

PANGUITTCH CITY COUNCIL MINUTES

DECEMBER 11, 2007
CITY COUNCIL - 6:30 P.M.

LIBRARY CONFERENCE ROOM
25 SOUTH 200 EAST
PANGUITTCH, UTAH 84759

Present at the City Council meeting were, Mayor Pro-Tem John Orton, City Manager Allen K. Henrie, City Recorder Cindy B. Johnson, City Council Members Eric Houston, Greg Payne, Nick Reynolds, Tim Smith and Attorney Barry Huntington. Mayor J. Arthur Cooper was out of town.

OPENING CEREMONY The opening ceremony was conducted by Allen K. Henrie.

ADOPTION OF THE AGENDA

Greg Payne moved, seconded by Tim Smith to adopt the agenda as outlined. The motion passed with all in favor.

APPROVAL OF THE MINUTES

Tim Simth moved, seconded by Greg Payne to approve the minutes as corrected. The motion passed with all in favor.

UP COMING MEETINGS The city Christmas party will be held tonight after city council. The second council meeting in December has been canceled at a previous council meeting. Mayor Pro-Tem John Orton will approve the payment register for the bill to be paid out on the next check run.

PUBLIC HEARING - TRANSFER OF FUNDS Mayor Pro-Tem John Orton opened the public hearing at 5:02 p.m. The public hearing was to transfer funds from one account to another to make them more balanced. The city is required to send notice to all utility users and hold a public hearing to transfer funds from one account to another.

Allen K. Henrie explained the city has three funds; water, sewer and general fund. They are used to pay the city's bills. It is hard at times to know exactly which account to pay from.

The water fund has built up where as the sewer and general have gone down. There is approximately \$700,000.00 total between all three funds.

In the summer of 2007 the city chip sealed all of the city streets and the cost was much more than expected.

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Mr. Harshad Desai feels the water did not need to be increased from \$16.00 to \$22.00 and feels the public was misinformed. He made a comment regarding the chip seal of the entire town rather than doing a quarter at a time. He also feels the staff needs to be reduced.

Grant Olenlager asked how many times this has happened in the past and feels this is a bad habit to get into.

John Orton explained that we were going to chip seal only 1/2 of the town each summer but were pushed back a year causing the entire city to be done in one summer. The city is going back to the 1/4 sections of town per summer.

Mr. Olenlager feels the time spent on different jobs could be tracked much better. He has seen some of the maintenance crew at the coffee shop for up to 45 minutes at a time.

Jim Johnson commended the city employees and would hire them on the spot. There has been a lot of improvements made on the water system and we need to keep some money in there for emergencies.

Becky Yard said ditto to what Mr. Johnson stated.

Mr. Desai stated that the city would be better to have a zero balance in surplus.

Robert Burns - Does not understand why we are charging the amounts in the funds and does not understand why this has happened. He feels this has been happening over the past several years. He thinks the money should not be moved unless there is an emergency.

Allen K. Henrie explained that we have done everything by the state auditor rules and have talked with them as well. We need to move this from one fund to another.

Cindy Johnson explained that the funding is all in one account at the bank and is only separated into water/sewer and general fund for city budgeting purposes. There is no money being spent just transferred to another account to make them more in balance as recommended by the state auditor.

Mr. Desai stated that this was not a mistake and the city knew about this.

Greg Payne explained the city did not know we were going to do this. This was not foreseen. It was decided because of the cost of oil. The council voted to finish the entire town to save the city money due to the increase

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of oil each year. The state funding for roads is not going up as fast as the price of oil is.

Jon Torgerson said he really appreciates the wisdom used by the city council. General Fund was hit by the chip seal this year. The way he sees it, the city is trying to transfer funds and not by way of a tax increase.

Mayor Pro-Tem John Orton declared the public hearing closed at 5:50 p.m.

Allen K. Henrie went over the funding. There is \$700,000.00 in total revenue. Approximately \$85,000.00 in General Fund, \$500,000.00 in the water fund and \$5,000.00 in the sewer fund. There is also restricted funding in all of the above accounts being discussed.

Tim Smith stated this is a allocation problem, not a funding problem. The surplus issue did not happen over night and we should bring the city workers wages up during the next upcoming budget.

Eric Houston moved, seconded by Tim Smith reallocate \$160,000.00 from the water fund into the general fund, and \$25,000.00 from the water fund into the sewer fund. Total of \$185,000.00 will be coming out of water fund into general fund and sewer fund. The motion passed with all in favor.

SWIMMING POOL AGREEMENT The school board tabled the swimming pool agreement item because they did not agree with the agreement. They would like the agreement to be an inter local agreement rather than a contract.

The funding reimbursement of \$5,000.00 being collected through property taxes that are supposed to be used for the pool have not been used towards the pool as it should have been. It was proposed by board member Mack Oetting to turn the money over to the city to help with paying for costs incurred by running the pool. This was also voted down by the district.

Tim Smith suggested that the school district contract with the city to run it.

Previously, district representatives agreed to open the pool and hire Gordon Nelson run it until something is resolved. This has not happened.

PRISON GUARD - PANGUITCH CITY/GARFIELD COUNTY The city is waiting to hear from the school district.

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Nick Reynolds stated that the council did not realize the cost would be so much to go this route. He is not sure that he agrees with this proposal.

Allen K. Henrie reported that if we did this it would cut out any summer help that we have hired in the past and that is so needed during the summer months. He is also worried that each entity will want to use the help at the same time. If we were to hire summer help we would for sure have them during the busy summer events.

Allen also reported that the city's insurance carrier (Utah Local Government Trust) prohibits anyone under the age of 18 to work for the city. The city may need to offer more money for summer help.

HOG RALLY REPORT - ERIC HOUSTON It was reported that those who run the Canyon Country Run have pulled out and will not be back next year.

Eric Houston and Janet Oldham feel the event can still be held with a committee of 10 to 12 people to organize and staff the event. The new group has requested funding of \$3,000.00 to use towards organizing this event.

Greg Payne moved, seconded by Tim Smith to donate \$3,000.00 to support the motorcycle rally that will be run by Panguitch City and the new committee that will be set up. The motion passed with all in favor.

BUSINESS LICENSE - SOUTHERN UTAH INSPECTION SERVICE This is a service of home inspection and building construction inspection which takes place in other counties but his home base is in Panguitch.

Nick Reynolds moved, seconded by Greg Payne to approve the above business license request. The motion passed with all in favor.

CITIZEN COMMENT Mr. Olenlager apologized for anything misunderstood during the public hearing regarding the transfer of

funds. Mr. Robert Burns also thanked the city for their prompt action in taking care of the matter.

MULTI PURPOSE EVENT CENTER There were several events and items discussed during the executive committee meeting. Three barrel races, \$2,500.00, \$2,500.00 & a \$5,000.00 added money, Bull rider rodeo - \$8,000.00, The National Senior Pro Rodeo \$4,500.00 per night, Cowboy's Ain't Dead Yet, Team penning, motorbike show and improvements that need to be made.

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Eric Houston moved, seconded by Nick Reynolds to support the activities and events the Triple C executive committee proposed. The motion passed with all in favor.

PENDING BUSINESS The pending business list was edited.

DEPARTMENT REPORTS

Greg Payne moved, seconded by Tim Smith to approve the JP Fine report. The motion passed with all in favor.

CURRENT BILLS The council reviewed the current bills to be paid.

Eric Houston moved, seconded by Greg Payne to pay the current bills. The motion passed with all in favor.

ADJOURNMENT

Meeting adjourned at 6:15 p.m.

John Orton, Mayor Pro-Tem

Cindy Johnson, City Recorder

