

AMERICAN FORK CITY COUNCIL
APRIL 19, 2022
WORK SESSION AGENDA

Members Present:

Kevin Barnes	Council Member
Staci Carroll	Council Member
Ryan Hunter*	Council Member
Rob Shelton	Council Member
Clark Taylor	Council Member

Staff Present:

Stephanie Finau	Deputy Recorder
Cherylyn Egner	Legal Counsel
Cameron Paul	Police Chief
Aaron Brems	Fire Chief
George Schade	IT Director
Scott Sensanbaugher	Public Works Director
Patrick O'Brian	Development Services Director
Anna Montoya	Finance Director

The American Fork City Council met in a work session on Tuesday, April 19, 2022, in the City Hall, located at 31 N. Church Street, commencing at 4:04 p.m. The agenda shall be as follows:

1. Discussion on the Fiscal Year 2023 General Fund and Fleet Fund.

Council Member Taylor excused Mayor Frost absence and stated he will be filling in for him.

Finance Director Anna Montoya stated that the City has approached the end of the current fiscal year and will have a Budget Open House to adopt a tentative budget in May. This will be the Council's last work session before that happens and in June the Council will adopt the final budget. She presented the Council with numbers representative of the 10-year trend for the general fund that shows the revenue expenditures. The last five years have seen significant change with the general fund. American Fork has had a balanced budget and in 2016-2019 the City had expenditures slightly over revenues. Since 2019 the City has had a surplus. In 2019 there was a fund balance of under \$3 million dollars to a fund balance of \$11 million in 2021. The excess is held in the reserve account.

Ms. Montoya went over the General Fund Expenditures:

- Public Safety (Fire and Police) – 49% of general fund
- Community Services (Parks, Library, HR) - 11%
- General Services (Administration, Legal, Executive) – 8%

- Public Works (Streets, Engineering, Building Maintenance, Planning & Building Inspection) – 16%
- Personnel – 65% of general fund
- Operations (professional services) - 23%
- Capital – 4%

Council Member Shelton asked if Capital included the road budget as well as fleet budget. Ms. Montoya answered affirmatively. He asked where the City would fund its roads. She explained that there are two portions of road expenses: road maintenance is included in the general fund and road improvements is a separate capital projects fund. Council Member Shelton asked if road maintenance was in operations or capital. She answered that it would be in operations.

Ms. Montoya went on to break down the **Fund Expenditure by type**:

- Personnel is increasing 9.1%
- Operations increasing by 20.3%
- Capital – 11%
- Transfers – 34%

Increase is due to three main factors:

1. Inflation is affecting everyone and driving up the prices of goods and services
2. Unemployment is low and there is a competitive wage market
3. City is growing with a lot more services needed, and they need qualified people to service the community

Fund Expenditures by Department

- General Government – 9.7%
 - Personnel Increase – proposing to add full-time Assistant City Administrator
 - Change part-time Customer Service Representative to full-time
 - Operations – decrease due to no election in fiscal year 2023

Council Member Barnes mentioned that he thought Camden Bird was hired as the Assistant City Administrator and he picked up four or five departments. He wanted understanding why another one needed to be hired. Ms. Montoya said there are more duties than the position has capabilities for. The intent is to separate those duties to be more administrative and allowing the Community Services Director to be more focused on the Parks, Libraries, and the Cemetery.

Council Member Taylor asked if Mr. Bird was the City Community Service Director. Ms. Montoya answered affirmatively. Mr. Bird has been performing a lot of extra administrative than is reasonable to ask a single person to take on. Council Member Taylor asked if Mr. Bird would fill the full-time City Administrator Assistant. Ms. Montoya said that was her understanding. There was subsequent discussion on the matter, and Ms. Montoya continued to present the following information:

- Community Services – 14.4%
 - Personnel Increase – add PT Communications hours, add FT Forester (Tree Management), add PT Spanish Outreach Liaison (Library)

- o Operations – add Tree Management Division and Inflationary increases in Library & Parks Division
- o Capital – Forester vehicle, equipment & outfitting

Council Member Shelton felt that the money spent on trees was too much. He thinks that money could be better spent on code enforcement rather than trees. He does not see 2,080 hours a year dedicated to forestry issues, especially during the wintertime. He suggested the City outsourcing for a good Forester or tree service program and they could save by not having to buy equipment.

Council Member Taylor thought that tree management is essential. He felt having a contractor under a yearly contract for that purpose would be money better spent. Council Member Carroll noted that the City had a lot of old, big trees and if they were focusing solely on code enforcement maybe those trees wouldn't get attention. She doesn't think it makes sense to have a full-time Forester.

Council Member Shelton asked if the part-time communications position would be moving to full-time. Ms. Montoya stated that it would give them more hours each week, not necessarily full-time. It would help to produce more videos instead of just written communication.

Council Member Taylor stated that the City has a great team in communications right now and the City is lucky to have them. Other Council Members agreed.

Council Member Shelton asked what the Part-Time Spanish Outreach Liaison for the library entailed. He mentioned senior missionaries who did tutoring before and asked if the position could be of that nature. He asked if there was that much work and demand in Spanish outreach.

- Police – 10.6%
 - o Personnel Increase – they've requested six officers, the finance department is proposing three. Adding two PT Record Specialists (GRAMA)
 - o Operations – significant dispatch fee increase, fleet fuel inflationary increases, increase in training appropriation
 - o Capital Increase – CY: five replacements, three additional, and two unmarked. PY: 8 Vehicles

Council Member Shelton asked if they were just going to be patrol officers. Chief Cameron Paul said yes, the additional officers would go to patrol. In asking for six, there were specialties they were looking for, but the priority is for patrol.

Council Member Shelton asked about records for GRAMA request and asked about the amount of part-time currently working. Chief Paul replied that there is no one focused on just GRAMA requests; it is split between several administrative positions. He added that part of the problem they are having is the increase in requests for body cam footage, dash cam and reports. They haven't been able to stay afloat with all the requests within the allowed time requirements, especially with being able to review all the videos before sending them to prosecutors and other entities. This opens up issues of liabilities when we release something that they potentially shouldn't have according to state statute. Part of the responsibilities of the new positions would assist with video review.

Chief Paul also stated that he'd like to keep the in-house position for GRAMA request due to confidential informants and issues that the police department has more experience to respond to. If it was under an administrative umbrella, they might not have the familiarity with the police department operations. He further explained the volume of work this position takes on.

- Fire
 - Personnel Increase – add one firefighter/paramedic
 - Operations – fleet fuel inflationary increase
 - Increase in medical supplies and ambulance assessments (offset by ambulance revenue)
 - Capital – decrease 6.6%, prior year battalion chief truck, none this year

Council Member Shelton asked how many firefighters/paramedics are needed to staff the new Fire Station 52. Chief Aaron Brems replied that the goal is six to staff a whole other ambulance. That would give us five ambulances and two firetruck staff 24/7. The additional one needed right now will complete the ten staff and fill that gap. He mentioned with the new station there will be more room to house the new ambulance.

- Public Works
 - Personnel Increase – 8.7%: part-time Admin Assistant changed to full-time, add full-time Streets Public Work Technician
 - Operations – Inflationary increase for building maintenance, development inspections & reviews increase for engineering, increase road maintenance, and increase sidewalk repair
- Developmental Services
 - Reorganized department to include planning and building inspection
 - Personnel increase 5.0% - part-time Admin Assistant changed to full-time
 - Operations - 126.7%: Increase plan check fees and inspections to meet demand and increase to professional services (State required low/mod income housing plan)
- Expenditures – Other
 - Recreation increase – 10%: increase department programs and increase to part-time programs staffing
 - Senior Center – 64.8%: Increase in part-time admin & senior programming

Ms. Montoya went over the General Fund Revenue as a review to the Council. The majority of revenues are coming from taxes: 61%. 30% are charges for services, which includes inspection revenue, permit revenue, and ambulance fees.

Council Member Shelton mentioned the lease from the court and how that increase will go to the general fund. He said he was hoping that increase would go to the police department. Ms. Montoya replied that it wasn't in this budget and that it was being negotiated with the State. When the City does have agreement from them it will be entered into the budget. Council Member Shelton asked for a copy of that agreement.

Council Member Taylor mentioned that they had talked about the police department taking over one more floor. Ms. Montoya stated that it is part of the negotiation submitted and that the courts could negotiate the terms but not the lease price. Council Member Barnes suggested that the agreement come to the Council before it's finalized. There were further deliberations.

Ms. Montoya continued with the General Fund Revenues. (See packet)

- Licenses/permits 46.4% due to development revenues
- Intergovernmental 3.9% increase due to grants we didn't have last year
- Charges for services 35.2%
- Other fees increase 3.0%
- Fines/Forfeitures 3.2% - interest is going down
- Miscellaneous 8.8%

Council Member Shelton asked about the ARPA funds: does that mean the ARPA is already accounted for or are we getting it in the future and then consider it in the budget that time? Ms. Montoya replied it was budgeted in the general fund and was planning to use it for capital funds and not included in the general fund. Council Member Shelton said that it did change what was sent to the Council on expenditures on the irrigation system. When it came to Council it wasn't accounted for ARPA so he asked if could get an update on that since it changed what was presented to the Council. Ms. Montoya said they could update that for him.

Council Member Barnes asked about the increase in the license and permit increase. He wanted to know if it was more licenses and permits or higher fees accounting for the nearly 50% increase. Ms. Montoya replied that in 2021 they had around \$2 million in permit revenue. In 2022, they budgeted for \$1.386 million. They are trueing up to actuals: it reflects what they're actually getting.

Ms. Montoya went over the property tax rate scenario discussed from the last work session. They were directed to go with the 5% rate increase from .001448 to .001948 that gives us a 38.57% increase in the general fund (\$1.7 million). Per household, this is \$169 per year, or about \$14 per month. She showed the Council a draft notice of proposed property tax increase in American Fork. They have proposed to use a portion for public safety and road maintenance and the remainder would go into capital projects for road improvements.

Council Member Shelton asked the difference between maintenance and improvements on roads. Mr. Sensenbaurer replied that maintenance is something already being done: crack sealing, some of the chip sealing, and projects that are done in-house that lengthen the life of the road. Road improvements would be related to reconstruction.

Council Member Shelton asked why there are two categories for road maintenance and road improvements because of clarity for the community. Ms. Montoya clarified, and noted staff would communicate this to the public.

There was a discussion about the 5% tax increase. The next steps in the budget approval process were then reviewed.

**Council Member Taylor excused at 5:21 pm*

Ms. Montoya finished presentation with the General Fund Revenue: Taxes and Fleet Fund. She went over the fleets purchased this year compared to last year. They are requesting additional police vehicles and an ambulance. They are not requesting any water vehicles; however, they are requesting a tree maintenance vehicle. She stated May 3 will be the Budget Open House and work session to discuss the property tax issue and May 10 is the adoption of the budget.

2. Adjourn.

The Meeting adjourned at 5:23 pm.

A handwritten signature in blue ink that reads "Stephanie Finau". The script is cursive and fluid.

Stephanie Finau
Deputy Recorder