

MINUTES OF BOARD OF COUNTY COMMISSION
BUDGET HEARING 2010
MILLARD COUNTY THE 8TH DAY OF DECEMBER 2009
AT THE COURTHOUSE, FILLMORE, UTAH

PRESENT: Kathy Y. Walker Chairperson
Daron P. Smith Commissioner
Bart A. Whatcott Commissioner

Richard Waddingham County Attorney
Norma Brunson County Clerk
Marki Rowley Deputy County Clerk

ALSO PRESENT: Brandy Grace Millard County Auditor
Bonnie Gehre Millard County Chief Deputy Auditor
Robert Dekker Millard County Sheriff's Office
Forest Roper Millard County Sheriff's Office
Roger Young Millard County Sheriff's Office
Alison Robison Citizen
Dale Bond Citizen
Patrick Bond Citizen
Terry Scottorn Citizen
Takako Scottorn Citizen
Ira Jackson Citizen
Dean Draper Chronicle Progress/Citizen
John Hansen Millard County Treasurer
Brandon Bartholomew Millard County Assessors Office
Tresa Cranney East Millard Recreation Director
Josh Cranney Citizen
Tony Cowley Citizen
Mark Cowley Citizen
Krista Iverson Citizen
Victor Monroe Citizen
Ivan Robins Citizen
Vickie Martinez Citizen
Sheri Dearden Citizen
Lynette Madsen Citizen
Kathy Stringam Citizen

EXCUSED: Connie Hansen Millard County Recorder

PURSUANT TO AN AGENDA WHICH HERETOFORE HAD BEEN PROVIDED TO

each member of the governing body, posted at the principal office of the Millard County Commission, posted on the Utah Public Notice Website, and provided to the Millard County Chronicle Progress, a newspaper of general circulation within Millard County, as required by law, the following proceedings were had:

Commissioner Whatcott made a motion to enter into the budget hearing to take public comment about the 2010 proposed budget.

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

Commissioner Walker called the meeting to order at 7:00 p.m. and welcomed everyone to the budget hearing. She introduced all the elected officials then turned the time over to Auditor Brandy Grace for comments.

Auditor Grace covered information relative to the adoption of the budget. The tentative budget was adopted on October 20, 2009. Public notices were ran in the Chronicle Progress on November 4, and 11, announcing that the budget had been adopted and was available for inspection at the County office building in Delta as well as at the Auditor's office.

Spreadsheets handed out summarized the comparison of the 2009 budget the county is currently operating on, and the 2010 budget. Auditor Grace said that the 2010 budget on the summary does not match the numbers that are on the adopted tentative budget. Since adopting the tentative budget the commission has continued to make changes to the budget through meetings with the department heads. At this point the budget is currently in balance. The general fund department as well as the 2009 budget in comparison to the 2010 budget is shown and reflects the differences.

Terry Scottorn said that he would like the commissioners to go through some of the budget and explain the increases to help him better understand the budget.

Auditor Grace started by explaining the Auditor's budget. She said that in the past her office had employed one full time employee as well as two part time employees. Staffing changes eliminated one part time position allowing for a full time position. This required more salary and benefits which increased the Auditor's budget. Also, there were cutbacks made to the second part time

employee's hours.

Auditor Grace said that historically there were two full time employees and one part time employee in the Auditor's office. They tried doing job sharing by making two part time employees out of one full time employee and for many reasons that didn't work out. That is why one of the part time positions was increased back to a full time position.

Commissioner Whatcott said that each time the Auditor's office would get the part time employee trained they would leave due to a full time offer somewhere else. That is one of the many reasons they decided to go back to having the full time position.

Terry Scottorn wanted to clarify that the two part time positions were turned into one full time position.

Auditor Grace clarified that there is now two full time employees and one part time employee with less hours, instead of the one full time employee and two part time employees.

Auditor Grace also explained the budget increases in Surveyor and Risk Management.

County Clerk Norma Brunson and Sheriff Dekker addressed the increases in their budgets for 2010.

Mr. Scottorn asked why liability insurance has had such a huge increase?

Commissioner Smith said that the county belongs to a pool called Utah County Insurance Pool (UCIP) which consists of several counties that self fund their insurance. As premiums in the pool go up, UCIP allocates a percentage to its members.

This last year there have been a number of cases. The idea is to maintain the pool which saves the county money rather than having to go out and get commercial insurance. Those expenses do go up and down based on overall member performance. UCIP offers a better rate than the county was getting on its own.

Mr. Scottorn asked if all the member counties are seeing an increase as well. Commissioner Smith responded that they too are receiving an increase. The only thing UCIP bills for is the cost and claims that they have for the county and the county watches that very closely.

Auditor Grace stated that another big expense with liability insurance is centrally assessed litigation. Commissioner Smith explained that because of the number of cases that UCIP is dealing with in regards to centrally assessed litigation issues UCIP has changed the way it assesses. UCIP used to pay 50% of the costs associated with a lawsuit and the county would pay 50%. Given the

economy, UCIP has changed the amount it pays from 50% to 20% leaving Millard County to pay 80% instead of 50% of the legal costs. The county has cut back on the amount of cases they are fighting. It is now having to choose the cases that it knows can really make an impact.

Mr. Scottorn asked if the county was in a suit with the people from IPP who basically sues every year. Commissioner Smith said that right now they are at an agreement with IPP so they are not in a lawsuit at this time. The county is currently dealing with the Milford Wind Project. They built their transmission line and are now protesting its value. Millard County is participating in an appeal of that and has to pick up 80% of the costs associated with the litigation.

Commissioner Walker addressed the budget increase with the golf course and Commissioner Smith explained the Building Inspection budget increase.

Vic Monroe stated that he had concerns with the amount that is being paid out. He said that Auditor Grace helped explain some of the issues. One of his concerns was with recreation. He said that the golf course has budgeted almost a half of a million dollars, plus \$46,000 added to it. The net loss for the golf course was around \$238,000 last year. He said that he is not opposed to recreation by any means but he feels like the county has gone too far with it. Commissioner Walker clarified that prior to last year, operations of the golf course, which is the club house, cart rentals, etc., was in a separate fund. Maintenance of the golf course was in the maintenance 2 budget. In order to better track the expenditures for the golf course the county has combined all the golf course expenditures into one budget.

The operating expense in 2009 for the golf course was \$201,250 and the revenue was \$212,483.57. In 2008 the revenue was \$197,037 and the maintenance expense at the golf course was \$251,795. The county feels like it is getting self sustaining on the operation of the golf course and is trying to figure out how to cover the maintenance and make it self sustaining as well. Mr. Monroe said that he appreciates that but his concern is that there still was a net loss in 2009 of \$238,000 for the golf course alone. Commissioner Walker stated that the loss is from maintenance but that she agrees with Mr. Monroe that this is still a loss.

Mr. Monroe said that overall it is costing too much and the only way to pay for it would be through taxes. He said that when something isn't paying its way you need to do something different, either shut it down or make sure it pays its way.

Auditor Grace wanted to explain what Mr. Monroe is referring to. She said that Mr. Monroe came into her office earlier and asked for information relative to

the revenue that has come in for the past several years to date, versus those expenses for those programs.

Mr. Monroe says that he agrees with recreation and wants kids to have fun stuff to do, but when it goes too far and ruins a lot of people something needs to be done. Commissioner Walker stated that she appreciated what Mr. Monroe had to say and that the county will continue to work on this issue.

Ira Jackson said that every year he protests paying his taxes because he doesn't like how his tax money is spent. He said that he came to a meeting a few years ago and asked that the road he lives on (Canyon Road in Oak City) be repaired. He feels like he was ignored and hopes he will not be ignored now. He said that water is eroding underneath the highway and the highway is falling apart. When it flooded a few years ago they put a 5' berm around one of the properties and it is still there. He can't understand why it wasn't moved back against the fence off the highway. Just as you pass that berm there is a pile of sandbags and just passed that there is a hole in the road where someone could really get hurt if they were to drive in it. Commissioner Smith reassured him that the commission has been working with the Oak City mayor and city council on some projects that they are trying to get funding for to redo two culverts in town and the main culvert there. NRCS has been working on a study for the last two years. Commissioner Smith also apologized that the county had not gotten to Mr. Jackson's issue a few years ago. They will look at those issues and try to better serve him in the future.

Vickie Martinez asked why Delta gets so much more money for recreation than Fillmore? She said that Fillmore has to recruit volunteers to help with sports, when Delta has money budgeted to pay for it's help. She said that when her girls played sports a few years ago they were told that if they want to play sports they would have to go to Delta. She said who can afford to go to Delta all the time. Now the same thing is happening with her boys who are now playing. She is wondering why Fillmore doesn't get the funds that Delta does? She said we are trying to keep our kids busy with sports and recreation stuff to keep them out of trouble. She feels like it is only fair that Fillmore be offered the same advantages as Delta with recreation.

Kathy Stringam said, west recreation is in reference to the entire west side and east recreation is basically what goes on here in Fillmore. She asked what the population was for Delta and Fillmore? Commissioner Walker stated that there is about 3200 in Delta and approximately 2400 in Fillmore. Ms. Stringam said that she agrees with Ms. Martinez that the money difference between the two sides of the county doesn't seem to make sense.

Ms. Stringam stated that she owns a volleyball club that she started for the benefit of the kids. She wants to keep the kids out of trouble, give them opportunities and help them compete at a state level. She said that it is clear that there is this incredible need for volunteers with the recreation department. People are burnt out from doing the same stuff over and over again. It is hard for a parent to volunteer and have all the other screaming parents who are not willing to volunteer yelling at them because they are not happy with the job the volunteer is doing. She said so when there is this kind of discrepancy in a budget it makes it real tough for Ms. Cranney who gets paid minimal and is told that she cannot give more hours. She thinks that it needs to be better addressed.

Commissioner Walker said that when IPP first came to the county there were approximately 5,000-6,000 construction workers who moved into the Delta area. IPP paid for the ball parks and a lot of the recreation type things so their workers would have things to do. Most of it did take place in the Delta area so the workers would be close to the IPP site. After that, she cannot account for what the past commissioners chose to do. On the East Millard side there was a definite lack of recreation and the commissioners are aware of that. As Commissioners they have built the indoor arena in the Fillmore area. A year or two ago they did the entire grandstands at the race track building. Even though there is a declining budget the county has been trying to do everything it can to build up the recreation program. The Commissioners are aware that there is still a severe lack of recreation on the east side of the county. They are trying to take care of that but it will take some time to make the programs better.

Ms. Stringam said that makes sense, but with the incredible discrepancy of funds, she feels that it would be more justified if there was more of a difference in the population with Delta and Fillmore. Changes need to be made on how to distribute the recreation funds between the two sides of the county.

Commissioner Walker said that she thinks the county will see some major changes with recreation in the next few years.

Ms. Stringam said she was asked to host a volleyball tournament here in Millard County but when the administrator contacted Delta High School she was told that there was no way that will ever happen. Ms. Stingam said bringing that in to the county is revenue and may help receive more support from parents whose kids would definitely benefit from this happening.

Commissioner Whatcott said that recreation is dear to his heart and is very

important to our community. It is also a good deterrent to vandalism.

Ms. Cranney has been a great asset to the recreation department. She has shared some great ideas as to what she wants to bring into this side of the county.

A couple of weeks ago he met with Ms. Cranney, Coach Marshall, Coach Teeples, Coach Bolloch and the outgoing and incoming Fillmore City Mayor. They talked of all the things they can do to have some good quality baseball fields here in Fillmore. This will not happen overnight but in time Fillmore will have a couple of great baseball fields and funds to be able to pay the referees. Ms. Stringam commented that she would like to see club volleyball accepted here in Millard County as well.

Commissioner Whatcott said that there are a lot of things that can be done here to bring in some money for recreation.

Krista Iverson said that she was looking at the 2000 census which was the most available online. About 57% of the population in Millard County lives on the Delta side and about 43% lives on the Fillmore side. If you look at that per capita you would see that there is a gross dis-proportionality of funding that exist between the two sides of the county. Ms. Iverson gave a few examples from the budget. Looking at the total recreation budget, the Fillmore side of the county only receives 11% of the total budget, the Delta side receives the remaining 89%. There is a major discrepancy between the percentage divided between the two sides of the county.

Auditor Grace and Commissioner Walker tried explaining that the figures that Ms. Iverson was presenting didn't include all the recreation facilities. The difference in the percentage is because Fillmore has less facilities to maintain than Delta.

Ms. Iverson said with respects to parks, she feels that there are a few positions that do not appear to justify the immense cost to the county. Speaking specifically of the County Recreation Director and the secretary whose combined wages cost the county \$91,000 and the benefits costing over \$50,000 totaling more than \$141,000 for just the Delta side of the county. As a resident of Fillmore it bothers her that while his full time job covers the entire county he is not representing the east side of the county. It bothers her that this much money is spent on these two positions regardless of how well their jobs are done. She believes that recreation adds a quality of life to the residents of the county and she is not opposing the amount spent on recreation. She thinks the present system is very ineffective and inefficient and she thinks that money would be far better spent - for example, to use this same amount of money to

fund four part time employees, minus the benefits and pay them \$35,000 a year.

Commissioner Walker assured her that without revealing personal information some changes have been made within the past week.

Ms. Iverson said that she believes that the budgeted money for recreation can be better proportioned between the two sides of the county.

Vic Monroe said regarding the ball fields that were built in Delta by IPP, in lieu of taxes the people paid the money back with their taxes. Commissioner Walker agreed that was the case. She said that there was a recreation district formed in East Millard and West Millard and those two were combined. She thanked Mr. Monroe for his clarifying that information.

Commissioner Whatcott said that the commissioners are making changes in recreation for the better. This will cause a positive impact on what the county will be able to do. If the people would give them a little bit of time they will see big changes that will let the kids play ball.

Ms. Iverson questioned the job description of the recreation position who is making \$57,000 a year. She wanted to know what he does that earns him so much money.

Commissioner Walker told Ms. Iverson that in about a week his new job description will be released to the public.

Commissioner Walker also said that she wanted to inform Ms. Iverson that the County charges a 3% transient room tax (TRT) and was wondering if the city is aware that they have the right to charge a 1% TRT on top of the county's 3 % TRT. She said that Delta City has adopted it, but Fillmore City has not.

Ms. Iverson said that she has looked into that and she has the perception that if the TRT was collected it would not be used for the east side of the county. Commissioner Walker assured her that if Fillmore City implemented a 1% TRT the money would be used exclusively for facilities in Fillmore of Fillmore City's choosing which would be the same as the 1% collected by Delta City.

Dale Bond said that he is an advocate for the golf course in Delta. After visiting with Auditor Grace he came up with some figures pertaining to the golf course. His perspective on the golf course is that it costs \$453,000 to run and that includes operation and maintenance. His understanding of what was taken in

was approximately \$252,000 for the golf course alone. That is not counting the motels that were stayed in or any of the revenue that was taken in by the surrounding businesses.

When Todd Mullen took over he started having lots of tournaments and is trying to get more and more all the time. They have plenty of people coming with an 18 hole golf course. On a weekend when it snows up north the golf course parking lot will be full of people from Salt Lake wanting to play golf. This year they had a 1A tournament and a 2A tournament going on and that brought in a lot of revenue. The high school golf teams have brought a lot of people out to play golf.

He said that if you take the \$252,000 that cost the county for maintenance from the revenue brought in, and if you own a house and the property taxes are under \$1,300 it would be less than \$5.00 of those taxes to keep the golf course up and running.

He really enjoys working on the carts and he has heard a lot of good comments from all over.

Alison Robison asked the Commissioners to explain why the road department was cut \$200,000.

Commissioner Smith explained that the Road Department on the budget is called fund 21 and has a revenue and expense line item. A lot of the money that is funded by the road department comes from Class B road money which the county gets back because of the sales tax on gas. The rest is funded by Payment in Lieu of Taxes (PILT) money which comes from the federal government for maintenance on public land roads. Also, the county is going to receive money from the US Forest Service for road maintenance called Statistical Reporting Service (SRS) money. That money no longer comes to the county but goes to a special service district. That is one of the reasons why the amount is less. The county cut that out of the revenue and cut the expenses because that revenue is no longer there.

Mr. Robison asked if the Forest Reserve money is less than it was last year?

Commissioner Smith responded that it was \$244,000 but it no longer comes to the county, it now goes to a special service district. The SRS money goes to Special Service District Number 8, then they buy the materials for the road maintenance. The reason for this is if the county gets federal money it will reduce the money the county gets for PILT, so doing it this way the county will still be able to get the money from both funding sources.

Mr. Robison asked if the county puts any money into the road department budget besides the other fund? Commissioner Smith responded that they put in the SRS money through the special service district, the mineral lease money,

Class B road money and the PILT money.

Mr. Robison said that it is a big cut. Commissioner Smith said that they cut back in the budget where they do not spend as much money on chips, mag and oil as they used to. Special Service District Number 8 helps pay for some of that, as well as buys some of the county's equipment. The last two years the county has cut a lot of the expenses.

Mr. Robison asked where the \$60,000 went that came from the crusher auctioned off last year? Commissioner Smith and Auditor Grace responded that it went back into the road department fund as a revenue.

Mr. Robison wanted to know if the county is going to raise the property taxes this year. Commissioner Smith responded that the tax rate on property for the county was a little bit less due to the higher value because of centrally assessed property. The county could raise the taxes due to the higher value but the county only receives the same amount of money as the year before.

Mr. Robison asked Attorney Waddingham if it was legal for the county to raise the taxes by more than 6% in one year? Attorney Waddingham said that the county and some of the districts have a certified tax rate and that are limited to how much they can raise taxes.

Auditor Grace responded that she felt that question was directed more toward market value than tax rate. The law is governing tax rate and how that is calculated. She said that she does not know the answer to that. She also said that during the protest and the appeals process, several people had said that there used to be a law that the county assessor could not increase the value of the property more than a certain percentage from one year to another.

Mr. Robison said that if the county doesn't sit on the values now then the people are going to be taxed out of their homes.

Commissioner Walker explained that though the taxes paid this year had gone up, the county's tax rate did not go up. The county is simply a collector for the various entities. Once the taxes are collected the county then disburses the money to those entities. The commission has worked really hard in trying to cut the budget and make the expenditures meet the revenue collected, the same as last year. The county has cut \$1,000,000 out of the county's budget. The county has no control over what the other entities tax. She encouraged the citizens to not only attend the county's budget hearing but all the other entities budget hearings as well.

Terry Scottorn said that the fire district tried to get a tax increase on the ballot and was shot down royally. So they waited a year and went through truth and taxation and raised the taxes anyway. The citizens cannot do anything about it no matter how fast you run and how many meetings you go to. If they want to

increase the taxes they are going to do it.

He said he is sick of writing bigger checks for taxes and everyone says they didn't get more money, but he and others are paying a lot more. He said that we have got to put a stop to increasing taxes everywhere. At some point this is going to implode on us.

Commissioner Walker said that she agrees with Mr. Scottorn. She also informed him that the commissioners taxes went up too and they weren't very happy about it.

The Commissioners work as diligently as they can with legislators to try and find solutions to these various problems.

Ira Jackson brought a map of Oak City and explained that there are properties larger than his that pay a lot less than what he was charged on his taxes for 5 acres. He also questioned the green belt program.

Commissioner Walker said that the green belt program is done through the assessor's office. She also explained that the assessor's office has been out of compliance for a number of years. The county assessor Jim Talbot is on a leave of absence until the end of December. He would be the one to answer that question.

Krista Iverson thanked the commissioners for being mindful of how the tax dollars are being spent. Her main concern is the proportionality of how the money is being spent. Looking at the chamber of commerce on the west side receiving \$9,000; the east side \$2,500. Because of the perception, there is a great reluctance to come to the commission and say the east side needs more for fear of it falling on deaf ears. She said there is an inequality of the funds from the \$9000, to the \$2500. In addition they have a secretary on the west side and the east side is conducted by volunteers.

Commissioner Walker explained that TRT is a 3% tax that is generated from taxes on motels. Most of that money is generated along I 15 in Fillmore which has a lot more motels and campgrounds than the west side. Millard County has a tourism board. Three of those members, Gayle Cluff, Don Fullmer and Dick Fones, are on the tourism committee. Temporary employees are the north park employees. There are three women at the North Park: Charley Christensen, Darlene Mundy and Beth Frampton. Those positions costs approximately \$25,000 which are paid through TRT funds. There is one part time museum employee.

Commissioner Walker went over some more figures regarding tourism, including, benefits, advertising which helps promote Millard County, office supplies, \$40 for the north park telephone bill, and \$2,500 which was moved to local development that can be used by any department county wide if they are

hosting an event. Tourism pays a Delta Chamber pays an employee \$9,000 a year for 15 hours a week to serve as a tourism representative.

Sheri Dearden informed the commission that Jan Robison also serves as a tourism committee member and that the committee works really hard to promote tourism on both sides of the county.

Commissioner Walker said that Abe Johnson with the Fillmore Arts Festival, asked that the \$2,500 be increased to \$3,000. He also said that if it weren't for the people coming over from Delta and supporting the festival they would have to shut it down.

Krista Iverson asked if there was an idea of the number of people that the Snow Goose Festival brings into the community. Commissioner Walker said that there is a survey that is available for review at the county office in Delta.

Ms. Iverson asked that if USU extension was to do a study for the Arts Festival similar for the one done at the Snow Goose Festival and the findings showed that it was bringing in as much as the Snow Goose Festival, would the commission take that into consideration and re-evaluate how the funds were disbursed. The Commissioners responded that the Tourism committee would be in charge of making that recommendation and the commissioners would support it's recommendation.

Ms. Iverson also asked what local development funds go toward?

Commissioner Walker responded that this funding is available upon request for whomever is hosting an event and needs additional funding. In order to receive this funding a form would need to be submitted to the tourism committee for approval.

Vic Monroe wanted to clarify that on the budget sheet at the top of the commission budget is travel expense, salaries, etc.

Commissioner Walker said that it is everything that the commission does and it includes salaries, benefits, subscriptions, public notices, travel, office supplies, equipment supplies and machines, the commissioners cell phones, and miscellaneous services and equipment.

She also clarified that the Commissioners make \$39,966 a year which is the lowest paid elected official in the county.

Commissioner Walker read a letter from Greg Greathouse. A copy of the letter is attached to the minutes.

Commissioner Walker said that the county has cut the budget by \$1,000,000

and is working on additional reductions, the county is working real hard to do all the things it can to protect county taxpayers.

Commissioner Walker invited the attending citizens to make any additional comments.

Commissioner Whatcott said that the county has a little over 13,000 residents. He has been coming to the budget hearings for the last couple of years before he was elected because he had an interest of how his tax money was spent. When he attended in the past he could count the number of people attending the budget hearing on one hand. Tonight he would have to use both of his hands and one foot and he thinks this it still is a poor showing. He feels with the current economic crisis this room should be full and filling out into the lobby. He thanked all the citizens in attendance for coming and expressing their comments.

Commissioner Smith said he would like to thank those in attendance who made comments. If there is something that the citizens think the county could do better or they think they are not getting the value, the county would appreciate a phone call. That's how the county can address issues. Any elected official will be available to help in anyway they can to provide a better service and provide good value to the citizens of the county.

Commissioner Walker also appreciates the concerns and comments made. She also said that the elected officials would be happy to spend the time it takes to address any concern, answer any questions or just offer any help they can.

Auditor Grace said that one of the primary functions of the auditor's office is to present this information and make it available to the citizens particularly at this time of the year as well as throughout the year. Anyone is welcome to go into her office at anytime and she and her staff would be more than willing to explain where the money is being spent.

Mark Cowley said that he has been looking over the handouts and he can see that the county has gone through a considerable effort to reduce the budget and he commends it for that. He suggested that in the future the budget should include revenue in those areas which bring in revenue. Also, due to the declining funds received from centrally assessed properties, he feels like it would be necessary to cut the budget again next year.

Sheriff Dekker also said that anyone is welcome to contact him and his office

and they too would be very happy to help in anyway.

WHERE UPON THE MEETING ADJOURNED

Commissioner Smith made a motion to adjourn the meeting.

Commissioner Whatcott **SECONDED** the motion. The voting was unanimous and the meeting adjourned at 8:51 p.m..

Attest: _____

Approved: _____