

AMERICAN FORK CITY COUNCIL
MARCH 16, 2021
WORK SESSION, SPECIAL SESSION MINUTES

Members Present:

Bradley J. Frost	Mayor
Kevin Barnes	Council Member
Staci Carroll	Council Member
Rob Shelton	Council Member
Clark Taylor	Council Member

Members Absent:

Barbara Christiansen	Council Member
----------------------	----------------

Staff Present:

David Bunker	City Administrator
Camden Bird	Community Services Director
Wendelin Knobloch	Associate Planner
Terilyn Lurker	City Recorder
Anna Montoya	Finance Officer
Aaron Brems	Fire Chief
George Schade	IT Director
Cherylyn Egnor	Legal Counsel
Adam Olsen	Senior Planner
Darren Falslev	Police Chief
Derric Rykert	Parks and Recreation Director
Scott Sensanbaugher	Public Works Director

Also present: John Woffinden, Spencer and Summerisa Stevens, Curtis Miner, and Ryan Walker

The American Fork City Council met in a work session and special session on Tuesday, March 16, 2021, electronically. The mayor read an official statement indicating regarding COVID-19 and the determination for holding this meeting without an anchor location.

WORK SESSION

The purpose of City Work Sessions is to prepare the City Council for upcoming agenda items on future City Council Meetings. The Work Session is not an action item meeting. No one attending the meeting should rely on any discussion or any perceived consensus as action or authorization. These come only from the City Council Meeting.

1. **Discussion on the Fiscal Year 2022 Fitness Center, Broadband, Information Technology, and Perpetual Care Funds.**

Anna Montoya stated this is the start of the budget discussions. She indicated she would show the summary of what was approved for FY2021 and what was recommended for FY2022, along with a brief explanation. She explained the FY 2021 numbers in the presentation came from the final adopted FY 2021 budget and the mid-year adjustments.

Fitness Center

Ms. Montoya stated she went over things with Derric Rykert and he was recommending they go back to full operations for revenues and expenditures. She noted that transfers from General Fund did increase from last year. Ms. Montoya explained the percentage of subsidy for FY 2021 was 33% and 32% for FY 2022; this was an increase from the ten-year average of 25%.

The total revenues were up 16.1% but had been down 15% in FY 2021. The expenditures were contingent on the revenues; if the programs were not up to what was anticipated then they would not be expending funds. With personal, the increase was for part time personnel. Operation increased as well, which included programs (swimming/gymnastics), facility maintenance and repair. There were a couple of capital improvement projects proposed including additional cardio equipment, gymnastics spring floor, revolving door, men's locker room flooring, pool deck resurfacing, slide resurfacing, and a concept feasibility study for expansion.

Mayor Frost commented it was a roller coaster ride with COVID. The recreation department has been a great asset to the seniors of the city with all their help. He asked if that was accounted for in this budget and Ms. Montoya stated it was not.

Mayor Frost asked how soccer registrations were looking. Mr. Rykert explained it would have been 850-900 participants but today they have over 1,290 participants.

David Bunker noted they were taking each of the funds and breaking them down to evaluate the requests and how all of that comes together in the final budget. This may not be the final, so things may be adjusted when they see the tentative budget in May.

Broadband

This was a general fund subsidized fund. Ms. Montoya stated they have had a couple of leases fall off so there was a decrease for leasing and the administrative charges would remain about the same. There was a deficit in the fund of about \$228,000 which would come from the General Fund. The General Fund Contribution of \$20,000 was a state mandate that they supplement the negative fund balance by 5% of the revenues; this was not budgeted last year. Personnel would go up slightly due to annual merit increases and health insurance. Operating expenditures were increasing as they were adding professional services in case there were any services relating to a fiber project. The Capital Projects went down as they no longer had a feasibility study.

Council Member Shelton stated with the fiber down to Spanish Fork, Dispatch has mentioned using that but that hasn't been discussed. Mr. Bunker stated they were looking into that again, but the sentiment was that it might not be that helpful. Council Member Shelton felt it would be good to have public safety involved in the discussions.

Information Technology

Ms. Montoya stated this was an internal service fund. They were in the third year and were still trying to gather a history and trends of this fund. This is for IT services for the departments, which are then charged for the services. The administrative charge increased due to additional technology needs as well as computer replacement program. Operations went up about \$42,000 and was for the computer maintenance, websites, consulting services, etc. Ms. Montoya stated the capital went down as they used a lot of CARES act funds. This fund also includes the landline phones, which should be changed out this year; each department was billed out per phone and computer, etc. for their departments.

Council Member Shelton commented a few years ago, he met with the Mayor, Mr. Bunker, and Jeremy Roos to discuss the use of soft phones and he wondered if there was an update on that. George Schade stated they were going thru the analysis right now and were looking at soft phone abilities to be included. Council Member Shelton felt it didn't make sense to have desk phones if the employee had a city-paid cell phone.

Perpetual Care

Ms. Montoya stated they were estimating about 110 lot sales, which would be \$22,000 in revenue. The loan repayment was \$27,500. She noted any interest earned would be transferred back to the general fund. The balance of the loan as of February 2021 was \$403,009 and it was estimating they would take 15 years to pay off the loan. She reported that 95% of the remaining unused spots have been sold.

Council Member Carroll asked what the revenue was last year and if they hit about the same amount. Ms. Montoya answered in that 2019, they had about \$25,000 and in 2020 was about \$22,000.

Council Member Taylor commented he doesn't understand the lot inventory and questioned if 5% of the remaining inventory would last them. Ms. Montoya explained they have about 1600 lots left. Council Member Taylor mentioned they may need to talk about cremations and creating a space in the cemetery for them, but he wasn't sure if they would save any space. Mayor Frost explained that when they were discussing the expansion project, they did look at an area for that but thought the cemetery committee could re-look at that option.

Mayor Frost commented that with COVID, it appeared people were thinking more of what they needed to do for the future because he had been signing a lot of cemetery certificates. He didn't think 5% was much of a cushion. Camden Bird verified they have 10% left and that would give them about 20 years; he also noted they have 60% of the lots used.

Ms. Montoya noted the next work session would be on the 30th. The tentative budget would be approved on May 11th.

2. Adjourn to a special session.

The work session adjourned to a special session at 4:30 p.m.

SPECIAL SESSION

1. Consideration and action on a lease agreement for property located at approximately 90 North Church Street.

Mayor Frost noted that last week representatives from Harrington Center for the Arts, 47/50 and city staff met to discuss the lease agreement. After that discussion was held, they revised the agreement to satisfy all parties.

Council Member Carroll moved to approve the lease agreement for property located at approximately 90 North Church Street. Council Member Taylor seconded the motion.

Voting was as follows:

RESULT:	APPROVED
MOVER:	Staci Carroll, Council Member
SECONDER:	Clark Taylor, Council Member
AYES:	Barnes, Carroll, Shelton, Taylor
ABSENT:	Christiansen

2. Adjournment

Council Member Taylor moved to adjourn the meeting. Council Member Barnes seconded the motion. All were in favor.

The meeting adjourned at 4:33 p.m.



Terilyn Lurker, City Recorder