

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT**  
**Minutes for the 2011 Budget Hearing and Board of Trustees Meeting**  
**6:00 P.M., Thursday, December 2, 2010**

Board Members Present: Chairman Lynn Peterson, Blair Larsen, Tina Kelley, Wendy Eliason, Mary Hazard and Mark Devoe. Others Present: Dennis Baldwin, Janet Boudrero and Betty Shupe.

Invocation: Mark Devoe

Chair: Lynn Peterson welcomed those present and introduced our guest, Betty Shupe. Lynn then proceeded to conduct the 2011 Budget Hearing and Board of Trustees Meeting.

Public Comment Period: Property Taxation for Sewer Service

Lynn invited Betty Shupe to express her concerns. Betty indicated that she was representing the residents near the Robinson Sawmill. She stated that they question why residents in that area are required to pay increasing County Taxes for the Sewer District for a service that they do not currently use or expect to use in the near future. She indicated they have been to the County Offices before and have never received a satisfactory answer.

Betty asked the Board was if there is a way to eliminate the amount charged for sewer service or to reduce it to half or at least to put a cap on the increases until the time that someone develops in that area and allows for connection to the sewer system.

Dennis explained that there is a similar situation with Weber Basin Water where Mountain Green properties are taxed for secondary water because we are within the Weber Basin District but have no direct benefit of secondary water. Mary remarked that being within the boundaries of the Sewer District actually increases the value of Betty's property because it is a public health benefit by not having failing septic systems and that the whole area benefits.

Tina explained that the properties would not be taxed for sewer service if the properties were de-annexed from the District. She suggested that Betty might talk with the County Attorney and he would likely advise her to get an attorney to start the de-annexation process, which would be expensive. Tina also remarked that the District has not increased the tax-rate but the tax amount increases as the value of the homes increase. Tina also stated that there is a secondary benefit of being within the District by septic tanks not contaminating ground aquifers.

Blair explained that this is the Principle of the Common Good in that the whole community is required to invest in a public school system through property taxes because it benefits the community as a whole, even though older residents do not have children in school. Likewise, having a sewer system benefits the whole community, even though a few residences in the community are not connected to the system.

Dennis said that he would discuss this item with county officials and see what, if any, relief they could offer. He also suggested that the Board might consider reimbursements in some instances.

#### Item #1. Discussion / Decision: Public Hearing and Final 2011 Budget Review

After the discussion with Ms. Shupe, the Board reviewed the proposed 2011 Budget in some detail and discussed related matters regarding various expenses and allocations. The total budgeted income for 2011 is \$289,517, which represents a 6.6% increase over the 2010 budget. The total budgeted allocations for 2011 amount to \$317,661, which represents a 0.9% increase over the 2010 budget and which is \$28,144 or 9.7% in excess of budgeted income. Blair asked if the budgeted allocations shouldn't balance with the budgeted income and it was explained that the District is treated as an enterprise and thus under State regulations the two do not have to balance. In addition, some allocations may not actually be spent and the final expenditure will likely be substantially less than budget. For instance, the actual amount expected to be spent for 2010 is about 20% less than budget.

After the Board review and after the public hearing period was over, Blair made a motion to accept both the detailed 2011 Budget and the standard summary 2011 Budget as presented. Mark seconded the motion. All voted in the affirmative. Motion passed.

The Utah State Auditor requires a resolution documenting Board approval and hence Blair made another motion to accept Resolution 101202, which adopts the 2011 Budget as written. Mary seconded the motion. All voted in the affirmative. Motion passed.

#### Item #2. District Operations

Dennis rehearsed for the Board several key events and operations within the District that occurred during November: 1) Rocky Mountain Power and Rose Electric switched power from the old Monte Verde Lift station controls to the new system; 2) A severely-damaged manhole ring in Blue Jay Circle was replaced, at a cost of \$1200; 3) A spare Siemens chlorine inductor was purchased, at a cost of \$10,850; 4) An acre of District property was 'hydroseeded' at a cost of \$2300; 5) The 35 KW backup generator was installed at the lift station site; 6) Finally, a natural gas line was run to the generator at a cost of \$700. It was also noted that the BOD, TSS and e-coli bacteria tests in November were well within requirements.

Item #3. District Statistics

The Board briefly reviewed current financial status of the District, which continues to be excellent.

Item #4. Review and Approval of November 4, 2010 Minutes

After Board review of the minutes from November 4, 2010, Tina made a motion to approve the minutes as written. Blair seconded the motion. Motion passed.

Adjourned: 7:05 P.M.

Signed \_\_\_\_\_