

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
MINUTES FOR THE 2012 BUDGET HEARING
December 1, 2011, 6:00 P.M.**

Board Members Present: Tina Kelley, Shane Rice, Wendy Eliason and Mark Devoe.
Others Present: Dennis Baldwin and Janet Boudrero

Mark officially opened this 2012 Budget Public Hearing.

Item #1. Discussion / Decision: Public Hearing to Review the 2012 Budget.

No members of the District public were present at the Budget Hearing. During the hour allocated for the Public Hearing, the Board reviewed both the spreadsheet budget that details District operations and the summary budget that goes to the Utah State Auditor's office. After the allocated hour was concluded, Tina Kelley moved to adopt the 2012 Budget as proposed. Shane Rice seconded the motion. All voted in the affirmative, thus passing the 2012 Budget.

Item # 2. Discussion / Decision: Write –Off of Uncollectable Charges

A few residents of the District fail to pay their monthly charges on time, accrue substantial account deficits, and then move from the District. These unpaid amounts tend to accumulate in the 'Receivable' QuickBooks account and thus skew the total. The Board was requested to concur in deleting from QuickBooks records the amounts owed by former customers who have moved from the District.

Mark stated that he does not want to go after delinquent accounts "like the big gorilla" but emphasized that we should implement better business practices of making other efforts to collect from delinquent customers (See Item 3, below). After further Board discussion, Mark moved to write off the delinquent charges that are long past due and uncollectable. Tina seconded the motion. Motion passed.

Item # 3. Discussion / Decision: Arrears Guidelines

As noted in Item #2, a number of customers are delinquent in paying their monthly charges, and Dennis is seeking Board counsel on the matter and suggested a plan. Tina explained that, regarding the Morgan District Court Collections, they previously were very lenient with citizens and waived many fees, but the present clerk responsible is more determined, and as a result the County Court has seen an increase in their collections. She said there should be a limit for those who are behind by six months, and that they should make at least partial payments.

The Board discussed and agreed to try the following approach to delinquent accounts:

- During January and April to have Annette call the customers who are in arrears more than three months, reminding them that they are behind and asking them if they can resume paying on their accounts, and if they cannot pay, asking them for the reason. She may offer to accept partial payments without interest on the balance until their financial situation improves. Calls will be logged by date and time and responses will be noted.
- During July, to have Annette post letters to those who were called in January and April but who have still not made even partial payments, reminding them of the months that they are behind and of the phone calls, again asking them if they can resume paying on their accounts, and if not, asking them to advise the District why they cannot pay.
- For those in arrears more than six months but who are judged to have the capacity to pay, the letter will advise them that the District 1) will request the County to attach the amounts owed to their property taxes, unless they make at least a partial payment by September 15, and 2) that this action may have an adverse impact on their credit rating.
- For those in arrears more than six months and who refuse to resume paying on their accounts, Janet will submit their names and amounts in arrears to the County office, requesting these amounts to be added to the property tax notices.

Shane made a motion to accept the Arrears Guidelines with the stipulation that we revisit this in one year. Mark seconded the motion. The motion was unanimously approved.

Item #4. Discussion / Decision: Upgrading QuickBooks to Enterprise Version

District financial records are being kept in QuickBooks 'Pro' 2011 version, which has been performing well to this date. However, we have been advised by QuickBooks representatives that our data file is too large (greater than 250 megabytes) and that neither the 'Pro' nor 'Premier' version is designed to support data files this large. They recommend upgrading to the 'Enterprise' version, which can accommodate much larger data files.

However, the cost of upgrade is at least \$2500 plus \$800 per year and Dennis recommends continuing with our current system until we have to upgrade. Meanwhile, the data file will be backed up daily and data will be archived when necessary.

Dennis requested advance permission to upgrade to the 'Enterprise' if it becomes essential and we cannot wait until another Board meeting. Tina made the motion and Shane seconded. All voted in the affirmative.

Item #5. Discussion / Decision: Meeting Schedule for 2012

The Board approved the proposed meeting schedule for 2012, which is to schedule meetings on the first and third Thursday of the month through September and one per month in October, November and December, with the understanding that meetings may be cancelled for lack of new business.

Item #6 and #7 Discussion: District Operations and Statistics

Board members briefly reviewed recent operations and financial data and were satisfied that the system is performing well and that the finances are in order.

Item #8 Discussion / Decision: Review and Approval of November 3, 2011 Minutes

The Board approved the minutes as written.

Meeting adjourned at 8:00 p.m.
