

To my fellow Cedar Highlands residents,

As the new Mayor of our community, I think it is important that I communicate my thoughts and plans. I hope to correct any misconceptions, and begin to develop positive and open lines of communication with all members of the community. I'll address each issue separately. I realize this letter is a little long, but I think it is also critical moving forward.

Disincorporation

I did not ask to become Mayor, just to be a caretaker until the town is dissolved. I have stated publicly that the town needs to be run in a competent and transparent manner if it is to be fairly judged, and have any chance to succeed. I have no doubt that, based on the past year's performance, the town was headed towards dissolution at the earliest possible time. There are too many residents, who were once town supporters, who have become dissatisfied and disillusioned.

My job is to change that perception. The change in leadership gives the town a chance to start over. I plan to work tirelessly with the Town Council, and run our town business in an honest, professional and transparent manner. My goal is to provide the highest level of service to our community members, while being fiscally responsible.

Many residents believe that the town is the best option to improve our community. Others believe that, without a commercial tax base, we don't have the financial resources to be successful. Both sides make valid points, and ultimately it may come down to a vote of the fulltime residents. In a democracy, we have to live with the results.

Town Finances

The town finances, your tax dollars, have not been managed in a competent or transparent manner. The transgressions are numerous, but I will highlight just a few.

The Utah State Auditor's Office conducted an investigation, and determined the town had "*statutory noncompliance, weak internal control, and diversion from best practices.*" Numerous violations of Utah law were cited.

In February, the town received a letter from the Utah State Treasurer that our PTIF Fund (our tax dollars held by the State) would be frozen

due to non-compliance with financial reporting requirements. We had 60 days to comply. We failed, and our account was frozen on April 5th. It was unfrozen on May 1st, after the accounting firm Pelorus filed the necessary financial statements. Neither the town council nor community was ever informed of this information.

Our new volunteer Town Clerk has worked fulltime to conduct a complete audit of our finances. She has obtained every bank statement from the town's inception, examined every town transaction for accuracy, and that each one has been properly documented. She has found numerous errors, such as bills being routinely paid late, or checks not being deposited into our account. She has reconciled our account, and reorganized our financial records in an orderly and understandable manner. She is doing a highly professional job, while saving the community \$6,000 a year in salary.

The council has taken steps to correct these issues, but more needs to be done. I pledge to do the following:

We will follow all the laws and ordinances to ensure we are good stewards of your hard-earned money. If we make a mistake we will publicly acknowledge it and take immediate steps to correct it.

All town bills will be presented at our council meetings for a public approval by the town council.

Simplified and understandable financial information will be presented at every council meeting. This will include an accurate and reconciled checking account balance, our savings account balance, and our PTIF balance. All of the above will be documented in the meeting minutes and posted on the town website.

Pelorus will continue to be our accounting firm, and the more detailed financial statements they provide will be posted on the town website.

We are managing **your money**. We **will** restore the community's confidence that the town's finances are open, ethical and professionally administered. If you have any questions or concerns, the Town Treasurer, the Town Clerk, or myself will address them immediately.

Public Safety

I sincerely believe that the first and most important function of any town government is to ensure that we provide the necessary public safety services. If we fail to do so, we have no business being a town.

We have a contract for fire services with Cedar City. The next step is to ratify a contract for law enforcement services with the Iron County Sheriff's Office. The contract will provide our community with full law enforcement coverage and protection, around the clock, for any needs that may arise. It will give us the same service that we had before we became a town, and fulfill the promise that was made during the incorporation process. Sheriff Carpenter has also promised to provide us with a Deputy to act as our Cedar Highlands community liaison.

I do not claim to be an expert in many fields, but I am in law enforcement. I have consulted with former Sheriff Gower, current Sheriff Carpenter, Cedar City Police Chief Adams, County Attorney Edwards, and the Iron County Commissioners directly. All are in agreement that a law enforcement contract is necessary, and the Sheriff's Department is the appropriate agency to provide the services we deserve.

Ideas that we "self insure", hire security guards with no law enforcement powers, or fine residents for calling the Sheriff, are a disservice to our residents. We are not second-class citizens, and we are entitled to the same level of law enforcement protection that every other taxpaying resident of Iron County receives.

The proposed contract is awaiting approval by the Commissioners, and then will be voted on by our Town Council. If you have any questions, I'll be happy to answer them.

Roads

Obviously, the road is of huge importance to all of us. It has been neglected and is in bad shape. The Town Council's newly adopted budget will greatly reduce administrative costs, which will provide more money for road maintenance.

There is no easy fix to our road issues, but we need to at least honestly assess the current situation. The only source of funds to redesign and significantly improve our roads, *is your money*. Reed Erickson, the County Planner, recently told the council in a meeting

that he knows of *no grants* available for road improvement. We have been a town for more than 17 months, and no road improvement grants have been identified or applied for. The idea that becoming a town would gain us access to road building money looks more and more like a fallacy. If you know otherwise, I am open to suggestions.

Last September, the town contracted with Sunrise Engineering to obtain a professional estimate for an improved road. It covered the road from Greenslake to the entrance, and included the realignment of the grade. **The estimated cost was \$6,898,350.**

When you add in the cost of a government loan, clearly this is an impossible financial burden for our community to ever undertake.

It does not mean we are giving up on making substantial road improvements. The council will have to seek other options and opinions, and will ultimately have to determine if there is any appetite for a tax increase or road assessment. We already have the highest tax rate in Iron County.

My own personal property taxes have increased by more than \$1,000 in just the last two years. I understand that the decisions we make have real consequences on our residents. I do not believe the council will, or should, force a massive tax increase on the community.

There are positive steps that can be taken to at least improve the road we have, and they are being taken. Rob Yates is doing a phenomenal job donating his time to operate our leased backhoe, and the town is purchasing road materials for him to use to fix the worst segments. The town and HOA are close to signing a road agreement that will allow Rob to move his operation into some of our interior roads, again working on the areas most in need of repair. We have limited funds for the rest of the year, but will do the best we can to improve the road conditions.

The road problem is complex, but the truth is simple. The road will only be improved based on how much our residents want to pay in increased taxes, and how much time and effort they volunteer to work on it. This is true whether we stay a town, convert back to just an HOA, or both remain in place.

When you see Rob, please give him a big thanks.

Town Meetings

My plan is to run structured but less formal town meetings. I don't own a gavel, and never plan on bringing one to a meeting. We will hold the usual public comment portion during the beginning of the meeting, but that should not be the end of public input. All I ask is that everyone be respectful, raise your hand to be recognized, and keep your comments on point. The Council ultimately has to make decisions on town policies, but I want no one to leave a council meeting feeling they didn't have a chance to be heard and listened to. We are not Cedar City. We are a small community of intelligent people, and the officious nature of our past meetings is unnecessary and counterproductive to the community goodwill.

Community Division

There has been way too much finger pointing, blaming and unnecessary division created in our community. Town leadership against the HOA; New residents vs. long-term residents; Full time residents vs. part time residents vs. lot owners.

I believe all of this is without merit, pointless and counter-productive. As an example, when someone rightfully points out that our town finances are screwed up, you don't *blame* him for pointing it out, and accuse him of being a "newcomer". *You acknowledge the problem and fix it.* That is how I look at things.

After the next HOA election, it is likely that a majority of Board members will be *fulltime* residents of Cedar Highlands. Another will be a longtime, part-time homeowner, whose husband, Mark Imlay brought his own backhoe to the mountain, and worked side by side with several residents to install four badly needed drainage culverts. He charged nothing for his time or expenses. This is the type of cooperation that gets things done.

When we do our Firewise events, we don't break up into HOA groups and Town groups. No one cares! We just show up as community members and work side by side to make our community safer. If you distrust the HOA or the Town, and are suspicious of their motivations, I challenge you to go to a meeting. You will find unpaid and under-appreciated community volunteers, looking for ways to improve the community we all live in.

We will not always agree on issues, but we all want a peaceful community in which we can enjoy our neighbors, our beautiful scenery, and work constructively to solve the problems we can. The Council plans to have a cooperative and positive working relationship with the HOA, because we believe that by working together we can make our community better, safer and a more desirable place to live.

I moved up to the mountain to enjoy my retirement, and never anticipated being in this position. Since I've taken it on, all I can do is promise to be open-minded, be a good listener, and do the best job I can. I have no agenda, other than to do what we can to improve Cedar Highlands. My job is to run the town in a professional and financially responsible manner, to see that your tax dollars are spent on what really matters, and to give each resident honest and factual information.

We could use all the help you can give! Feel free to contact me to discuss any issue or concern you have.

Thanks,

Jim