

MINUTES OF BOARD OF COUNTY COMMISSIONERS
2008 BUDGET HEARING
MILLARD COUNTY THE 6th DAY OF DECEMBER 2007
AT THE COURTHOUSE, FILLMORE, UTAH

PRESENT: Daron P. Smith Chairman
Kathy Y. Walker. Commissioner
John C. Cooper. Commissioner

Richard Waddingham County Attorney
Norma Brunson County Clerk
Janice Robins. Deputy County Clerk

PURSUANT TO AN AGENDA WHICH HERETOFORE HAD BEEN PROVIDED TO each member of the governing body, the local news media and posted in three public places or on the Millard County website, as required by law, the following proceedings were had:

ALSO PRESENT: Steve Walker, Ivan Robins, Sandra Willoughby, Stacy Morrill, Bart Whatcott Ed Phillips, Sheri K. Beckstrand, Jack McBride, Allison Robison, Kassidy Western. . . .Citizens
David Christensen Fillmore City Mayor
Dean Draper Chronicle Progress Reporter
Brandy Grace. Millard County Auditor
Robert Dekker Millard County Sheriff
Forrest Roper and Roger J. Young. Millard County Sheriff Office
John Hansen. Millard County Treasurer
Connie Hansen Millard County Recorder
Richard Beckstrand. Millard County GIS Department
Betty Jo Western. Millard County Fair Director

Commissioner Walker made a motion to go into a budget hearing to hear public comment on the 2008 Millard County Budget.

Commissioner Cooper SECONDED the motion. The voting was unanimous and the motion carried.

Commissioner Smith called the Budget Hearing to order and welcomed the public. The meeting began at 7:00 p.m.

Auditor Brandy Grace gave an overview of the 2008 Budget process. She said the 2008 tentative budget was adopted in the Commission meeting on October 30, 2007. Notices were published in the newspaper on November 7 and 14. A copy of the tentative budget was available for public review in the Auditor’s Office and in the Millard County Office in Delta. She made the following statements concerning the budget. Changes have been made to the tentative budget. The Millard County tax base is declining, however, the figures reflect some new growth which adds to the tax

base. The certified tax rate was used. A 6 percent sales and use tax was approved in order to have a uniform sales tax with the state. Revenues for golf passes, swimming fees and stall rentals have been increased. Health insurance benefits increased 6.5 percent. Employees will now pay 10 percent of their health insurance. Dental insurance and retirement costs stayed the same as in 2007. When the tentative budget was adopted, the General Fund exceeded revenues by two million dollars. Currently, the report shows that \$167,990 would need to come from other sources to cover the general fund. Adjustments have been made to the tentative budget, including a reduction of funds for Class B roads, reduction of funds for the Millard County Care Center as a result for terminating the contract with IHC, elimination of Fund 12, Assessment and Collecting, not funding or transferring to the capital fund budget from both maintenance departments. All elected officials and department heads were asked to make budget cuts and over all it did make a difference.

Ed Phillips made some comments regarding the 2008 budget. He said the budget printout is quite confusing as to the amount of money that is being spent by the recreation department. He asked the Commissioners if they knew how much money is being spent for recreation when all the expenses were put into one lump sum? (The Commissioners estimated the recreation budget to be around one million and a half dollars.) Mr. Phillips said he estimates it to be closer to two million dollars. He encouraged the Commissioners to take a hard look at the recreation budget.

Commissioner Cooper said that they will break out all the recreation and maintenance for review if he would like.

Commissioner Smith said the budget may be more difficult to review if a percentage was listed. Right now it is broken out in programs.

Ed Phillips asked why the county continues to stay in the recreation business? He understands how and why the county got into it in the beginning, but why do they stay in the business? Is it really the county's responsibility to handle recreation? Most counties in the state do not run recreation programs. The Commissioners need to take a good long look at recreation costs. The cities may have to pick up the tab or share in the cost of recreation as they do with law enforcement.

Commissioner Smith said that they are looking at possibilities of handling recreation differently.

Ed Phillips said another concern is that the Special District Number 8 budget of (\$300,000) ought to be an addendum to the county's budget as most people are not aware of Special District Number 8. He said he had received a phone call from Mr. Willoughby who said the budget for Special District Number 8 was more than a million dollars.

Commissioner Smith said money for Special District Number 8 comes from mineral lease money provided by the federal and state governments. Originally it was set up to benefit the road projects in Millard County. They are a special service district with an independent board. The county appoints its board members. It has a five-member board and each member serves a four-year term. Two members are from Fillmore and three members are from Delta. The district receives money

a couple of times a year and they use the money to help fund road projects and buy materials and equipment. The district buys the equipment and then donates the equipment to the county. The money doesn't go to the county but it benefits the county.

Ed Phillips asked why nobody really knows about it?

Commissioner Cooper replied that no effort has been made to hide the district. It has been discussed in Commission meetings.

Ed Phillips said that no effort had been made to make the public aware either. It needs to be reflected in the budget somewhere.

Commissioner Smith said that the district has an audit each year. Commissioner Smith and Thayne Henrie go to the board with project needs and see if there are funds from the district to help out. The last few years the district has covered the gas increase for the road department.

Commissioner Walker said that all the special service districts have their own budget hearings.

Sandra Willoughby asked what the budget was for the Millard County Care Center ("MCCC"). She was told that it was budgeted \$350,000. She asked if the other \$150,000 was going to Traditions Health Care to help run the facility?

Commissioner Walker said that no contract has been made with Traditions Health Care yet.

Sandra Willoughby questioned the salaries of the Commissioners and asked whatever happened to public service? She agreed that the budget printout is extremely hard to read.

Auditor Grace explained that Fund 10 refers to the general budget. Fund 12 is Assessing and Collecting and it is now gone. It was a mandate from the state and the county is planning not to do it this way again because of the difficulty. She welcomed anyone to come in her office and go over the budget.

Sandra Willoughby brought up the building inspector budget and asked if Gary Walker is a legal building inspector? (She was told he was.)

Commissioner Smith said that Mr. Walker is the head of the department and is the county planner. Matt Zeigler also works as a building inspector. When Gary Church and Leon Smith retired, the two positions had been combined for a while but they found there is too much for one person to handle alone.

Sandra Willoughby asked why the employees at the golf course received a 25-30 percent raise as reported in the newspaper.

Commissioner Walker said there is a full time golf pro and some part time seasonal employees. They only got the 2.5 percent COLA for full time employees and regular part time employees that have worked three years or more.

Sandra Willoughby asked how they are going to run the MCCC for \$350,000 when it has been costing \$900,000? Are you going to open up the rooms for assisted living? There were two companies that looked at the management and declined. Traditions Health Care is the only company that is interested in managing the facility. If they plan to put one nurse to forty patients and one aid per nine patients, it is not going to work. The nurses will have shingles and won't be able to walk in just three days. As soon as some patients smell an odor in the building they have said they will be moving out of the MCCC.

Commissioner Walker said the negotiations and decisions have not been made yet.

Commissioner Smith said that IHC and Traditions Health Care have met and are trying to come up with real numbers. We were given the figure of \$150,000 so we doubled that figure.

Sandra Willoughby said that she was going to come to meetings and be at the MCCC as much as she can and will be a pain on the Commissioners back. She accused the Commissioners about lying about not getting the data on assisted living. (They still said they have not received financial data). She asked why the Commissioners continue to fund the golf course with \$250,000 and only getting \$175,000 back in revenues? Why do you continue to take this loss? She told the Commissioners to sell the golf course.

Commissioner Cooper said that IHC has been in the negotiations since the start and they are supportive of the Commissioners's decision regarding the MCCC. The Commissioners are committed to maintain good quality care at the MCCC.

Jack McBride said that he is concerned about the discrepancy between the east and west recreation districts. You have asked the departments and offices to cut back on services to save money. You have asked people who use the services to pay more money. How come the Commissioners' salaries have gone up from \$87,000 in 2004 to \$119,000 in 2008?

Commissioner Smith said that the Commissioners have only received the COLA raises that have been given by the county. A couple of years ago, the Commissioners' salaries were shown coming from a couple of different departments. Now 100 percent of the salaries show in one place and can be seen more clearly.

Commissioner Cooper said some facts about a Commissioner's job is:

The Commissioners receive less pay than other elected officials.

The demands on Commissioners are more now than they were in the past.

The Commissioners' time is in more demand.

The Commissioners need to be assessable to the public almost 24/7.

He will stand with the other Commissioners and say that they have stood up and defended

Millard County as well as they can. If you want to change the Commissioners that is your business, but we have given a great effort. You may not agree with every decision we have made but we are willing to listen to you at anytime.

Sheri K. Beckstrand asked if they were trying to explain where the Commissioners' raise was coming from? Does that include the travel and those kind of things?

Commissioner Walker said prior to 2005, the Commissioners' salaries were divided into several departments. They had asked the Auditor to put it all in one department.

Auditor Grace said the idea at that time was to more accurately reflect where the Commissioners were spending their time. Divisions were made based on a percentage and they allocated so much of their salary to their budget and some to public land issues. It does not include the travel and benefits and cell phones.

Sandra Willoughby asked who sets the rate for the COLA?

Auditor Grace said the Commissioners decide on what the COLA will be based on a review of available data from the IRS and other sources. It is a combined decision to determine what benefits can be given to the employees.

Sheriff Robert Dekker explained that they are hiring two full time ambulance employees. The two new employees will not be an additional cost to the county as the ambulance fund is an enterprise fund that pays its own way. He said that there have been articles in the newspaper explaining that there is a shortage of ambulance people in the county. These two people will work the schedule wherever they are needed. They are currently holding training sessions to try and increase the number of trained personnel in our county.

David Christensen expressed his appreciation for the work in getting the numbers increased on the ambulance team.

Dean Draper said his truck is covered with MagChloride from driving on one of the roads that had been sprayed with the chemical. He said he doesn't care if the roads are dusty. MagChloride seems to be an expensive issue in the budget and the 13,000 people in the county cannot afford to continue to pave all the county roads.

Commissioner Smith said that a decision has been made to cease spraying MagChloride on any new roads. The budget has been cut back on MagChloride and the roads are being done on a 2-3 year schedule. The county will not be paving or chip sealing any new roads in the county. The maintenance on those roads is 5-7 years. One of the reasons to spray MagChloride and pave the roads has been that the county receives more money for Class B Roads. The county will continue to maintain the roads that are currently maintained.

Commissioner Cooper said that the county is prioritizing which roads need to be maintained. The

county is looking for ways we can cut maintenance on the roads.

Commissioner Smith said that Millard County has 2,100 miles of Class B roads which includes paved, graveled, MagChloride and dirt roads. If you take the budget and divide it by the number miles of roads, it computes out to about \$2,000 a mile, which is comparatively low. Millard County claims 5,400 miles of open public roads and we do not want to abandon these roads. The county has to blade Class B roads at least once a year in order to get the funding for it. The county is in the process of recording all county Class B roads in the Millard County Recorder's Office.

Commissioner Cooper said that the county is re-evaluating the benefits of MagChloride all the time. It is a de-icer in the wintertime, but it does have some disadvantages too.

Dean Draper said that the \$350,000 budgeted for the MCCC comes really close to the \$330,000 that Intermountain Health Care was going to bump for their employees' benefits which would have been passed onto the county. Is there any correlation in the amounts budgeted?

Commissioner Walker said, "No, not at all." The county had budgeted \$350,000 to be used if and when the transfer takes place and the money can be used in the transition and for the budget throughout the year.

Dean Draper asked if the county is going to be subsidizing employee benefits if Traditions Health Care takes over or are they going to stand alone. He recommended that they stand alone. He said that the swimming pools in the county are open 52 weeks a year and it is very expensive to heat the pools at 70 degrees year round for such a small percentage of the population. He suggested that the swimming pools' budgets be looked at.

Commissioner Walker said that they have the pool managers tracking the use at the pools each day to get an idea of when the pools are being used and when they are not being used. East Millard Swimming Pool has turned in its report and they are waiting for West Millard Swimming Pool's reports. The findings will be reviewed and evaluated and adjustments may be made to current practices at the pools.

Commissioner Cooper said that when he became a Commissioner, Millard County had received an award for having the best recreation program in the state, but it only served part of the county. A commitment was made to start some recreation programs on the east side of the county. A part time recreation specialist was hired and the programs have been improved in the Fillmore area. The county recreation programs are being evaluated.

Treasurer John Hansen said that he appreciates all the people that have come to the meeting tonight as in the past there has been a lack of interest by the public. Millard County is facing a time that the unlimited availability of money is gone. The county is having a more difficult time giving services. Public input is important to help find solutions. When the budget process begins, the Commissioners start with the recommendations of elected officials and department heads and get all the input they can. They then match the revenue against the expenditures to avoid a deficit. This

process goes on all year and is constantly being monitored. What is expected of the Commissioners has changed over the years and they should not be asked to work for nothing. He said that public input is important to county government.

Commissioner Cooper gave a brief update on the Southern Nevada Water project. Southern Nevada Water has been granted 40,000 acre feet of subsurface water in the Snake Valley. For the last three years the Millard County Commissioners have been fighting against the state giving the water in the Snake Valley to Nevada. Millard County Commissioners had stood up to protect the citizens in the Snake Valley. Time and money have been spent on this issue. People in the Snake Valley are proving that water is more important than money. The Commissioners have stood up to great pressure from the Governor and legislators and will be asking for a law that no water can be transferred unless the governor and the legislators sign off on it. We are fortunate that the water has not already left the state. The Commissioners will stand up to everyone to protect the resources of Millard County. At the advice of the county attorney, the county has adopted a moratorium involving transportation, communication, uses and utilities and activities coming through Millard County. An eight million dollar wind company wants to build a wind farm and not pay what the county feels are appropriate taxes in Millard County. A pipeline wants to come through Millard County and cross through agriculture land and dairies.

David Christensen thanked the Commissioners for the job they are doing. There are many things to consider when making a budget. It is important to decide what things are necessary and what things are elective. He enjoys having the roads sprayed with MagChloride. He encouraged everyone to work together as a county for the betterment of the citizens.

Commissioner Smith said he appreciates working with the elected officials and department heads as they are all team players. When the budget process first started they were two million dollars over budget. They all went over their budgets again and again to try to cut costs. The elected officials take pride in what they do for the county. The Commissioners appreciate the service and great job done by the county employees. Millard County is a great place to live but people worry about the quality of life here. Recreation, law enforcement, roads, transportation and economic development are all part of the quality of life of the citizens. We, as Commissioners, try to evaluate things that would not be a benefit to the county. It is an honor to serve the county and he said he felt that their time is worth something. Sometimes mistakes are made as the Commissioners don't have all the answers so any public input is appreciated. He thanked everyone for coming out tonight.

Commissioner Walker said that she echos Commissioner Smith's comments. She expressed appreciation to the elected officials for the time they spent fine tuning their budgets. She said public comments are important to help get some answers to important issues.

Commissioner Cooper also thanked everyone for coming and said that the Commissioners will give whatever effort they can to provide Millard County services. The 3rd unit of IPA may come to being sometime later. Right now the centrally assessed properties have gone down 80 percent and the individual property taxpayer's taxes are going up to make up the difference.

Auditor Grace said the final budget will be adopted on December 18 at 11:00 a.m. at the regular Commission meeting. Changes will be made until that date. Copies will be available for public review in the Auditor's Office and the County Offices in Delta.

Commissioner Smith thanked everyone for coming and for their input. He called for a motion to adjourn.

Commissioner Cooper made a motion to adjourn the meeting.

Commissioner Walker SECONDED the motion. The voting was unanimous and the meeting adjourned at 8:23 p.m..

Attest: _____

Approved: _____