

**CENTERVILLE INTERNAL AUDIT COMMITTEE
MINUTES OF MEETING
Monday, May 6, 2024**

Held at Centerville City Hall, 250 North Main Street, Centerville, Utah, the meeting of the Centerville City Internal Audit Committee was called to order at 5:30 p.m.

MEMBERS PRESENT

Marcus Arbuckle, Keddington & Christensen
Brant Hanson, City Manager (participated remotely)
Robyn Mecham, Councilmember
Nate Plaizier, Finance Director
Clark Wilkinson, Mayor

STAFF

Lisa Romney, City Attorney
Jennifer Robison, City Recorder
Cameron Woodbury, Drainage Utility Supervisor

CLOSED SESSION

At 5:36 p.m., Finance Director Nate Plaizier **moved** to go into a closed session for the purpose of discussing pending or reasonably imminent litigation and attorney-client matters privileged under Utah Code 78B-1-137. Robyn Mecham seconded the motion, which passed by unanimous vote (5-0). All individuals listed above were present at the closed session.

The Internal Audit Committee returned to open meeting at 6:28 p.m.

DRAINAGE UTILITY FEE AUDIT

Mr. Plaizier reported a comprehensive audit was completed for commercial drainage utility accounts, and several errors found. Drainage Utility Supervisor Cameron Woodbury said the audit was performed for every commercial property in the City. Staff presented a spreadsheet of current commercial drainage utility billing amounts and proposed updated billing amounts based on corrected coding and updated impervious surface calculations. Mr. Plaizier spoke of making sure new accounts were double checked to verify correct billing moving forward, with a possible comprehensive audit every three to five years. The IAC and staff discussed situations that could trigger an audit of a drainage utility account in the future.

The spreadsheet and accompanying memo presented by staff indicated which fees staff recommended the City pursue collecting retroactively. Marcus Arbuckle said he agreed with staff's recommendations. Mr. Plaizier confirmed the proposed billing changes had not yet been made. Staff discussed preparing an information sheet to explain utility fees and the audit process to commercial accounts.

Mr. Plaizier said he believed a precedent was set with the retroactive utility billing done in 2021, and said he agreed with the recommendation of staff. Mayor Wilkinson said his perspective as a business owner was that the mistake was made by the City. He said as a business owner he would be willing to pay the adjusted amount going forward, but would not be happy about an attempt to collect retroactively. Councilmember Mecham said she would hesitate to collect retroactively if the fault was the City's. City Manager Brant Hanson said he agreed with the recommendation made by staff.

Mr. Hanson recommended presenting the audit information and recommendation to the City Council in closed session and open meeting. Councilmember Mecham said she would be

1 comfortable retroactively billing accounts that owed more because impervious surface had been
2 added to a property. Mayor Wilkinson said he agreed. Mr. Hanson said the biggest priority was
3 billing correctly moving forward. He said he believed the City had a responsibility to some extent
4 to collect retroactively to be fair to the accounts that had paid their fair share.
5

6 The IAC unanimously expressed agreement with updating drainage utility billing as
7 proposed going forward. Ms. Romney emphasized the need to be consistent. Mayor Wilkinson
8 said he believed the City needed to refund accounts that had been charged too much, and said
9 he agreed with the need to be consistent, which meant retroactively billing as well.
10

11 Mr. Arbuckle **moved** to recommend to the City Council the billing changes proposed by
12 staff. Councilmember Mecham seconded the motion, which passed by unanimous vote (5-0).
13 Councilmember Mecham **moved** to recommend to the City Council that the City back-bill and
14 refund retroactively the accounts recommended by staff to the extent legally supportable. Mr.
15 Plaizier seconded the motion, which passed by unanimous vote (5-0).
16

17 **ADJOURNMENT**

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19 At 7:27 p.m., Mr. Plaizier **moved** to adjourn the IAC Meeting. Councilmember Mecham
20 seconded the motion, which passed by unanimous vote (5-0).
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22
23
24 Jennifer Robison
25 Jennifer Robison, City Recorder

10/10/2024 | 2:27 PM MDT

Date Approved

