

**NORTH OGDEN CITY
AUDIT COMMITTEE
MEETING MINUTES**

February 17, 2022

The North Ogden City Audit Committee convened electronically-only on Zoom at 6:02 p.m.

Recording can be found on YouTube:

<https://www.youtube.com/channel/UCriqbePBxTucXEzRr6fclhQ/videos>. 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 February 14, 2022. Notice of the annual meeting schedule was published in the Standard-Examiner on December 16, 2021.

Committee:

Phil Swanson	Committee Chairman	
S. Neal Berube	Committee Member	
Charlotte Ekstrom	Committee Member	
Thayne Shafer	Committee Member	(excused)
Randy Winn	Committee Member	
Susan Nance	Committee Member	

Staff:

Jon Call	City Manager/Attorney
Jami Jones	Finance Director

Visitors:

NONE

Chairman Swanson called the meeting to order, and Committee Member Ekstrom offered the prayer and led the audience in the Pledge of Allegiance.

CONSENT AGENDA

1. DISCUSSION AND/OR ACTION TO CONSIDER DECEMBER 21, 2021, AUDIT COMMITTEE MEETING MINUTES

Committee Member Winn moved to approve the December 21, 2021, Audit Committee Meeting minutes. Committee Member Ekstrom seconded the motion.

The motion passed unanimously.

ACTIVE AGENDA

2. PUBLIC COMMENTS

There were no public comments.

3. DISCUSSION ON THE QUARTERLY REPORT

Finance Director Jones presented the 2nd quarter fiscal report utilizing a slide show, including year-to-date numbers. The report showed revenues at 51% and expenses at 45%. She commented that the 51% was mainly due to property taxes received in December. She then reviewed the Aquatic Center, stating that their season opens on Memorial Day, which straddles a fiscal year, and with revenues coming in at the end of April. Next was the Water Fund, with a 45% on revenues and a 55% on expenditures. She mentioned there had been a lot of water line main breaks. Power pumping costs came in at about 60%. There were also line items for new meters for homes, expensed at 88%. Next was Storm Water at 47% revenues and 52% expenses, and Solid Waste at 48% revenues and 53% expenses. She mentioned that the increase on the expense side was waste hauling and transfer station fees. She commented that this was above what they had budgeted, and she predicted they would be off budget on the bottom line on just about every one of their enterprise funds, though she was not too concerned just yet.

Finance Director Jones continued by stating that Licenses and Permits was at 68%; Building Permits were at 79% for the year; Entered Governmental revenues were at 35%. They were waiting on the victims advocate grant, which had had received about \$9,000 this past week. She mentioned the B&C Road money. She also mentioned changing the adjustments for the Aquatic Center, and a sports site clearing account that helped to identify clearly where the funds should be allocated. The Council was at 76% right now, due to the election fees collected right at the beginning of the year. She mentioned Liability Insurance, and Administration. Administration was undergoing a staff shuffle, with one position not currently filled. Public Works was a negative, but was slowly becoming a positive.

Moving to slide #3, Finance Director Jones commented that the General Fund jumps with the property taxes coming in, but the rest of the funds were stable. There was an outlier for the Aquatic Center because most operations were run in the first quarter. There was a huge expenditure in Storm Water, skewing its numbers.

On the next slide, year-to-date quarterly sales taxes were at 18%, reflecting revenues received in November. Finance Director Jones commented that it looked like a very close estimation, and it seemed like they were not coming close to the actual. They were pleasantly surprised with the sales tax revenue, and felt that maybe they should have estimated it a little closer.

City Manager/Attorney Call mentioned that they had not increased the projection to make sure they had cushions. They hadn't increased over last year's budget. It was conservative, which was wise.

Finance Director Jones gave an update on the Financial Department, stating they had hired a new accountant, named Kristi. She was a fantastic addition. Jones also stated she wanted to review the fraud risk assessment for the next meeting. It would be due in June. She also reminded everyone of the fraud helpline information that was available on the website.

Committee Chairman Swanson opened the floor to questions. City Manager/Attorney Call praised Finance Director Jones for her fine work. Committee Member/Mayor Berube asked for some refreshing on the Capital Projects. Finance Director Jones reviewed those numbers. Berube stated they would have a good start for the long term projects they were looking at. He then asked if they had started spending money on the public safety building. Jones stated they had spent about \$400,000 on that project so far.

4. **DISCUSSION ON 2021 FISCAL YEAR AUDIT**

(Included in the discussion above.)

5. **DISCUSSION ON AUDIT COMMITTEE MEETING SCHEDULE**

The next meeting was set at April 28, 2022, at 6:00 p.m. Committee Member Nance stated she would send out a notice to the group.

6. **PUBLIC COMMENTS**

There were no public comments.

7. **COMMITTEE MEMBERS/STAFF COMMENTS**

Finance Director Jones commented that if there was anything she needed to prepare for next meeting to please let her know. She would plan to review fraud risk assessments.

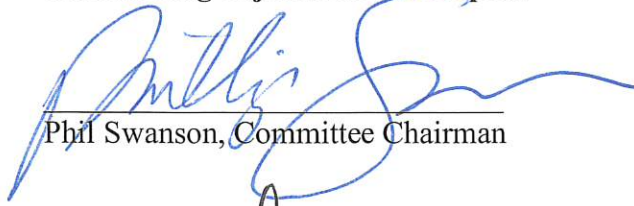
When asked about the ethics policy, City Manager/Attorney Call stated he had modified it significantly. He would send it to Committee Chairman Swenson and Committee Member/Mayor Berube. There was then a brief conversation about inflation and that the City would need to assess property taxes and salary increases.

8. **ADJOURNMENT**

Committee Member Ekstrom moved to adjourn the meeting. Committee Member Winn seconded the motion. All in attendance voted in favor.

The motion passed unanimously.

The meeting adjourned at 6:35 p.m.



Phil Swanson, Committee Chairman


Susan L. Nance, CMC
City Recorder/Committee Member

April 28, 2022
Date Approved