mr. Poole went on to say that during the surveying of the Portofino subdivision, a long narrow strip of land approximately 14 feet wide was discovered to the south of the subdivision. He said the parcel was owned by Call Air, which no longer exists, and the owner of the property passed away several years ago. He noted that prior to the owner's death, the owner sold the property to the south of the Portofino Subdivision to Rockwell; however, the 14-foot strip of property was overlooked and not included in the sale.

Mr. Poole noted that since the subdivision was approved, the applicant has been working with his attorneys and the County Recorder's office to purchase the property. He noted that it was determined that the narrow strip of property would be split between the Portofino Subdivision Lot 3B and the Rockwell property to the south. He said the applicant is proposing to take approximately 12 feet of this parcel and add it to Lot 3B. He said because of the additional property being added, it is necessary to amend the subdivision and Lot 3B which will create Lot 3C.

Mr. Poole also noted that on May 14, 2024, the Planning Commission reviewed the proposed subdivision amendment and has recommended approval for the Portofino Subdivision Plan amending lot 3B to the City Council.

Council Member Checketts asked if there would no longer be a lot 3B and Mr. Poole said there would no longer be a lot 3B but a lot 3C would be created.

There were no further comments and Council Member Larrabee made a motion to approve the amendment to the Portofino Subdivision Plat amending Lot 3B and creating Lot 3C. Council Member Kelemen seconded the motion, and all voted in favor of the motion through a roll call vote.

CONSIDERATION TO APPROVE RESOLUTION 2024-867 EXTENDING WASTE CONTRACT WITH WASTE MANAGEMENT FOR CURBSIDE WASTE PICKUP AND HAULING

The Mayor gave the floor to the City Administrator who noted the following for the City Council:

"After direction from the City Council on June 4, 2024, City Staff reached out to Waste Management and negotiated 2 options for the Council to consider. These increases will occur July 1, 2024. The options proposed are:

1. A 3-year contract extension as previously proposed at the 5.5% CPI increase for 2024 and CPI increases per the May 18, 2021, agreement in subsequent years.

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2. A 1-year contract extension at the 5.5% CPI plus a 2% Extraordinary Adjustment for a 7.5% total increase with the agreement ending on July 1, 2025.

"City staff have met and reviewed the Solid Waste fund to see the effects on the expenditures at both the 5.5% and 7.5% increases to hauling charges. The City Finance Director, Brian Passey, has compared both extension options and verified that the Solid Waste Fund could absorb either extension into the 2025 calendar year before we needed to raise revenue.

Following the information given by the City Administrator, Council Member Checketts asked who determined if expectations were being met and if it would be Waste Management or the city. Mr. Blake Leonelli from Waste Management addressed the Council and the contract is clear that the city bring any concerns to Waste Management and then Waste Management be given time to address any issue with a 180 day out clause. He said he did want to reiterate that the 5.5% is just what the CPI and is just for the water/sewer/trash index and that is what it is based on. He said the next three years would be based on the water/sewer/trash index followed every year.

Council Member Larrabee asked if the Public Works Director was familiar if there was a waste hauling CPI called out and this last year it was closer to 5.8% in March. Mr. Leonelli said water/sewer/trash index tends to be lower than the garbage and trash index and other than the COVID years it has been the most indicative of what the inflationary period is. The Public Works Director said North Salt Lake has been over 6% this year and as he has spoken to other cities, most cities have been doing the same increases at the national CPI index. Data is not determined by Wasatch Integrated Waste from the CPI index.

Council Member Checketts asked if that is what Woods Cross City could be doing is going up to 6%. Mr. Leonelli said it is very unlikely it would go up because it is trending right now to be lower not higher.

Council Member Checketts said her frustration was the Council had almost decided to go out for an RFP because the costs for Waste Management keep going up and the service does meet the cost increase. She said there had been several residents who had come in to talk to the Council about how the black cans do not get picked up and some are dropped into the truck and then are completely missing. She said residents are unaware of what has happened to the cans and then they have to call to get a new can. She also said cans are getting missed for pick. She said she has had personal experience with her garbage can getting missed. She said some of the service has not been as good as she thought it should be.

Mr. Leonelli did say that the service issues are on him and that Council Member Checketts frustration is noted, and he understands. He said he has been working closely with their staff to resolve issues that have been raised. Waste Management is also holding weekly calls with the drivers to address the concerns. He said they are trying to identify missed cans and make sure pick up is not occurring before 7:00 A.M. He said they have had a nearly 30 year partnership with the city and they see the frustrations of the city but they are trying to assure the city these issues will not continue to occur. He said it is their utmost concern that the issues that have been happening do not continue to occur. He said it is all hands on deck at Waste Management to see that things go better. He said he does not take these things lightly and it is top priority at Waste Management to see they get corrected.

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Council Member Checketts said the surrounding cities have dropped Waste Management as their trash haulers and she asked Mr. Leonelli why he thinks that is the case. Mr. Leonelli said West Bountiful was not their client; he said North Salt Lake went out to RFP and they took the lowest hauler and then came back to Waste Management to see if they could meet the same bid, but Waste Management had already moved their assets elsewhere. Council Member Checketts asked if they shared any of the same frustrations that our city has. Mr. Leonelli said the frustrations are not unfounded or unique and many haulers experience similar issues sometimes. He said he would even give out his cell phone number for help with the needs of the city.

Mr. Haderlie said Waste Management makes every effort to pick up garbage cans reported as being missed for service. They never go back to residents saying they did not actually have their can out; they just take care of the problem.

Council Member Checketts asked about service for those who are elderly or who have had surgery and cannot get their cans out, and asked if the drivers can get out and assist. Mr. Haderlie said that stipulation is in the contract. Council Member Checketts asked how they initiate that process. Mr. Leonelli said the resident is asked to go through the city, but they can also contact Waste Management as well.

Mr. Haderlie asked about several different letters with the CPI that were different. He said he wanted to make sure he had the correct CPI. He said it is a 12 month average and one letter said April and one said March so there were 4.9% and 5.5% but he said he wanted to verify that number. It was noted it would be at the current 5.5%.

Council Member Larrabee said they were late getting back the information to the Council and it was too late to do an RFP and he was wondering if they might want to go ahead and do a 1 year contract at the 7.5% and then they could be on probation for a year and there is a good possibility there could be a lower CPI.

Council Member Checketts said her preference would also be a 1 year contract because the Council has been having the same discussion every three years. and if they waited for a year, they can be held accountable so they can hopefully step it up.

The Mayor asked how everyone felt about that, and Council Member Kelemen said she would support that decision. Council Member Sharp said he would also support that decision.

Mr. Haderlie said if that were the Council's decision, they would start the RFP earlier so there is plenty of time to get the information into the Council. He said he did not want the same thing to happen to Woods Cross that happened with North Salt Lake so they do not get into the same problem.

Mr. Leonelli said they thought the one year option would be a great option and they would like the opportunity to show the city what they can do to improve.

Following the discussion, Council Member Checketts made a motion to approve resolution 2024-867, a resolution extending the waste contract with Waste Management for curbside waste pickup and hauling for the period of one year. Council Member Sharp seconded the motion, and all voted in favor of the motion through a roll call vote.

CONSIDERATION TO APPROVE RESOLUTION 2024-868 APPROVING THE CONTRACT FOR 2024 STREET PRESERVATION PROJECT

The Public Works Director continued with the floor and noted the following for the City Council:

“To continue our effort to improve the roads within the city, staff has reviewed the status of city roads and put together a project to address some roads this summer. The project was advertised and the bid opening that occurred on May 30, 2024, was for the following roads:

- Mill/Overlay (see attached maps)
 - o 675 W between 1500 S and 1300 S (within the City water line project area)
 - o 1800 S between 800 W and 925 W
 - o 2025 S between 865 W and 925 W
 - o 865 W between 2000 S and 2049 S

For FY25 there is currently budgeted \$600,000 for Street Maintenance. After this project there is still \$287,574 remaining budgeted for other street maintenance projects, including sealcoats, crack seal and an additional mill/overlay of a road if budget allows in the spring of 2025.”

The bids were as follows:

CONTRACTOR	Bid Amount
BHI	\$318,915.00
BLACK FOREST PAVING	\$312,426.00
KILGORE	\$390,550.00

The Public Works Director noted he has worked with Black Forest Paving before and recommends the City Council approves awarding the street maintenance-surface restoration contract to Black Forest Paving for the amount of \$312,426.00.

Following the information given, Council Member Checketts said at the senior lunch, the seniors were asking when the road on 1100 W towards the south would be fixed to not be so bumpy. The Public Works Director said that road is on the list to be fixed, but the other roads listed are in worse shape and need to be fixed first and the budget only allows for so much work to be done in a year.

There were no further questions or comments, and Council Member Kelemen made a motion to approve resolution 2024-868, a resolution approving the contract for the 2024 street preservation project awarded to Black Forest Paving for \$312,426. Council Member Larrabee seconded the motion, and all voted in favor of the motion through a roll call vote.

CONSIDERATION TO APPROVE RESOLUTION 2024-869 ESTABLISHING A PROPOSED TAX RATE AND POSSIBLE NOTICE OF INTENT TO HOLD A TRUTH-IN-TAXATION PROCESS, AND SCHEDULE A PUBLIC HEARING TO CONSIDER TAX RATE FOR 2025

The Mayor gave the floor to the City Administrator who noted the following for the City Council:

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"The purpose of this discussion is to decide what property tax revenue the city intends to collect and associated tax rate it should adopt for the 2024 property taxes in order to collect that revenue for the FY25 budget. To assist with the discussion, the following information should be considered.

General Fund Revenue – Information from the Utah State Tax Commission confirms that to date, we have received \$1,592,268 in property tax revenue for FY23. The City budgeted and asked the State to collect \$1,540,095 so we have collected \$52,173 more revenue than anticipated. This is likely due to a slightly higher collection rate than was calculated by the State.

The State Tax Commission informed us that we will receive \$66,962 in new growth property tax from the \$64,310,246 Eligible New Growth. This brings the FY24 property tax revenue to \$1,560,350. This is shown in lines 10-31-100 and 150. The budget balances with this amount of property taxes with \$1,927 revenue over expenses.

Truth In Taxation – In order to collect any additional revenue than the \$1,743,083 set by the 2024 Certified Tax Rate, the City will need to follow the Truth In Taxation (TNT) requirements. In the tentative budget message, we included the following paragraph on budget expenditures that could be considered for a tax increase:

While the Tentative Budget as presented is balanced, it requires using \$29,451 of the General Fund, fund balance (expenses exceed revenue), the Council should consider if property taxes need to be adjusted to keep pace with inflationary factors and increased costs such as:

1. The South Davis Fire District increase of \$46,841
2. Wage and benefit increase in the police department of \$228,451 for FY25
3. Revenue to cover Capital Projects and Ongoing Fund Requests that are not included in the tentative budget.
4. Setting money aside for future park and city hall updates.

"For these reasons, we offer the following options for the 2024 (FY25) property tax rates using the average value of a single-family dwelling of \$502,000, as provided by Davis County. It should be noted that any of the last four options will require a Truth In Taxation Process. The Council may also set a proposed property tax rate at a higher rate today and then adopt a lower rate at the Public Hearing/Rate Adoption held before September 1, 2024.

"Staff noted they recommend approving the resolution for the City Council to set a proposed tax rate to collect the anticipated revenue. While adopting that resolution we must:

1. Set the proposed tax rate that corresponds with the desired revenue.
2. Set the date and time of the public hearing in August. This meeting must be held after any other city meeting. We currently have Tuesday July 30th at 6:30 or Tuesday July 7th after the regular city council meeting set aside with Davis County Auditor's office.
3. Set the date and time before September 1 to hold a council meeting to adopt the final budget and proposed tax rate.'

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The City Administrator asked if the Council wanted to raise taxes enough to fund the capital projects that the staff has identified that could be funded through fund balance. He said they had also talked about fund balance and money being put into the Capital Projects also helping for the future with these other projects. The council has different options for possible tax rates.

Council Member Checketts asked if the 16.12% rate that was shown covered everything including the Fire District and part of the police wages as well as dispatch. The City Administrator said he had not looked at dispatch but that the tax increase was intended to cover the public safety costs.

Council Member Checketts also asked if the increase would help with plans for a new city hall and the City Administrator said it would help with those future plans.

Council Member Sharp noted that if the 16.12% was approved, it would not necessarily mean that amount would be assessed but the amount could be assessed up to that percentage and that it could be lower, depending on what was decided.

The City Administrator said he wanted to make sure the public is aware that the 16.12% is the highest it could be, but as more information comes in during the extra two months allowed by holding a Truth in Taxation process, they could have a better idea of what it will need to be set at. It was noted that education for the public is critical. The sales tax report is two months behind in reporting so in the next two months we will have a better picture of where the tax rate should be set.

The Council reviewed the different options for the tax rate and the information that was given by the City Administrator on the average cost of home values and other things that could affect the tax rate.

Council Member Checketts said the Council had agreed they would try to keep the tax rate in line with inflation so that a large tax increase would not be needed and that small increases would help to keep things in line.

Council Member Sharp said he felt like the 16.12% was good to go with as they continue to go through the budgeting process and see where things end up. He said he did want to make sure there was money set aside for a new City Hall and park improvements because those are important.

Council Member Larrabee asked where the rest of the public safety funding would come from if it is only partially covered. It was noted it would be covered but there would be no ability to do any capital projects. He said he would like to move ahead with the 16.12% but he did want to make sure those on a fixed income would be considered as the taxes are raised.

The Council also discussed the date of August 6th for the Truth in Taxation public hearing. There was also discussion on having an open house from 6:00-6:30 for public comment.

Following the information given, Council Member Sharp made a motion to approve resolution 2024-869, a resolution establishing a proposed tax increase rate of 16.12% and the possible notice of intent to hold a Truth-in-Taxation process and schedule an open house on August 6th at 6:00 P.M. followed by the Truth-in-Taxation public hearing for August 6th, at 7:30 P.M. to consider the tax rate for 2025. Council Member Larrabee seconded the motion, and all voted in favor of the motion through a roll call vote.

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The Council also discussed a time for a work session to be held on August 16th, at 5:00 P.M. before City Council meeting.

FRAUD RISK ASSESSMENT

The Mayor gave the floor to Mr. Brian Passey, who serves as the Finance Director for Woods Cross, and took questions from the Council. He noted the following for the City Council:

“Given to the Council is a copy of the self-evaluated Fraud Risk Assessment for FY 2024, certified by Bryce and myself. We received 360 points, placing us in the Very Low category. I wanted to take some time and explain areas where we missed points this year and how we could make improvements in FY 2025.

Under Question 1. “Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?” We had 2 items where we have mitigating controls:

- For item #3, our Treasurer is able to both collect cash or check payments and adjust customer accounts. To mitigate this, I review a transaction register every month that details all billing and payment adjustments on customer accounts as part of my bank reconciliation and preparation of the financial statement.
- For item #9, The City Council is able to view each expenditure made by procurement card on the check register submitted to Council for approval.

Under Question 2. “Does the entity have written policies in the following areas:” We have current policies for (a) Conflict of Interest, (b) Procurement, (c) Ethical Behavior, (e) Travel, (f) Credit/Purchasing Cards, (g) Personal Use of Entity Assets, (h) IT and Computer Security and (i) Cash receipting and deposits (adopted this evening). We do not have a current written policy for (d) Reporting Fraud and Abuse, and I will work with Mark Bell and Bryce to draft a written policy for (d) Reporting Fraud and Abuse over the course of this next year. Additionally, we will need to update (f) Credit/Purchasing Cards this year as well.

Under Question 3. “Does the entity have a licensed or certified expert as part of its management team?” Cindee Colby, our Treasurer, has CPFA certification and I am CGFM certified through 12/31/2025 and plan to maintain it.

Under Question 4. “Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?” I understand that Annette ensures this is accomplished each year, and I thank her for it.

Under Question 5. “Have all of the board members completed the State Auditor online training at least once in the last four years?” This was completed.

Under Question 6. “Does at least one member of the management team receive at least 40 hours of formal training related to the accounting, budgeting, or other areas each year?” I attended the Utah Government Finance Officers Association (UGFOA) conference and NUAGA) Northern Utah Chapter of the Association of Governmental Accountants) conferences during the year, totaling 48 hours between these 3 events. Moreover,

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I attended the annual GAAP Update conference sponsored by the National GFOA Utah City Managers Conference in the fall, as well as other less formal finance training and conferences.

Under Question 7 “Does the entity have or promote a fraud hotline?” We have an email address fraudhotline@woodscross.com and can promote it more.

Under Question 8 “Does the entity have a formal internal audit function?” We do not have a formal internal audit function.

Under Question 9 “Does the entity have a formal audit committee?” We have a formal audit committee and had one meeting this past year to discuss our Fraud Risk Assessment.

There was discussion on the above items, and it was noted the city was still low on the scoring for fraud risk.

The Mayor and Council thanked Mr. Passey for his time and effort on this matter.

COMMUNITY SERVICES REPORT

The Community Services Director, LaCee Bartholomew reported the following to the City Council:

Summer Recreation: Tried adding Mountain View Park into the rotation for the summer, it was not as successful as we hoped. Great attendance for our Biz Kids Program, and Junior Police Academy. 1350 seats were sold this year throughout the summer recreation program.

Summer Literacy: Over 200 books were passed out at our first event of the summer. Next one is June 21 with Loveland Planet Aquarium at Hogan Park.

New Event: Excited to partner with Woods Cross Police Department for Cruze with the Blues for this fun community event taking place at Mills Park on June 21. Kids bike parade and movie in the park.

Memorial Day: Largest crowd of the last five years. Cost of the tents increased dramatically, and we are anticipating another increase next year as well. Food costs were covered due to donations and after the event purchasing.

The Mayor and Council thanked the Community Services Director for all her hard work and for making all of these event's fun and successful.

POLICE REPORT

The Mayor gave the floor to the Police Chief who went over the following report with the City Council.

DISPATCHED CALLS

2024
Jan—445

2023
Jan--735

YEARLY
2023—6,867

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Feb—419	Feb—603	2022—10,155
March—448	March—702	2021—9,106
April—501	April—712	2020—10,473
May—526	May—771	2019—11,368
June—	June—716	2018—11,600
July—	July—906	2017—11,411
Aug—	Aug—511 (Spillman)	2016 – 12,393
Sept—	Sept—511	2015—12,819
Oct—	Oct—448	2014 –9495
Nov—	Nov—353	
Dec—	Dec—410	
Total—2,339	Total—6,867	

ACTIVITY REPORT

Mar-May 2024 Traffic Citations

	<u>Mar</u>	<u>April</u>	<u>May</u>
Total Citations	149	104	110
Traffic Officer	38	15	15

241 New Cases opened in May 2024

TRAFFIC OFFICER

Agency Assist Traffic Stop-1
 Ped Stop-1
 Hit/Run Accident-1
 Accident-2
 Wrong Way Driver-1
 Motor Assist-1
 Citations-15
 Violations-24
 Total Cases-78

USE OF FORCE REVIEWS

1 Use of Force-Gunpoint-No injuries

DEPARTMENT ACTIVITY

-National Police Week-Breakfast and Lunch for Officers
 -New Officer Interviews
 -CJC Symposium
 -Hosted Women in Command Training
 -WX Elementary Tour—60 Kids
 -Memorial Day WX Event and 5k Run

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WOODS CROSS HIGH SCHOOL ACTIVITIES—May 2024

- Graduation ceremony
- Senior Overnight Sleepover at WXHS

DETECTIVE DIVISION

- 19 Persons Crimes/Sexual Assault/Active C.A.N.R. cases (child abuse neglect report)
- 18 Active Theft/Property/Fraud/Assault/Death cases for the month of May

ICAC

No ICAC assists in May 2024

ORDINANCE ENFORCEMENT

- 8--New Cases were received and opened from the public
- 6--Cases resolved/closed successfully
- 2--Pending Resolution
- 7--Notices sent
- 1—Citation

Chief Bigelow noted Josh Smith had graduated from the Police Academy and that there had also been an offer made to a West Valley Officer to come to work at Woods Cross City and they would be starting on July 1st.

CITY ADMINISTRATOR'S REPORT

The City Administrator said he had nothing further to report.

QUESTIONS/DIRECTION TO CITY ADMINISTRATOR OR STAFF

Council Member Checketts said there had been a gentleman who had come to City Council wanting a “no outlet” sign posted on his street but it was noted the street sign is covered by tree limbs so those would also need to be trimmed to see the “no outlet” sign when it is installed on that street.

The Mayor mentioned several places in the city where weeds are getting very tall and need to be taken care of. The Chief said he would look into taking care of the matter.

COUNCIL REPORTS

Council Member Larrabee said Wasatch Integrated passed the Diversion Incentive Policy after much discussion and that is a good thing. LaCee asked if weekly recycling would be considered, and it was noted it would be the Council’s decision. The City Administrator said the cost would double if the pickup were weekly, but residents could get a second recycling can, which would be a less expensive option.

The Mayor noted the fire district had their budget public hearing and there were no comments. He said they had voted to cover the .7% increase of the firefighters.

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The Mayor said the recreation district had chosen two new board members, and that information on who had been chosen would be coming after they have been extended the invitation, confirmed the offer and are presented at the next board meeting. He said they had gotten some very good candidates and decided to make sure there were no more than two people on the board from one city to make sure as the votes were taken that it would be fair to all cities. He said he feels like there is good progress being made on the finance side and in other areas at the recreation district.

RECESS TO RDA MEETING

At 8:30 P.M. Council Member Kelemen made a motion to recess to RDA meeting with Council Member Checketts seconding the motion and all voted in favor of the motion through a roll call vote.

RETURN TO CITY COUNCIL MEETING

At 8:37 P.M. Council Member Checketts made a motion to return to the City Council meeting from the RDA meeting with Council Member Kelemen seconding the motion and all voted in favor of the motion through a roll call vote.

CLOSED SESSION

At 8:38 P.M. Council Member Sharp made a motion to move into closed session to discuss items pursuant to UCA § 52-4-205. Council Member Larrabee seconded the motion, and Council Members Sharp, Larrabee, Checketts and Kelemen all voted in favor of the motion through a roll call vote.

ADJOURNMENT

There being no further business before the City Council, the meeting was adjourned following the closed session at 8:38 P.M.

Wally Larrabee, Mayor Protem

Annette Hanson, City Recorder

Approved by City Council June 16, 2024