

City of La Verkin

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La Verkin City Council Meeting Minutes Wednesday, January 7, 2015 6:00 p.m. Council Chambers, 111 S. Main, LaVerkin, Utah

Present: Mayor Kerry Gubler; Council-Members: Brandon Stephenson, Richard Hirschi, Ken Hooten, Randy Reeve, and Chantelle Browning; Staff: Kyle Gubler, Troylinn Benson, Kevin Bennett, Chief Ben Lee, and Christy Ballard; Public: John & Rose Valenti, Christy & Joe Webb, Caleb Rees, John Postert, Luis Marin, Sherri Moore, Rayn & Gene Blair, Kyle Lovelady, Tiffany Mower, Blair Gubler, Angie Farr, Ashley Averett, Jeannie Willard, Martha Gubler, and Sandi Gubler.

Derek Imlay has been excused.

A. Called to Order – Invocation and the Pledge of Allegiance was given by Richard Hirschi at 6:00 pm

B. Recognitions:

1. Winterfest Committee

Mayor Gubler presented Kyle Gubler, the head of the Winterfest Committee, along with all of the event coordinators a certificate of appreciation.

2. Christmas Eve Program

Mayor Gubler presented Rayn Blair with a certificate of appreciation and a gift card for her work with the Christmas Eve program. This has been a La Verkin tradition for approximately 100 years.

3. Employee of the Year

Mayor Gubler explained this is the first year the City has done this.

A plaque will be made and hung in the office with the winner's picture for the year. This was voted on by the staff.

Luis Marin was presented with that award and given a gift certificate to Davis Market.

C. Presentation:

1. Victim Service Coordinator

Tiffany Mower reported they are currently moving toward a paperless system. Her department has purchased a Microsoft Surface which will make it possible for them to print protective orders on scene. She can also notarize them that night and file them the next morning which gets everything done before the perpetrator is released. It can also remote into the main office in Hurricane.

In 2014 Victim Services handled approximately 444 cases, 2013 had 403. 286 of those cases were family fights (aggravated assault, domestic violence, simple assault DV, and normal family fights), 23 child crimes (child abuse and sex offenses), and 125 were other crimes (elderly abuse, homicide- at least 1 per year the last few years, and 10 adult sex abuse).

Tiffany explained their cases are not one hour and done, they will spend days, months, even years attending court with or in place of the victims. The last homicide case she spent over 30 hours setting in court for the victim's family because they are not from here.

Councilman Hirschi asked if the 444 cases were for the La Verkin and the surrounding cities.

Tiffany replied they are still finalizing the case number, but so far yes.

The majority of the cases are from Hurricane but La Verkin is second and always has been.

Mayor Gubler thanked Tiffany for everything she does for La Verkin.

D. Appointments:

Karl Benson returning to the Planning Commission for a five year term.
Steve Lisonbee and Michael Hinckley returning as alternates for a one year term.

Laura Justice returning to the Board of Adjustment for a four year term.

Alan Olsen will replace Victor Iverson whose term ends January 2017.

Motion was made by Councilman Richard Hirschi to accept the names as presented by Mayor Gubler, second by Councilman Ken Hooten. Motion carried unanimously.

E. Consent Agenda: (Items on the consent agenda may not require discussion. These items will be a single motion unless removed at the request of the Mayor or City Council.)

1. Declarations of conflict of interest
2. Amended Agenda
3. Minutes: December 17, 2014 regular meeting minutes
4. Review Invoices and Checks: \$229,940.05

Motion was made by Councilman Brandon Stephenson to approve the consent agenda as written including the December 17, 2014 regular meeting minutes and the checks and invoices in the amount of \$229,940.05 second by Councilman Richard Hirschi. Roll Call Vote: Reeve-yes, Hooten-yes, Stephenson-yes, Hirschi-yes, Browning-yes. Motion carried unanimously.

F. Committee Reports:

1. Planning Commission-Councilman Hirschi reported there has not been a meeting.
2. Water Board-The next meeting is in February.
3. Sewer Board-Blair reported the next meeting will be Thursday, January 22nd.
They will begin cleaning storm drains for the City starting tomorrow.
The pump house by Purgatory has been completed, the wet well underneath the pump house needed to be replaced.
4. Fire District-Councilman Hooten reported there has not been a meeting.

G. Citizen Comment & Request for Future Agenda Items:

No comments were made.

H. Business:

1. Discussion and possible action to authorize the City to go out to bid on the 2015 Road Maintenance Project, and to approve the language of the proposed bids, specifications, and contract therefor.

Kyle explained this has been done the last several years.

Councilman Stephenson reported Derek has moved this item up in the year because the cost of fuel is so low right now and we would be able to complete almost twice as much as we did last year for the same amount of money.

Motion was made by Councilman Richard Hirschi to authorize the City to go out to bid on the 2015 Road Maintenance Project, and to approve the language of the proposed bids, specifications, and contract therefor, second by Councilman Brandon Stephenson. Roll Call Vote: Browning-yes, Hirschi-yes, Stephenson-yes, Hooten-yes, Reeve-yes. Motion carried unanimously.

2. Presentation and acceptance of the fiscal year ending June 30, 2014 financial audit-Rees CPA, Caleb Rees CPA

Mayor Gubler turned the time over to Caleb Rees from the new CPA audit company.

Caleb passed out a copy of the financial statements and thanked the Councilmembers for the opportunity to present the audit along with staff for their help in getting the information for him.

Page one is the Independent Auditors Report. This report states the audit is complete and accurate.

Page 47 is the report on Internal Control. There was one significant deficiency which has been present since 2008, it is segregation of duties. It is important to safeguard the asset of the City and create enough checks and balances. Caleb discussed this issue with Troylinn and Kyle and came up with a better way to deal with cash receipts to eliminate this finding in the future.

There were also two instances with compliance with State Laws. One is Inter-fund services provided. The City offices use water and State Law now requires the City be billed at the same rate as other utility customers are. In the past the State hasn't been really worried about tracking this but last year they started encouraging auditors to start looking for it. There are some places where meters are located and the water can be tracked, there are some places that don't have meters such as parks. Kyle and Caleb discussed this item and decided that where meters are present the water will be tracked and billed accordingly. For the areas that aren't metered, staff will come up with a good reasonable estimate as to the amount of water being used and bill the appropriate fund accordingly. This should not be a finding in the future. This does not require money to be spent, it is only accounting for the amount of water used. Two, is budgetary compliance. In the past the emphasis has been solely on the General Fund and making sure you have stayed within the budget on all general activities. However, State Law indicated that utility fund expenditures have to be within the budget. After meeting with Kyle and Troylinn it was discovered the biggest cause of going over budget was depreciation. Depreciation is recognizing the expense of a capitol asset over the life of the asset. The expense was well over the budget so staff will be working with Pelorus, who tracks depreciation for the City, and make sure the budget is more in line with the depreciation. This too should not be a finding in the future.

Those are the main reports to look for in the audited financial statements.

The next couple pages are a five year trend analysis. This will help evaluate how things are looking. In the general fund balance sheet it shows that liabilities are going down which is great. The Fund balance cannot be higher than 25%, La Verkin sets at 9%. That means the City is aggressively spending the money they are taking in.

Revenues have been going up over the last five years.

The Water Fund has almost as much cash as it does liabilities, which is very good.

The Irrigation Fund, in his opinion, needs to be watched. The cash has decreased and the net income before transfers has been below zero. He doesn't recommend increasing rates, just pay attention to it.

The Drainage Fund; cash has been increasing, liabilities have decreased, and the income remains high.

Motion was made by Councilman Ken Hooten to accept the FY ending June 30, 2014 Financial Audit, second by Councilman Brandon Stephenson. Roll Call Vote: Browning-yes, Hirschi-yes, Stephenson-yes, Hooten-yes, Reeve-yes. Motion carried unanimously.

3. Consideration for adoption of a resolution of the City Council of La Verkin City, Utah authorizing the issuance and sale of not more than \$1,500,000 aggregate principal amount of Sales and Franchise Tax Revenue Refunding Bonds, Series 2015; and related matters.

Mayor Gubler reported he and Kyle talked to a banker from Zions Bank who proposed the City combine two of the long term bonds that are on a floating interest rate. The floating interest rate has been okay for the City so far but that may change at any time. The new interest rate will be a fixed rate and would not extend the life of the bond. Combining these bonds would save about \$85,000 up front and then about \$1,000 a month after that. The down side would be if interest rates dropped drastically.

The new loan would allow us to move back to a variable interest rate without being penalized and we do have the option of paying it off early with no penalty.
The loan would be with Bank of Utah.

Kyle said the interest rate we have been paying is 5.1% and the new rate will be 2.6%. From a budgeting standpoint it is much easier to budget when the amount is set. At this current rate it would save the City about \$150,000 over the life of the bond.

The two bonds that would be consolidated are the 2006 Street Bond and the 2007 Public Works building. The resolution before the Council tonight is a parameters resolution. It is stating the bond cannot exceed \$1,500,000 not that the bond will be for that much. The actual amount is closer to \$1,400,000. He doesn't see a down side unless the interest rates bottom out. The option is still there to refinance again.

The interest rate is locked in right now which is why the agenda was amended for this item, so the legal requirements could be met within the time frame to receive that interest rate.

Motion was made by Councilman Ken Hooten to approve Resolution No. R-2015-01, A resolution authorizing the issuance and sale of not more than \$1,500,000 aggregate principal amount of Sales and Franchise Tax Revenue Refunding Bonds, Series 2015; and related matters, second by Councilman Brandon Stephenson. Roll Call Vote: Reeve-yes, Hooten-yes, Stephenson-yes, Hirschi-yes, Browning-yes. Motion carried unanimously.

I. Staff, Mayor & Council Reports:

City Administrator- Kyle Gubler

Kyle emailed his report to the Councilmembers along with the mileage report.
The Christmas Eve program went very well.

Public Safety- Chief Ben Lee

Chief congratulated Luis on receiving Employee of the Year. He is a great asset to the City, it is well deserved.

Tiffany, our victim advocate, does an outstanding job. It is an outstanding service for the community. The department has been very busy lately and she has been right there.

The department received a Public Safety Grant from the Highway Safety Office for an in-car video system along with five portable breath tests. The only cost to the department will be for installation. Pet registrations go through the end of February without a late fee. There will be two vet clinics at the Animal Shelter. Dr. Bice will be there January 17th 1pm-3pm and Dr. Wittwer will be February 28th 9am-12pm. Animal licenses can also be paid at the veterinary clinics in Hurricane.

Treasurer-Troylinn Benson

Financial statements will be handed out at the next meeting.

Mayor Gubler asked how working with the new CPA firm was.

Troylinn replied it was good. Staff did need to spend a little more time with him but he seems good.

Mayor Gubler-He would like to implement a half day holiday for the third weekend in March. When this was a very young community they had this. He would like to have some home-made ice cream, possibly a mayors walk, a soft ball game, and he would like to do a qualifying soap box derby. It would require a little bit of money from the budget. He asked the Councilmembers to think about it and it will be on the next agenda.

Thanked the Councilmembers and staff for all they have done over the past year.

Browning-The Legislature Day for Youth City Council is coming up and so far 3 of the youth would like to go.

They were able to help 3 different families through their Sub for Santa project.

Hirschi- Nothing to report.

Stephenson-Nothing to report.

Hooten-Thanked staff, especially the directors, for the wonderful job they have done the past year.

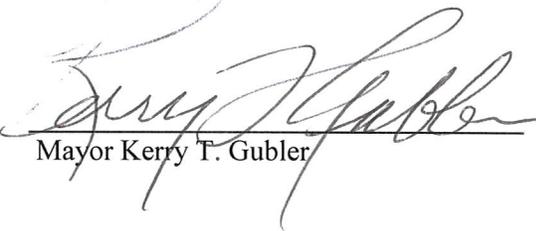
Reeve-Nothing to report.

J. Adjourn:

Motion was made by Councilman Brandon Stephenson to adjourn, second by Councilman Ken Hooten. Motion carried unanimously at 6:57pm.

Minutes were taken on behalf of the City Recorder by Christy Ballard.

February 4, 2015
Date Approved


Mayor Kerry T. Gubler

ATTEST: 
Kyle Gubler
City Recorder

