

Council Meeting
12-08-15

MINUTES OF MEETING HELD BY MORGAN CITY COUNCIL IN REGULAR SCHEDULED OPEN PUBLIC SESSION ON TUESDAY, DECEMBER 8, 2015 AT 7:00 P.M., IN THE COUNCIL ROOM OF THE CITY OFFICE LOCATED AT 90 WEST YOUNG STREET

Present: Mayor, Ray W. Little.

Council Members: Tony London, Jeff Wardell, and Mike Kendell.

It was noted that Tony London is participating in this meeting by telephone.

Excused: Council Members, Bill Cobabe and Fran Hopkin.

City Staff: Gary Crane, Attorney.

Others present: Jeff Ambrose, City Auditor.

This meeting was called to order by Mayor, Ray W. Little.

The opening ceremony was presented by Mayor Little.

The pledge of allegiance was led by Jeff Wardell.

Minutes and Warrants

MOTION: Jeff Wardell moved to approve the minutes of the November 24, 2015 meetings and two sets of warrants.

SECOND: Mike Kendell. Vote: 3 ayes, Fran and Bill not present.

Presentations

**Jeff Ambrose, Christensen, Palmer & Ambrose
Presentation of June 30, 2015 FY audit**

Jeff thanked the Mayor and Council for allowing him to perform the audit for the City. He thanked the employees, especially Julie Bloxham and Laurie Moore for their assistance. Jeff also stated Ryan Child does a great job and has the accounting finalized for the audit when it is time to prepare it.

Jeff reviewed the audit starting by referring to the changes GASB 68. He stated this audit is an un-modified or clean opinion and is the highest level that can be given. The management letter was reviewed. He stated page 4 of the audit shows the City as a whole, listing the assets, liabilities and the net position. The governmental activities saw a net increase to capital assets of \$106,919, with additions of \$306,517 and depreciation of \$199,598. The total cash in the governmental activities increased by \$203,772, of which \$124,833 was restricted and \$78,939 was unrestricted.

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Jeff mentioned the City has relatively low debt. Page 9 of the audit is the statement of activities. It is designed to show the reader what the cost of services is that the City provides. Mike asked for examples of the fees under each activity. Jeff stated under general government it would be business licenses, park fees, cemetery fees, building permits, etc.

Page 10 of the report is the balance sheet for governmental funds. The fund balance is within statutory requirements. Jeff reviewed Page 12 which is the statement of revenues, expenditures, and changes in fund balances for the general fund. He stated \$175,000 was transferred to the capital project fund.

The next several pages are in regards to the enterprise funds. Overall – cash is up in all departments except sanitation – but it is still at an acceptable level. The big change is again the net pension liability that is required to be reported as part of GASB 68. He mentioned again the City has very little debt. There is a sewer revenue bond and a loan between the water and electric funds.

The next 20 pages are the notes to financial statements. He reviewed the items on these pages, there were some new vehicles bought in the electric department and a new restroom/storage building at Riverside Park along with retention pond improvements at Circle Drive.

Pages 35 – 40 of the report are specific to the requirements of GASB 68. This section gives detailed information on pension plans that employees are provided with. Following that is the required supplementary information. There was an increase in revenue and less expense in the general fund and the balance increased as result.

The last two schedules are on pages 46 & 47 and are specific to non-major governmental funds. These include the redevelopment agency, special improvement district and perpetual care. The last pages in the report are the two required letters regarding internal control. There were no instances of non-compliance or internal control in the areas that were required to be tested.

There is only one small suggestion and that would be to incorporate conflict of interest into a formal policy.

Mayor Little asked where he can obtain the 2014 data – it is pulled from last year's audit report. It was stated it is helpful to look at these comparisons. Mike asked for info on the sewer revenue bond. These monies were used for sewer improvements.

Jeff stated if the members find anything as you look through the audit that they have questions on – please call, he would be more than willing to explain. Attorney Crane stated there is a section regarding conflict of interest in City Code. Jeff stated that is good but it would be a good idea to add it to the personnel policy.

MOTION: Jeff Wardell moved to accept the 2014-2015 FY audit as presented.

SECOND: Mike Kendell. Vote: 3 ayes, Fran and Bill not present.

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Public Hearings

- A. Public hearing – Community Development Block Grant (CDBG) – 1st public hearing to consider potential projects for which funding may be applied under the CDBG Small Cities Program for Program Year 2016

MOTION: Jeff Wardell moved to open the public hearing.

SECOND: Mike Kendell. Vote: 3 ayes, Fran and Bill not present.

Mayor Little opened the public hearing for the CDBG program and stated that this hearing is being called to consider potential projects for which funding may be applied under the (2016) Community Development Block Grant Program. It was explained that the grant money must be spent on projects benefiting primarily low and moderate-income persons. The (Wasatch Front Regional Council) in which (Morgan City) is a member, is expecting to receive approximately (\$1,000,000) in this new program year. All eligible activities that can be accomplished under this program are identified in the CDBG Application Policies and Procedures Manual and interested persons can review it at any time. Mayor Little read several of the eligible activities listed including, (Examples such as: Construction of public works and facilities, i.e.: water and sewer lines, fire stations, acquisition of real property, provision of public services such as food banks or homeless shelters.) Also eligible are loan programs for private businesses which would then hire low income persons and the program can also pay for housing rehabilitation or down payment assistance for low income homeowners). Mayor Little indicated that in the past (Morgan City) has received several grants that have included: DATC Northfront Center; handicap curb cuts; park restroom handicap retrofit; 700 East and Young Street sidewalk projects. The city has handed out its 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.** It was asked that anyone with questions, comments or suggestions during the hearing please identify themselves by name, before they speak. The clerk will include your names in the minutes and we would like to specifically respond to your questions and suggestions during the hearing.

No public present.

Mayor Little reviewed the capital improvement list and stated this outlines projects that could be considered. The hotel project is on the list and there may be a possible applicant for the funds.

MOTION: Jeff Wardell moved to close the public hearing.

SECOND: Mike Kendell. Vote: 3 ayes, Fran and Bill not present.

New Business

Update of CIP list

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The members reviewed this list and made changes that had been suggested. Some items were removed and others added, with the ranking of various projects being changed. Tony reviewed items that had been discussed at the last meeting.

Mike summarized the changes that were discussed earlier in the evening. There was an addition to the Mickelsen mile item; the word "extension" was added. The roof repair for the City office was added to the list. The Riverside Parking lot improvements, 700 East Street improvements and Sewer master plan were removed from the list. Jeff reviewed the changes to the dates for the projects.

MOTION: Jeff Wardell moved to accept the CIP list as updated.

SECOND: Tony London. Vote: 3 ayes, Fran and Bill not present.

Special Report

Tony stated Logan Wilde who is on the County council mentioned a meeting to him that was to be held on animal control. Mayor Little stated this meeting is scheduled for Thursday afternoon and he and Mike are planning on attending. It was stated the animal control officer has went to part time. This will affect the budgets.

This meeting was adjourned at 7:55 p.m.


Julie A. Bloxham, Recorder

These minutes were approved at the 01-12-2016 meeting.