

**NORTH OGDEN CITY
AUDIT COMMITTEE
MEETING MINUTES**

DECEMBER 7, 2020

The North Ogden City Audit Committee convened in a regular meeting on December 7, 2020 at 1:05 p.m. Due to COVID-19 the Committee met virtually on Zoom. Notice of time, place, and agenda of the meeting was posted on the bulletin board at the municipal office and posted to the Utah State Website on December 4, 2020. Notice of the annual meeting schedule was published in the Standard-Examiner on December 22, 2019.

Committee:

Phil Swanson	Committee Chairman
S. Neal Berube	Committee Member
Charlotte Ekstrom	Committee Member
Thayne Shafer	Committee Member arrived at 6:07pm
Randy Winn	Committee Member
S. Annette Spendlove	Committee Member

Staff:

Jon Call	City Manager/Attorney
Evan Nelson	Finance Director

Visitors:

Non present.

Chairman Swanson called the meeting to order and Committee Member Mayor S. Neal Berube offered the invocation and led the audience in the Pledge of Allegiance.

ACTIVE agenda

1. Public comments

None presented.

2. DISCUSSION ON THE QUARTERLY REPORT

Evan Nelson, Finance Director presented and stated that the State Auditor's Office implemented a process called fraud risk and we are required to undergo each year and one of the requirements is that we have a formal audit committee which the Mayor and City Council have created. This committee gives extra oversight of our financial situation. He presented the quarterly financial report through September 2020, which includes a staff report, a sheet with three different graphs, and the detailed financial report.

Chairman Swanson asked the committee what kind of information they would like presented and to introduce themselves.

Committee Member Winn's career was with retail background. He said graphs are important and he appreciates comparisons for example how we did last year.

Committee Member Shaffer is the CFO at America First Credit Union. He doesn't mind tables and numbers but wants it kept at a level that is at an advisory committee level. He suggested that the committee can ask for more information as needed.

Committee Member Ekstrom has a business here in North Ogden that is currently profitable. She stated that she has a degree in accounting from Utah State. She suggested to see what we have, what the needs are, and are needs covered. She will mostly pay attention and ask questions when they come up.

Mayor Berube is a CPA from Weber State University. Has some suggestions but open to hear what the committee says.

Director Nelson reviewed the first graph. The sales tax trend that is better than projected. Our percent change is 27% over last year. Total revenue for the General Fund is \$7,833,000. The property tax increase will be seen in December. Sales Tax is looking good. Building Permits are more than projected.

Mayor inserted that we have benefited because of grocery stores and fast-food establishments.

Director Nelson reviewed the next graph, revenues & expenditures by each fund, along with the amendment that City Council included in last City Council meeting. Nelson said that expenditures are paid out of revenues.

Mayor added that \$350,000 was taken out of the rainy-day fund along with other items to balance the budget for this fiscal year. Nelson explained what the other items are.

Committee Member Ekstrom asked if it would be easier to just say in the motor pool fund along with the General Fund. Director Nelson replied by giving a suggestion of what could be done to improve the motor pool fund.

Committee Member Winn asked why we have not done this in the past. Nelson replied that it is hard to set that money aside in this fund because of all the other needs in the General Fund.

Mayor also added some explanation. He said he would like to see the commitments that the city currently has and how they will be funded.

Jon Call, City Manager said that the motor pool fund is required to be funded in the way we are funding now by city code 3-3-1.

Committee Member Shaffer asked Evan to walk through the process of amending the budget, which Director Nelson did.

Jon Call stated that the last amendment to the current fiscal year budget reduced use of the rainy-day fund to about \$180,000.

3. UPDATE ON THE 2020 FISCAL YEAR AUDIT

Evan presented and stated that the 2020 annual audit is underway, and the plan is for the audit report to be made to this group on December 21st and the report to be presented to the City Council on December 22nd. He added that the City contracts with a separate firm for financial statements and years end reports.

Mayor added that State Law says our Audit is due by December 31, of each year.

4. DISCUSSION ON THE NEXT AUDIT COMMITTEE MEETING

Chairman Swanson stated that there will be a committee meeting on December 21, 2020 at 1pm and we will be discussing the 2020 Audit. Packets will go out Thursday the 17th. He added that the following items will be discussed.

- short presentation on the motor pool process and City Code 3-3-1.
- financial commitments the City has outstanding.

- review of reinstatement list (these are items that were taken out of the budget to make it balance).

5. **Public comments**

None presented.

6. **COMMITTEE MEMBERS/STAFF COMMENTS**

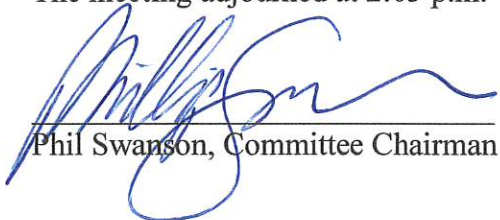
None presented.

7. **ADJOURNMENT**

Committee Member Ekstrom motioned to adjourn the meeting. Committee Member Shaffer seconded the motion. All in attendance voted in favor.

The motion passed unanimously.

The meeting adjourned at 2:03 p.m.



Phil Swanson, Committee Chairman

Katie Gerard
City Recorder

4/15/21

Date Approved