

**Administrative Control Board Meeting  
Box Elder and Perry Flood Control  
Special Service District  
Perry City Offices 3005 S 1200 W  
5:00 p.m. Thursday, February 13, 2014**

**Members Present:** Chairman Greg Hansen, Board Member Boyd Hirschi, Board Member Maurice Roche

**Members Excused:** Board Member Bob Thurgood and Board Member Kevin Pebley

**Others Present:** Duncan Murray, Attorney; Susan K. Obray, Minutes Clerk

**1. Welcome & Call to Order**

Chairman Hansen Welcomed and called the Box Elder and Perry Flood Control meeting to order.

**2. Approve Minutes for December 19, 2013**

**MOTION:** Board Member Roche moved to approve the December 19, 2013 minutes. Board Member Hirschi seconded the motion. All in favor.

**3. Public Comments**

There were no public comments.

**4. Discussion with Chuck Palmer Regarding new procedures from the State Auditor's Office**

Mr. Palmer stated that we have a new State Auditor and he has changed the procedures. He said for small governments that have \$100,000-\$500,000 in revenue expenditures, they have a choice of either agreed upon procedures or an audit. Mr. Palmer handed the chairman a manual for the agreed upon procedures. Mr. Murray stated that even though the tax amounts we receive are under \$100,000, we have capital projects and the extra money that we are spending in past years puts us over the \$100,000, we have to comply with the over the \$100,000. Mr. Palmer recommended that they do the agreed upon procedures. Mr. Palmer stated regarding the agreed upon procedures there are some general things that need to be done. He said he will take Board Member Hirschi's information and up load it to the State website. He said then he has to make sure that the bank account is in balance; document internal controls; inquire if there is any fraud; test the revenue (which is one receipt and make sure the money got to the bank); copies of the disbursements, do a bank reconciliation (year end statement). Mr. Palmer stated that this will be done at the end of each year. He said he will have to document that he has done all these steps and once he has completed all the steps, he will issue a report that states he has completed all these items. He said if there were any problems he

will report what the problem was; if there are no problems then he will say that the district complied with the procedures. Mr. Palmer stated that there will be one finding that we will have for this year. He said on page 3, compliances number 15, it says “determine that your general fund balance is within the cumulated limit set by law, and they are over that amount”. He stated that we will have to respond back to the state that we are over but we are going to be spending money to do “X” number of projects. He said or they could create a Capital Projects Fund you transfer all the money into this fund. Mr. Murray stated that is what he would recommend, because you know you are going to spend that money on projects. Mr. Palmer stated the general compliance is half the revenue for the year which would be \$40,000. He said you are only suppose to carry \$40,000 from one year to the next. Mr. Palmer stated that a lot of these are compliance issues that cities and counties have to comply with. He said they ask if we have a GRAMA policy and a purchasing policy. Mr. Murray stated that we have a purchasing policy but do not have a GRAMA policy.

Mr. Palmer stated that he knows that Duncan has been giving the training out of the small districts manual and made sure that everyone has done their test. Mr. Palmer said that he will send a letter with the documentation and findings (if any), and a recommendation, and the response from the district. He said once done with that then he will present it to the board and sent it off to the State Auditor’s Office. Chairman Hansen asked how the board creates a Capital Projects Fund. Mr. Palmer stated it will be an agenda item with a public hearing. Mr. Murray stated with a Capital Projects Fund you don’t need to worry about the money being spent that same year you can carry it over to the next year. He said the only down side is that once you have identified it as a Capital Projects Fund you have to use it for those projects.

Mr. Palmer stated that next year their budget will be a little different from this year; they will have a general fund and a Capital Project Fund. Chairman Hansen asked if the monthly bills for staff, insurance, etc. would come out of the General Fund. Mr. Palmer stated that they would. The public hearing will be set for March 20<sup>th</sup>.

**MOTION:** Board Member Roche moved to hire Chuck Palmer with Christensen, Palmer & Ambrose to proceed with the agreed upon procedures with the State of Utah. Board Member Hirschi seconded the motion. All in favor.

##### **5. Discussion Regarding Perry City Resolution 14-02 Terms of Office for Board Members for the Box Elder and Perry City Flood Control and Drainage District**

Mr. Murray stated that this Resolution is not for the Board to act on, it is for the Perry City Council to look at in their April Council Meeting. He said because There is a waiting periods under state law and the way the County created the District they have to wait a period of 60 days. Mr. Murray stated when the

District was created a couple of years ago it was set up with staggering 4 year terms and 2 year terms for Maurice and Kevin seats, the other three Board members are 4 year terms. He said that Maurice and Kevin are at the end of Their terms. Mr. Murray stated it was his understanding that Maurice and Kevin both filed to be reappointed. He said that the Mayor and Council are looking at making those appointments at the April 10<sup>th</sup> City Council meeting. He stated that this is the Resolution they will be considering. Mr. Murray stated that in the City Council are going to finish making Council assignments at tonight's meeting He felt that it would also be helpful if the Council Member over storm water was also a non-voting member. He said this member could work closely with Paul and the board as a liaison with the City and the Flood District. Chairman Hansen stated that he would like to see the council member appointed attend the meetings. Mr. Murray stated that the terms run from January 12, 2012 to January 1, 2014, but with these Board members having "held over" until new Appointments have occurred.

**6. Discussion about the continued use of Duncan Murray for Staff Services due to Lack of continued employment with Perry City**

Chairman Hansen stated that Duncan Murray's contract was not renewed with Perry City. Chairman Hansen stated that Duncan has been a huge part of the success of the Flood Control. He said now leaving Perry City what are we going to do to carry on. Chairman Hansen stated that Malone Molgard is the new City Attorney and Mayor Cronin is the acting City Administrator. He said that the board is going to need someone that has direct contact with Perry City to continue to direct us. Chairman Hansen stated that Mr. Murray has done a fantastic job for the board and expressed his appreciation. He said we need to look at someone that we can use on a part-time basis. He said Malone will be available to us if we need legal direction. He said we have Paul that we can use, and Sam Heiner who is a part-time Planning Consultant for Perry City. Mr. Murray stated that Sam also works with Jones & Associates so he is familiar with storm water. Chairman Hansen stated that Duncan has also offered his services for a short period of time. Chairman Hansen stated that these are the options that the board has. He said that Duncan has bill the board until the end of February.

**7. Payment Approvals (if any, roll call vote)**

Chairman Hansen stated that there are four invoices to pay. Susan Obray \$70.00; Duncan Murray \$600.00; Christensen, Palmer & Ambrose for \$440.00 and Jones & Associates for \$2,223.00.

**MOTION:** Board Member Hirschi moved to pay the invoices for Susan Obray\$70.00; Duncan Murray \$600.00; Christensen, Palmer & Ambrose \$440.00 and Jones & Associates \$2,223.00. Board Member Roche seconded the motion. Roll Call Vote.

Chairman Hansen yes

Board Member Roche yes

Board Member Hirschi yes

Motion Approved: yes 3 no 0

**8. Adjournment (Next Regular Meeting on March 20, 2014)**

Board Member Hirschi moved to adjourn. Board Member Roche seconded the Motion. All in favor.