

AMERICAN FORK CITY COUNCIL  
FEBRUARY 7 & 8, 2019  
BUDGET WORKSHOP MINUTES

Members Present:

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

Staff Present:

David Bunker	City Administrator
Camden Bird	Assistant to the City Administrator
Adam Olsen	City Planner
Terilyn Lurker	City Recorder
Laurel Allman	City Treasurer
Kyle Maurer	Finance Director
Aaron Brems	Fire Chief
Tim Merrill	Legal Counsel
Derric Rykert	Parks and Recreation Director
Darren Falslev	Police Chief
Scott Sensanbaugher	Public Works Director
George Schade	Technology Director

BUDGET WORKSHOP

The American Fork City Council and Key Staff met in a Budget Workshop meeting on Thursday February, 7, 2019, and Friday, February 8, 2019, at the Fox Hollow Golf Course, 200 East 1400 North.

Thursday, February 7, 2019, at Fox Hollow Golf Course at 4:00 p.m.

Mayor Frost welcomed everyone to the budget workshop at 4:00 p.m. He reported that the mountains had 148% more snowpack than normal, and everything looked good for next year. He expressed his appreciation to staff for their work in keeping the City running.

*Workshop Objective*

City Administrator David Bunker said that good things were happening in American Fork City. It was easy to focus on the negative, but he encouraged everyone to remember what was being accomplished. He briefly reported on the funding for the state's portion of the water line projects, which the city applied for \$3.2 million and will receive \$2.7 million. Their original estimate was

\$5 million for the water line, but the new estimate came in at \$2.8 million. Another positive was the implementation of the sick leave buy-back policy, which they found to be successful. Last year, comp time went from 59,000 hours to 4,000 hours. All impact fees had increased, and there had been a change in the cafeteria plan. The Art Dye project was ready to bid again, and the TOD was coming along. He thanked everyone for their hard work over the past year.

Mr. Bunker briefly addressed the agenda for the workshop and said that they would be adopting a tentative budget on May 14, 2019.

### *Community Survey*

Assistant to the City Administrator, Camden Bird, presented the results of the community survey that was distributed in December 2018. They received 1,766 responses, which was 400 more responses than last year. The survey was promoted via the City website, social media, mailouts, and it was available at City facilities. It took staff 13 hours to input the responses from the paper surveys. Overall, 91% of the respondents were happy with American Fork and the quality of life. The demographics of the respondents were similar to last year, with the largest group being those 55 years of age or older.

Council Member Shelton asked how the paper survey was distributed, and staff responded that the survey went out with the utility bill.

Mr. Bird continued by stating that most of the respondents had lived in the City for over 20 years, and most said that they planned on staying in American Fork long-term. The top reasons to live in American Fork were proximity to family, safety and security, and proximity to work/school. When asked about the primary issues facing the City, improving and repairing roads came in as the number one concern again, although by a much smaller margin than last year. Other top concerns included managing growth, ensuring a safe community, and excessive apartment units. With Quality of Staff, Mr. Bird noted that none of the categories went down from last year. The numbers either stayed the same or went up. The first priority of the residents in prioritizing funds was roads, followed by police and fire, and sidewalks. In balancing services and costs, 64% said they would be willing to pay a little more money if it meant additional and/or better quality services.

### *Debt Service*

Finance Director Kyle Maurer went over the debt service fund. He reported that there were three outstanding governmental fund bonds: the 2011 GO Refunding for the Fire Station, the 2014 GO Refunding for a Police and Courts building, and the 2018 Sales Tax Revenue for Art Dye/Cemetery. He noted that funds for the Sales Tax Revenue bond would be paid through the PARC tax and park impact fees. Regarding the enterprise funds, Mr. Maurer reported that there was a small water bond, and two pressurized irrigation (PI) system bonds, and they would not be able to refinance either of those until 2025. He briefly addressed the vehicles the City had leased.

Mr. Maurer said that the overall debt service went down by roughly \$515,000 due to the expiration of an RDA bond and the Parks bond this year. The City wouldn't see a large increase in the General Fund because those bonds were paid with over revenues.

Council Member Shelton asked about the relationship between the GO bonds and property taxes. Mr. Maurer explained that the property tax shown on the chart was the amount of money the City was requesting to be collected through the property taxes. With the GO bond, the City can collect up to the entire amount of the bond debt service through property tax. Historically, American Fork has only requested a portion from property taxes. Last year, that requested amount increased from \$245,000 to \$395,000. With the GO bonds expiring soon, the City would only be able to request a maximum of \$180,000.

Mr. Maurer continued by addressing next year's debt service, which included a new brush fire truck and an ambulance. He tentatively put in a bond for the fire station in 2021, but the Council would be discussing this item later.

Mr. Bunker reported that the Boyer Group was picked to develop the USDC property, and staff has made contact with them about including a fire station.

Council Member Shelton wanted to ensure that there was adequate revenue sources to pay current and future bonds.

### *2019 Strategic Goals*

#### *Public Safety*

Fire Chief Aaron Brems said that there had been discussions about the Public Safety Building, which was pushed back from last year. This has been a necessity for a few years. They were hoping to finalize a location soon and begin construction this year. However, nothing could be done until they get the final answer from the Boyer Group. The site they were looking at would set them up to provide better services to Cedar Hills, the north east subdivisions, and the hospital. This location would also help with the overall masterplan for Public Safety, especially with the Murdock Connector going in. They were hoping to start construction on the Murdock Connector in June.

Mr. Bunker commented that if they were strategic with the location, it may be possible to stay with three stations rather than the five that were suggested by CSI. It would be \$1.5 million in operating expenses annually, so having only three locations could save a lot of money. He noted that the property they were looking at was in Highland, but it was possible to obtain that property.

Council Member Shelton said that the City already owned property fronting onto the Murdock Connector. He asked if they could just use that property. Mr. Bunker said that this location was a bit farther out than they wanted. The site with the Boyer Group would get them closer to the subdivisions and the hospital. Staff had considered several options.

### *Fiscal Responsibility*

Mr. Maurer reported that staff had put out an RFP for a five-year comprehensive financial plan, and bids were due yesterday. They received four responses, and all four indicated that they could meet the three-month timeframe.

Council Member Shelton wanted to be sure that the Council could give their input into the study from the beginning of the process. Mr. Maurer said that there would be a several work sessions on this project.

### *Infrastructure Improvements*

Public Works Director Scott Sensanbaugher said that the work for the first year had been complete, and the work in year two would be completed this summer. Staff was currently working on revising the projects in years three and four. The Utility Plan was not as far along as the Road Plan, and they were working to identify what they needed to do to be proactive. The sidewalk plan was a little further along, and they had developed an app that would help staff gather data in terms of where sidewalk problems existed.

Council Member Shelton asked if safe sidewalk routes were included in the funding for the five-year plan, and Mr. Sensanbaugher said that there were separate funds for safe sidewalk routes.

### *Communication*

Mr. Bird explained that a communication committee would be working to define their scope of work and a mission statement before getting started on putting communication out there. Staff members would be on the committee.

Council Member Shelton wanted to ensure that the Council gave their input at the start rather than waiting to see what the committee came up with. Mayor Frost said that they would bring the Council and committee together for a discussion so they can make sure they were all on the same page.

### *Water Preservation*

Mr. Sensanbaugher reported that the Cave Camp Spring project had been designed and put out for bid. The notice to proceed was issued last week and the contractor was getting ready to start within the next two weeks.

Mr. Bunker added that they received a great bid and were able to stay within budget, but the City ended up paying for construction management. He felt that the City could save a lot of money if they had their own inspector on staff. Council Member Shelton said that the City has been outsourcing this for several years. In the past, inspections were done in-house, but they were spread too thin and didn't have the proper equipment. He wanted to make sure that the inspections were done correctly, even if that meant spending a little more money.

Mr. Sensanbaugher said that interviews for an inspector took place last week, and he anticipated a recommendation within the next week.

#### *FY 2019 Capital Improvements Projects Status Update*

Mr. Bunker highlighted a few of the capital improvement project from Fiscal Year 2019, including the Quail Hollow parking lot, and the Art Dye expansion.

Council Member Shelton commented on some drainage issues in Evergreen Park and requested that staff follow up with the Beautification Committee about their concerns.

Council Member Carroll said that she had sent an email to staff about a small strip between the asphalt and the sidewalk that was unpaved. Mr. Bird said that they were aware of that section and their intention was to level the area for a smooth, seamless transition.

Council Member Shelton asked if they would be using all of the \$3.9 million budgeted for roads this year. Staff believed they would come in under that amount, and anything left would be rolled over to the next year. Mr. Sensanbaugher said that they had fallen a bit behind schedule with the road repairs. There were some instances where the project ends up costing more because of unforeseen issues, such as utility infrastructure conditions. They continue to stay within budget, but some projects are pushed back to accomplish that.

Council Member Shelton asked if staff had a timeline for 700 North, and Mr. Sensanbaugher said that they hadn't even begun design work on that project yet. They did have the ability to extend the MAG funding, but they wanted to start spending those funds by October. Extensions are easy to obtain, but it would be more difficult getting the land and the design. Council Member Barnes wanted to go on record stating that he was not in favor of this road.

Council Member Shelton asked about the size of the water line that broke near the junior high school. Staff explained that it was an eight-inch water line, but it was buried much too close to a gas line. Council Member Shelton was concerned that a 36-inch line would cause much more destruction than the eight-inch. Staff noted that there were 36-inch PI lines throughout the City already.

#### *Future Capital Projects*

Mr. Bunker explained that the department heads were asked to list everything that they needed, and the total was about \$50 million. This was done so that the Council would see the true needs of the City. The Capital Projects and Equipment Requests spreadsheet was broken out by department, and staff briefly addressed each department.

Mr. Bunker explained that the Fire Department needs included the Public Safety building. They were currently taking almost as many calls at the Public Safety building than Lehi was at their three stations combined. They were currently working with the Police Department to have both departments in the same building, which would cut down the need for equipment and cut costs.

With the call volume that they anticipated in the future, it was necessary to get the third station in the next few years. If they were strategic with the station locations, they could cover 92% of the City with three stations.

Chief Brems explained the Spillman Software, which was vital for the communication of dispatch to the fire department. This software provided quick access routes and a good deal of detail on the condition of a patient. There would be a large setup fee and it would require some money to maintain. Chief Brems also briefly addressed small equipment needs listed.

Regarding the ladder truck, Chief Brems said that this was a necessity. The department was grateful for the new truck they were able to get last year, but there as a need to replace the ladder truck. Impact fees could be used for this purpose. He noted that it would take 400 calendar days to build the ladder truck.

Council Member Shelton had concerns about buying two fire trucks so closely together because they would age at the same time. Chief Brems said that it didn't make sense to run the large truck on all the calls, so they would limit when this truck was used. There would be a lot less wear and tear on the ladder truck.

Parks and Recreation Director Derric Rykert addressed the needs of the fitness center, including a tarp for the leisure pool, cardio and weight equipment, and some outdoor fitness equipment. He was requesting the use of PARC tax money for these expenses.

*NOTE: Council Member Clark Taylor arrived at 5:40 p.m.*

Mr. Rykert said that they would also be working with maintenance on the boilers that needed to be replaced with higher efficiency systems.

Council Member Carroll asked if they should be going ahead with some of these projects before the feasibility study was complete, or if they should hold off. Mr. Rykert said that they should move forward with these projects because they were necessary to keep the facility functioning. The contractor doing the study would be looking more into the operations and efficiencies rather than what needed to be added to the building.

Police Chief Darren Falslav said that the Police Department was in need of a shooting range, and they believed that the best location for this was in the basement of Building 52. Currently, they travel to Springville or Cedar Hills to shoot. He reported that the local chiefs had a meeting with Spillman this week and expressed their frustrations with the company. In an effort to repair relationships, Spillman has offered a new program free of charge.

Technology Director George Schade explained that the City was obligated to maintain fiber and they needed certain equipment to do that. Currently, they were receiving help from CentraCom

but it was time that the City purchase their own equipment. There was a brief discussion regarding the AC unit, which was necessary to keep computer equipment cool.

Mr. Sensanbaugher highlighted some of the needs for Public Works, including purchasing a loader, and large meter replacements. He also addressed the following street projects:

- The Meadows roundabout
- 860 East reconstruction
- Installing the 36-inch water line in three phases
- Crack seal on the upper tank

Mr. Sensanbaugher then addressed storm drain needs, including the deterioration of box culverts along the American Fork River in the Downtown area.

Mr. Maurer addressed the financing options for Fire Station 52. They were estimating the project at \$4.5 million. Two of the main financing options were a GO Bond or a Sales Tax Bond. The City would likely get a lower interest rate with a GO Bond because they could cover the payment with property tax. However, the GO Bond would have to go to a public vote, so it's passing would depend on the citizens. A Sales Tax Revenue Bond would have a slightly higher interest rate, because sales tax was a variable amount. Mr. Maurer stated that the City was requesting \$390,000 in property tax to cover current GO Bonds, but their bond payments were more than that. In the next budget year, they could only request \$180,000, and the following year it would go to zero because the existing bonds would be expired. They could structure a GO Bond to equate to no tax increase to the residents, which was similar to how Orem structured their last GO Bond.

Mr. Maurer presented the potential operation and maintenance expenses for Fire Station 52, which was between \$1.6 and \$1.7 million. They would need to fund approximately \$770,000 annually. If they needed to request a property tax increase, it would need to be a 20% increase. Council Member Shelton pointed out that it would be about a 40% increase if they lost the Cedar Hills contract. Mr. Maurer said that the request for the Station 52 ladder truck would be about \$1.45 million, and it would be impact fee eligible. However, there was not enough to cover the building and the truck.

Friday, February 8, 2019, at the Fox Hollow Golf Course (1400 North 200 East) at 8:30 a.m.

Mr. Bunker welcomed everyone to the workshop at 8:30 a.m. and asked the Council for any additional thoughts on last night's discussion.

#### *Review/Questions*

Council Member Shelton said that the fiscal study was going to be very important as they implement all of these new things. The City hadn't raised property taxes since 2007, but the City was feeling the pressure simply from inflation. He didn't think it would be a good idea to raise property taxes by double digit percentages. They needed a good strategy moving forward.

Mr. Bunker agreed that they would fall short on revenues trying to do all of the things they needed to do, particularly with all that was needed with Public Safety. He wondered how much longer they could go without looking at additional revenue streams which may include raising taxes.

Council Member Shelton said that they needed to look at the total cost rather than compartmentalizing the increases by entity. They needed to consider the financial pressure on American Fork families.

Council Member Christiansen said that one of her original concepts was to work with other communities to get the law changed so the property taxes could increase according to inflation. It would be a simple fix across the state. Council Member Shelton was concerned with the idea of talking about such an increase with the legislature. There was a discussion regarding property taxes, and what portion of that goes to the City. Council Member Taylor suggested that they put together a chart or short video explaining where the citizens' tax dollars go. It would be a positive, education campaign. The Council agreed that they needed to put more positive news out there regarding the community.

#### *FY2019 Budget Status Update*

Mr. Maurer reported that sales tax was 10% higher than last year, so he budgeted a 5% increase. He noted that the City had benefited from the new auto dealerships and box stores. Property taxes were 7% higher than normal, but this might be due to people paying their property taxes on time. He budgeted a 2% increase to accommodate for growth in the City. Overall taxes were 7% higher than the prior year. Permits were 13% lower than last year, but he believed this was due to the moratorium. He had budgeted an 18% increase. Mr. Maurer addressed General Fund Expenditures and Revenues.

Mr. Maurer presented information regarding the Fitness Center revenues and expenditures and noted that transfer from the General Fund was 10% higher than last year, which was partially due to implementing administrative charges from the General and Broadband Funds.

Mr. Maurer reported on the PARC fund revenues, which mirrors the sales tax increase. Last year's fund balance of \$210,000 would roll over to the next year.

Mr. Maurer addressed the Debt Service Fund and said there were two bonds that would be paid off this year, so some park impact fee money would be freed up for other uses. He also went over information for the Class C Road Funds, the Road Plan, PARC projects, the Fox Hollow Golf Course subsidy, Public Safety equipment, Bonds and proceeds for Art Dye construction, and front end loader repairs.

Mr. Maurer continued by addressing the culinary and PI water funds, and there was a discussion regarding metering the PI system. Mr. Bunker said that there was a proposal at the state legislature for metering the PI system, but he wasn't sure what the results would be. The City was currently using double what they should be, but it's mostly because the residents didn't realize how much

they were using. Council Member Shelton suggested requiring new meters on all new construction, as other cities are doing. They discussed potential costs and possible funding options.

Mr. Maurer also presented information on the sewer and storm drain funds, sanitation and recycling, perpetual care fund, and the fleet capital fund. He concluded that he didn't foresee any major revenues with shortages. The overall expenditures were within budgeted expectations, and he did not expect any major budget amendments.

Council Member Shelton requested that staff come up with some way to measure efficiency on City assets.

### *Department Big Ideas*

Mr. Bunker explained that last year they had each department present three "big ideas" to the Council, but they would each be presenting only one big idea.

Mr. Sensanbaugher presented Public Works big idea of automating the water system, specifically the wells. Having an automated system would run the wells only when they were needed, and it would save on overtime and call out time for personnel. They would still have to go out and make sure that the wells were functioning, but this could be done during normal working hours. This budget year, they had \$20,000 to conduct an analysis, and that was currently underway. The goal was to have a plan in place by the end of the fiscal year.

Mr. Schade said that infrastructure and having a conduit underground was essential. They were looking at including something in the Transportation Master Plan to make sure that they can get a conduit in place with new or reconstructed roads. He stressed the importance of working with other entities such as UDOT.

Mr. Maurer spoke about replacing the Caselle software with something else that could be integrated with human resources. The current system was very basic and didn't have features that people were requesting. He discussed potential costs for new software, support, and hardware.

City Planner Adam Olsen said that the City did a lot of work on the TOD this year, but he would like to take the update Citywide to make sure all other zones are updated as well. It was time that they look at the entire City to make sure that their vision and goals are still valid.

Mr. Bird said that the library had become a resource center for the community far beyond books. They wanted to enhance their options to meet the needs of the residents. They intended to expand the Children's section and the storytime area, grow the teen areas and provide monthly teen activities. They would also like to make storytime a year-round activity. The library also wanted to increase materials, particularly electronic materials, and provide wireless printing options.

Chief Brems said that their big idea was to cover most of the City with three stations, including Stations 52 and 53. There was a discussion regarding call volumes and a shortage of personnel. It

was suggested that the Fire Department get an agreement with Lone Peak Public Safety District so that they could work together on calls for USDC.

Mr. Rykert said that their big idea was to build a new recreation center. The current facility was 25 years old and it had served the community well, but it was time to think of building something new. He wanted to explore a recreation district where multiple communities were involved. The current facility had reached capacity. When they received the feasibility study back, they would have more information that would help them take the next steps. There was a discussion about the number of residents and non-residents using the facility.

Chief Falslav said that staff had to be addressed, particularly with new legislature that could potentially change Tier 2. They wanted to protect their current officers, and they were in need of additional officers. He reported that four officers would be retiring in the next year. With the legislature, he proposed they go up to 5% to see if they could retain officers, as well as an increase to the overtime budget.

Mr. Bunker said that there was some concern about the safety of City employees, and they would like to implement one-card access to all City buildings.

*NOTE: The group took a 15-minute break.*

#### *Fund Balance Policy*

Mr. Maurer presented information regarding the fund balance and explained that there were now five different categories that they put fund balance into, going from most restricted to least restricted. The categories are: non-spendable, restricted, committed, assigned, and unassigned. The City needed a fund balance policy to mitigate current and future risks, ensure stable tax rates, bond ratings, and unforeseen circumstances or unexpected opportunities. The fund balance policy stated that anything over 25% is transferred to capital projects. The past policy put anything over 20% toward capital projects. He asked the Council to consider what would be an appropriate amount for the City. The minimum requirement was 5%, and the fund balance was currently at 10.4% based on the State calculations. Mr. Maurer recommended that they have two-months worth of funds in the fund balance, which was about 16.7%. He also recommended an incremental increase to get up to 25%.

Council Member Barnes said that a previous Council Member had proposed to implement a policy where anything above a certain percentage was put toward capital projects, but he wasn't sure if that went through or not. Council Member Shelton said that it was discussed during a budget retreat, but nothing was voted on. He mentioned that the calculation for the fund balance amount varied between finance directors, and he suggested establishing a consistent calculation. He personally felt that they needed more money in reserves for emergencies, and he would like to see the fund reach 20% eventually. Council Member Carroll liked the idea of doing a 2% incremental increase. Mr. Maurer said that 2% would be roughly \$50,000. He noted that money could be transferred back out of the fund balance if necessary.

### *FY 2020 Budget*

Mr. Maurer said that he had received all the departments' submissions for next year's budget. He wanted to go over the new revenue and revenue trends, as well as the trends of the last five years. In the General Fund, they were looking at a 2% increase, which did not include the Cedar Hills contract since it was going directly to the fire department. He expected a 3.5% increase in property taxes and a 5% increase in sales tax. He addressed a few areas where decreases were expected. Key Revenue trends included the fitness center, PARC Tax, capital projects, sales tax, the water fund, PI fund, sewer fund, storm drain fee, and sanitation/recycling. Mr. Maurer then addressed sales tax and noted that they were only receiving 77% of what was collected based on the current distribution. One-third of retail sales were outside brick and mortar. The City was relying heavily on sales, but they were finding that people were buying fewer goods and more experiences, which weren't always taxed.

Mr. Maurer addressed the 2020 Key Projected Outflows and emphasized personnel increases. He noted that this would be an election year, so they needed to consider those expenses. Council Member Shelton suggested continue contracting with the county for the elections.

Mr. Maurer then went over the Historical Expenditures and Revenues of the past five years and noted that expenditures were increasing faster than revenues.

Mayor Frost said that his greatest concern was how the State planned to distribute sales tax and how that could impact their budget.

### *City Council Breakout*

Mr. Bunker asked the Council and staff to list the top positive things that have happened in American Fork City, and then to talk about the top areas of concern.

The Council and staff discussed the following positive accomplishments:

- The completion of the TOD ordinance.
- Good use of PARC Tax dollars and the diligence of the PARC Committee.
- The Art Dye project being funded.
- The Spring Line project receiving State funding.
- Improvements in personnel
- A new fire truck and equipment for Public Safety
- Planning ahead with development
- The cemetery project
- Lobbyists working for American Fork interests
- Stronger relationship with MAG
- Stronger relationship with the School District

The Council suggested making short videos highlighting these accomplishments so that the public have a better understanding of the workings of the City.

The Council and staff then discussed primary areas of concern, including the following:

- Having each department come up with SMART (specific, measurable, attainable, realistic, timeframe) goals that can be reviewed every few months.
- Finding more or alternative funding and educating the public on tax money, prioritizing the budget.
- The Communications Committee.
- Determine funding for the fire station.
- Discussing a potential property tax increase and educating the public.

*NOTE: The group took a break for lunch from 12:15 p.m. to 1:00 p.m.*

### *FY 2020 Strategic Goals and Vision*

#### *Fire Department*

The group discussed funding for the public safety building. Staff confirmed that they could draft the language that would allow them to start collecting the property tax later than when the bond was approved. The Fire Station bond is complete in 2021, so they could have the new bond start right after that. Mr. Maurer reminded the Council that they cannot request more than the bond amount, so they couldn't use property tax funds for operational expenses. The Council was concerned that the state or school district would also be proposing bonds at the same time as this potential bond.

Council Member Carroll asked if there was a concern with waiting until 2020 for the bond, and Mr. Bunker responded that they wouldn't be able to start the fire station until the bond went through. There were already concerns with keeping up with the call volume. Council Member Carroll didn't see the urgency for doing the bond this year, and Council Member Shelton requested a little more data before moving forward with the bond. The Council wanted to be sure that they did the right thing in the right time.

Mr. Bunker asked if there was anything else that the Council was looking to bond for, and the Council felt that it all depended on the analysis.

Council Member Shelton said that the estimated \$4.5 for the fire station did not include the land purchase. He was concerned that the price would be higher in a year. They compared the costs of the Lehi station and the Pleasant Grove Public Safety Building.

#### *Police Department*

Council Member Carroll asked if they needed more budget for police personnel. Chief Falslav asked for funding for five officers, but based on the call volume he should be requesting 10 or 11. They had used the beer tax funds to replace motorcycles. They used to have a three-man traffic team, but they were disintegrated into patrol. The cost was about \$100,000 per officer per year.

### *Downtown*

Council Member Shelton suggested looking into way to improve downtown. It was crucial to make decisions now so that they could start marketing downtown in July. Provo City recently built three parking structures to help with the parking concerns in their downtown area, and it drastically increased the desirability of the area. Businesses were more willing to come in and revitalize the area. Those parking structures were paid through their RDA. Council Member Shelton thought it was worth considering something similar for American Fork. He suggested expanding the RDA.

Council Member Christiansen commented that the Opportunity Zone was time-sensitive. Council Member Shelton wanted to see the same type of attention given to downtown that they did to the TOD. The Council discussed possible options.

The Council then discussed the Downtown Business District, and the possibility of hiring a consultant. Mr. Olsen said that he didn't think the downtown area needed rezoning, but they could come up with some financial incentives for those who want to get involved.

The Council and staff also discussed economic development, the five-year comprehensive plan, and infrastructure. One of their biggest concerns was their revenue. They discussed the road fees implemented by surrounding cities, such as Highland and Pleasant Grove. Legal Counsel Tim Merrill explained that the trouble with the road fee was being able to charge residents and businesses fairly with appropriate ERUs. Mr. Bunker suggested that Pleasant Grove had done a great study on their ERUs. It might be good to start with a low road fee and work their way up.

Council Member wanted each department to come up with three SMART goals that they can work on throughout the year. The Council discussed ways to make sure those goals remained consistent even when personnel changes. Mr. Bird said that he asks each employee to set personal goals every year, and he has met with everyone in his division to discuss their goals.

The Council then discussed the Communication Committee and emphasized the need to get good information out there. Council Member Shelton suggested doing an annual marketing plan. Mayor Frost asked if the Council would be willing to pay a part-time staff to help Mr. Bird with communications, and staff said that they had been approached by potential interns that wanted this kind of experience. They discussed how to respond to negative comments, and it was determined that responses should come from the City rather than individual Council Members or staff.

Mr. Maurer then addressed the five-year plan, which should be done in May or June. After that, the City would be able to update the plan annually. Council Member Carroll wanted to be sure that they put aside more for the fund balance.

Council Member Shelton said that fiscal responsibility was their number one priority, and he said that other cities have audit committees. Mr. Maurer said that other cities have issues funding someone with governmental accounting experience. He was aware of one person in American

Fork that was familiar with governmental accounting, but they weren't interested in participating in something like that.

Council Member Barnes asked if there were any concerns from staff. Chief Falslav said that it seemed like they were all on the same page. The problem now was handling future growth.

Mayor Frost thanked everyone for participating in the discussions, and he felt they were heading in the right direction. Mr. Bunker echoed Mayor Frost's comments.

Adjourn

The budget workshop adjourned at 3:15 p.m.

A handwritten signature in cursive script that reads "Terilyn Lurker".

Terilyn Lurker, City Recorder