

of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Payson City as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Basically, Payson has an unmodified opinion, a clean opinion, and the best opinion available for a financial audit. The Management's Discussion and Analysis includes a comparable from the prior year and highlights. The Statement of Net Position shows the total position of the City with governmental activities at 49+ million and business-type activities at 67+ million. The Statement of Activities breaks down to each department and shows an increase in net position of 7.6+ million in governmental activities and 9.7+ million in business-type activities. The Governmental Funds Balance Sheet breaks down the general fund and capital projects. Despite the pandemic, sales tax still increased. The city's net position fund balance is 6.4+ million at the end of the year. Enterprise funds show two new bonds in water with an increase of 4.5+ million and sewer with an increase of 2.5 million. The notes backup the financials. Note 6, Capital Assets, shows assets purchased this year and shows a restatement of the road infrastructure. There are still some open construction activities in Enterprise Funds. Changes in Debt and Long-Term Obligations show a pay-down of \$882,945 in bonds and leases in the governmental fund and \$1,382,256 in the enterprise funds. The report on internal controls determines audit risk. The state requires looking at different items each year and is reflected in the State Compliance Report. The management letter includes a finding relating to the general fund balance exceeding 25% of revenue, which was because of CARES funds received. The City should appropriate or transfer these funds to keep within 25%. The CARES funds received totaled \$837,293, which required a single audit for the federal government. The threshold is \$750,000 and the City received a total of \$1,050,781 from federal grants. The City is doing an excellent job maintaining its books and records.

Discussion that the City has received the finding of going over 25% in the general fund a few times over the years. The Legislature will be addressing a bill to increase this 25% so cities with a reserve don't receive a finding. Staff implements new policies to keep in line with the standards. If a city continually goes over the 25%, it will be required to implement a corrective action plan to mitigate the problem. The easiest way to correct the problem is by transferring to future projects. Page 28 shows the pressurized irrigation bond payoff as 2024, and it should be 2040. It is shown correctly on page 68. A comfortable bonding range for cities the size of Payson is unclear. Some cities don't bond at all while others are high in bonding. Bonding rates are very low right now so the City may need to look at infrastructure needs. Through discussions with Zions Financial, some city bonds cannot be refinanced. Staff will look into taking advantage of the low interest rates and if it can be done in a safe manner for the residents. When funds are moved to capital projects, there is really no time limit; only impact fees have a time limit of six to seven years.

6. Discussion regarding dog park to be located at Hollow Park (6:55 p.m.)

Dave Tuckett stated the City received PARC tax funds for a dog park. Different locations have been identified, but residents have been upset to have it in their neighborhood. Two locations have been identified without success. Several staff and elected officials looked again at different areas of the City and the logical park is Hollow Park, which is 17 acres and further away from residential houses.

Tracy Zobell stated construction should happen in the spring so a decision needs to be made quickly. The dog park would be located centrally east/west in Hollow Park about 100 yards off 800

South where a grove of trees will be grubbed out. A decision needs to be made in the next couple weeks, or it will be pushed off until the fall. He already has a bid to do the work, which is guaranteed for 90 to 120 days.

Mayor Wright stated he knows a lot of things were considered regarding this location, and it's next to a collector road. There are a lot of people who like to walk dogs in this 17-acre park. It is a great place for a dog park, and there has been a lot of interest for a dog park. The location is far enough removed from residents; at least a block away on either side.

Discussion regarding additional parking. Additional parking just for the park has been discussed for six or seven years. A parking area on the northwest side can be installed along the collector road. Parking can be addressed very easily.

Councilmember Christensen stated he would like to be fair and forthcoming with the public by giving notice and allowing comments, which can be addressed in two weeks. Hollow Park is a great park for a dog park. The dog park conversation came upon Facebook last week so he will put this information on Facebook.

Councilmember Hulet thinks Hollow Park is a good spot for a dog park; a small park in a bigger park. He's okay putting the information out and addressing it in a couple weeks.

Councilmember Hiatt agreed that the information needs to go out to see what people have to say. In Arizona, dog parks are right next to the houses, and residents don't seem to have a problem. The dogs are there to play and run around. It will be fenced, and she doesn't see a problem.

The consensus is to put the information out on social media, etc. and address it at the next meeting.

D. ACTION ITEMS (7:10 p.m.)

MOTION: Councilmember Hulet – To amend the agenda as the Mayor considers. Motion seconded by Councilmember Christensen. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet. The motion carried.

2. Final plat for Villages at Arrowhead Park, Plats E and F (7:11 p.m.)

Staff Presentation:

Jill Spencer stated the Villages at Arrowhead Park is a large master-planned development east of I-15 along Arrowhead Trail and close to Salem City. It includes a variety of housing products with a lot of sensitive lands in the area. The preliminary plan for plats E and F was approved a couple months ago. Staff is in favor of approval contingent upon satisfying the conditions of the preliminary plan, addressing the redline comments, and approval of a development agreement at a future date.

MOTION: Councilmember Hulet – To approve the final plat for the Villages at Arrowhead Park, Plats E and F, with the conditions and findings, taking care of any red lines, and a development agreement to follow later. Motion seconded by Councilmember Hiatt. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet. The motion carried.