

Mt. Pleasant CDRA  
PUBLIC HEARING  
MINUTES  
June 19, 2012  
1:05 P.M.

The Mt. Pleasant City Community Development and Renewal Agency held a Public Hearing June 19, 2012 at 1:05 p.m. The meeting was held in the Council Chambers, 115 West Main, Mt. Pleasant, Utah.

1. Welcome  
Mayor/ Chairperson Bigler welcomed everyone to the meeting.
2. Roll Call  
Mayor/ Chairperson Sandra Bigler, Justin Atkinson was excused, Monte Bona, Jeff McDonald, Coleen Oltrogge, Ann Deuel was excused. Recorder/ Secretary Jon Woodard. Others present: Terri Young, Harry Hanson, Shirley Barney, Dianna Prestwich, Chief Jim Wilberg, Shane Ward, Leah Woodard, Genial McDonald, Lynn Larsen, Cameron Parry, Laurie Hansen, Pete Hafen.
3. Public Participation: The Mayor invited the public to keep their comments limited to 3 minutes about the CDRA budget for the 2012-13 fiscal year.  
Harry Hanson protests that the entire budgeting process is illegal. He focuses on the fee in lieu of taxes. He asks Coleen about it. She asks if he is a financial specialist or accountant. He says he is not, just a concerned citizen. She is not sure about the details of how the fee is calculated.  
The Mayor asks Richard to respond. Richard is the former City Manager of Ephraim. He set up the budget to be more user friendly. He has heard Harry is concerned about us not using the state forms. We utilize Pelorus. We downloaded the data from Pelorus and put it in an Excel spreadsheet to work on the budget. Using the layout of the financial software is what he has seen every city do in his 10 years experience as a budgeting professional. The Excel data is then imported back into the Pelorus. This data is subsequently put into the state format to meet the state requirements. This format provides more detail than the State forms, and it is easier to work with. He says we maybe should have had more columns on the initial tentative budget. He asks Harry to consider that the initial cover letter pointed out this was a tentative budget, and asked the council to approach us, being Jon and Richard with questions or concerns. Harry points out the copy he got did not include a cover letter. Richard points out this cover letter was geared for the council to review, not the public. The cover letter pointed out the budget was tentative, and had errors. Richard offers to go through the budget with Harry.  
Harry brings the discussion back to the original question about the intrafund charges. Richard says there are two intrafund transfers. One of these is the administrative fee. Richard and the former mayor of Ephraim came up with the methodology they use. Some cities use this to fill in gaps in the budget. We do not. They are to cover the costs of the administration of the department. Richard bring out a sheet, and shows how he shown the costs of the administration, and estimated how much of the administrative costs

should be allocated to each enterprise fund. He gives the example of the billing clerk, who spends most of her time dealing with enterprise fund billing issues. Most costs associated with her are divided up among the enterprise funds through the administrative fee. The Recorder, Treasurer, office supplies, postage, insurance, fuel, legal costs are some other areas in which the administrative costs are partially allocated among the enterprise funds.

Harry claims this is a very arbitrary approach. Richard and Monte argue this is a methodology that has some arbitrary elements, but is a methodological approach to fairly estimating administrative costs that should be born by the enterprise funds.

Harry asks about Utah Code 10-6-135. Richard does not have it memorized, but when Harry starts bringing up the substance of the section, Richard was familiar with it. Harry claims we have to have a public notice before transferring money from the enterprise funds. Richard points out this is not legally a transfer. This is an administrative charge. Harry wants to know how this is done. Richard, Jon, and Monte point out this is part of the budget that may be adopted today. Richard explains this is a legal way of charging the enterprise funds for administrative services. Harry disagrees.

4. Adjourn – 1:15.

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Jon Woodard, Recorder