

SPECIAL CITY COUNCIL MEETING  
Tuesday, May 8, 2012 6:00 p.m.  
Public Works Building  
10246 N Canyon Road, Cedar Hills, Utah

Present: Stephanie Martinez, Mayor Pro Tempore, Presiding  
Council Members: Trent Augustus, Scott Jackman, Gary Gygi, Jenney Rees  
David Bunker, Acting City Manager  
Courtney Hammond, City Meeting Transcriber  
Eric Johnson, City Counsel  
Others: Cliff Chandler, Paul Sorenson, Sarah Brimhall, Kim Holindrake  
Absent: Mayor Eric Richardson

COUNCIL MEETING

1. This meeting of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 6:08 by C. Martinez.

SCHEDULED ITEMS

2. Review/Action on Approval of a Forensic Audit Agreement for the Period of January 2010 until the Present (6:08 p.m.)

C. Gygi stated that he feels the scope of the audit is should look specifically at whether Mayor Richardson had the ability to use city money for personal use. This was triggered by the charges against the Mayor Richardson. Rebecca Tehero has stated that there is no chance he could have misappropriated money himself. C. Gygi doesn't want to spend a lot of money on an audit if the scope is specifically the mayor, and there was no chance that he used it. He would rather do an internal audit. If the scope is wider, he wants to know why it should be wider. He doesn't see any reason to include Konrad Hildbrandt, for instance, because there is no reason to believe that he misappropriated funds, other than to cater to loud voices within the city. When people talk about fiscal responsibility, and then talk about spending money to look at accounts with no evidence, it doesn't make sense. He does not want to allocate hundreds of thousands of dollars for an external audit if there is little chance of uncovering anything.

C. Rees stated that the purpose of the audit is to determine whether any funds were misappropriated. An expanded audit will give peace of mind to residents. The mayor is the chief administrator and he has oversight over all the funds, whether he is able to access them personally or through his instructions to others. She feels nothing will be found, but wants to give residents the peace of mind. She would like to do a forensic audit for the length of Eric Richardson's term as mayor.

C. Jackman stated that he was under the impression that the audit wouldn't target a specific person, but look at all funds. Konrad Hildebrandt was included in the complaint given to the county attorney. It may be worth looking at the years he was city manager. There are many residents who have concerns. He would expand it to the past 3 fiscal years.

C. Martinez stated that the council is in charge of the budget. If the council sees something wrong or amiss in the budget, then there is concern. The forensic audit is a response to what is

happening with Mayor Richardson. He is not on any accounts. He can't misappropriate funds if he is not on the accounts.

C. Augustus stated that from his research a forensic audit can cost anywhere from \$30-45,000 per year. A forensic audit is very detailed. The budget needs to be amended to finance this audit.

Eric Johnson stated that last week there were some civil charges filed in federal court by the futures trading board and securities exchange commission filed against Eric Richardson relating exclusively to personal business ventures. A forensic audit is somewhat unlimited in scope and would look at everyone and everything for the years covered. It has the purpose of protecting the city funds and everyone in the city that deals with city funds to show they have been handling them appropriately. There is no evidence to suggest that hasn't been the case, but a forensic audit would assure that. He has seen cases when a forensic audit has made recommendations for superior financial procedures. If nothing else, it would have that benefit.

C. Martinez recommended tabling the item until the next meeting when bids are available.

**MOTION: C. Jackman—To continue this item until next week and direct staff to come up with bids on a forensic audit of the last 2 ½ years to uncover anything that may have happened.**

Seconded by C. Augustus.

Yes - C. Augustus  
C. Gygi  
C. Jackman  
C. Martinez  
C. Rees Motion passes.

3. Review/Action on Appointments (6:26 p.m.)

David Bunker stated that Greg Robinson is the only deputy recorder at the city. Staff is requesting that the mayor appoint two additional deputy city recorders, Gretchen Gordon and Brenda Shuman.

**MOTION: C. Augustus—To approve the Mayor's recommendation to appoint Brenda Shuman and Gretchen Gordon as deputy city recorders.** Seconded by C. Jackman.

Yes - C. Augustus  
C. Gygi  
C. Jackman  
C. Martinez  
C. Rees Motion passes.

EXECUTIVE SESSION

4. Motion to go into Executive Session, Pursuant to Utah State Code 52-4-204 and 52-4-205 (6:28 p.m.)

**MOTION: C. Rees—To go into Executive Session, Pursuant to Utah State Code 52-4-204 and 52-4-205 to discuss litigation matters and competency of individuals.** Seconded by C. Jackman.

Yes - C. Augustus  
C. Gygi  
C. Jackman  
C. Martinez  
C. Rees Motion passes.

5. Motion to Adjourn Executive Session and Reconvene City Council Meeting (6:50 p.m.)

**MOTION: C. Jackman—To Adjourn Executive Session and Reconvene City Council Meeting.**

Seconded by C. Augustus.

Yes - C. Augustus  
C. Gygi  
C. Jackman  
C. Martinez  
C. Rees Motion passes.

Staff Organization Chart (6:50 p.m.)

David Bunker stated that staff is preparing the budget, and staffing decisions affect the budget. The interim proposal is to move Gretchen Gordon to City Recorder and Executive Assistant and hire a part time deputy city recorder. Jeff Maag would move up to Public Works Director and Building Official. The proposal also plans for a part-time Human Resources, Zoning Enforcement and Public Works worker.

ADJOURNMENT

6. This meeting was adjourned at 6:59 p.m. on a motion by C. Gygi, seconded by C. Rees and unanimously approved.

Approved by Council:  
June 19, 2012

/s/Gretchen F. Gordon  
Gretchen F. Gordon, Deputy City Recorder