

May 19, 2026, Your Town Budget at Work Open House **DRAFT** Minutes

Bluff Community Center at 4:00 p.m.

190 N 3rd East P.O. Box 324

435-672-9990

1. Welcome

Mayor Ewing opened the meeting by explaining the informal nature of the Budget Open House, distinguishing it from a formal public hearing. The goal was to encourage open conversation rather than formal statements as was meant to be a generative opportunity for conversation, not a town hall where people give 3-minute speeches. No votes will be taken during the open house and formal public input opportunities will occur at the June 2, 2026 public hearing and a potential August Truth in Taxation hearing.

All Town Councilmembers were in attendance (Josh Ewing, Britt Hornsby, Jennifer Davila, Gary Haws, and Spencer Wade) as well as some staff members including Erin Nelson, Malia Collins, and Michael Haviken.

2. Presentation by Bluff Mayor, Joshua Ewing, and Town Manager Erin Nelson

a. Bluff Budget Revenue Sources & Expenditure Information

Nelson presented a comparison of revenue sources between the current and proposed fiscal years. In FY2026, property taxes represent about 5% (~\$33,000) of the operational budget, while visitor-related taxes (resort, transient room, sales) account for ~35% (~\$273,000). The total operational revenue for FY2026 is \$711K and for FY2027 it is projected at \$1.1 million. The Town is budgeting conservatively on tourism-related taxes, using figures just below 2024 actuals.

Nelson noted grant funding has been a major revenue driver, but many grants are being spent down in FY2026, leaving fewer in hand for FY2027. The fund balance from prior years has been a revenue source, but the Town of Bluff is now reaching a point where it is spending what it brings in, necessitating the proposed tax increase.

Ewing noted before incorporation, revenues like gas tax, resort tax, and sales tax all went to San Juan County and now the Town now controls how those funds are spent locally.

Nelson also walked through the major expenditure categories in the operational budget. Administrative costs include town wages for two full-time staff, employee benefits, legal services (~\$40,000–\$50,000/year), and accounting/audit services (~\$30,000). Roads funds are designated specifically for road improvements, maintenance, engineering services, and the roads manager's wages, which was previously a volunteer position and is now a paid, part-time position.

The Bluff Rural Innovation and Civic Center (BRICC, formerly CCC/Bluff Elementary) has a small maintenance allocation in the General Fund, which is separate from renovation costs found in the Special Revenue Fund.

The Bluff Airport has ~\$5,600 allocated for insurance, maintenance, and the BLM lease. The Town also plans to spend money on dark skies and trails, which have small allocations in the budget.

Nelson also went through the Town's nearly \$1.5 million in grants funding secured since 2022, which has covered roads, facilities, the airport, recreation, cemetery, and community projects and explained that while these grants are great, they also require significant staff time, including RFP management and reporting.

b. State of Utah Truth in Taxation Process

Mayor Ewing explained Utah uses a revenue-target system, not a rate-based system which means that property value increases do not automatically increase town revenue. Since 2020, inflation has risen 23%, meaning the town's \$30,000 in property tax revenue has lost 23% of its purchasing power. Additionally, taxable property value in Bluff has grown from \$24.7 million (2020) to \$60 million (current), but the town still collects only approximately \$30,000 because value increases do not trigger additional revenue to the town. Only new construction is factored into an "increase" to the town's revenue.

Bluff's current property tax rate is among the lowest in Utah; Salt Lake City's rate is 486% higher, Moab's is 300% higher, and Monticello's is 200% higher. Property tax currently represents only 5% of Bluff's operational budget, compared to 15–16% for many comparable municipalities.

c. Presentation of Bluff's Impact Statement

The proposed property tax increase would raise the mill rate from 0.000543 to approximately 0.001366, generating an additional \$50,000 in revenue (total: ~\$83,000). This represents a 151% increase in the town's portion of property tax which is not the same thing as a 151% increase in a resident's total property tax bill. For a primary residence with a market value of \$233,800 (county average), the annual increase would be ~\$105.61. For a primary residence valued at \$500,000, the increase would be ~\$225.85 per year. For a business property valued at \$443,600, the increase would be ~\$364.32; for a \$1,000,000 business, ~\$1,366.39. Businesses do not receive the primary residential exemption, resulting in a higher effective rate. All \$50,000 in new revenue would be earmarked for emergency services.

d. Why Invest in Emergency Services

Mayor Ewing explained that the Bluff Fire department leadership has requested administrative support. The Town has new responsibilities under Utah House Bill 48 (Wildland-Urban Interface) to enforce fire codes, including defensible space requirements. The proposed part-time Emergency Services Administrative position would handle administrative and maintenance functions, manage the Cooperative Agreement with the Division of Forestry, Fire, and State Lands, support volunteer recruitment for EMS and fire, and assist with grant writing for emergency services.

The proposed property tax increase would also support additional emergency services equipment. The goal of the tax increase and plan is a "down payment" toward better emergency services, not a complete overhaul. The position addresses both immediate administrative needs and longer-term capacity building for fire and EMS.

e. Significant Fiscal Year 2027 Budget Changes

Nelson and Ewing outlined additional proposed changes on both the revenue and expenditure sides.

- Resort tax, transient room tax, and sales taxes are budgeted conservatively at just below 2024 actuals.
- The Roads Fund includes an \$83,000 matching grant from the San Juan Transportation Board, secured with the assistance of the Road's Manager.

- Grants for insulation and lighting projects (EECBG funding) are included in the BRICC (Bluff Rural Innovation and Civic Center) renovation budget.
- A new part-time Minute Taker/ADA Compliance role is proposed to reduce bandwidth demands on existing staff and improve website and document accessibility.
- Employee benefits including health insurance (~\$19,000) and retirement (~\$13,000) are proposed for the first time for town staff.
- A contracted maintenance position is proposed to manage the growing number of town facilities, road right-of-way, and the cemetery.
- \$15,000 is proposed for dark skies initiatives, including lighting improvements for residences and businesses.
- \$5,000 is proposed for trail work and maintenance.
- A way-finding project is proposed in response to requests from the business community.
- The town is increasing its contribution to business promotion to support owners facing difficult tourism conditions.
- The town council has prioritized exploring water rights from the San Juan River to protect those rights and develop a secondary water system. Intended uses include gardens, agriculture, and as a backup to existing wells. \$95,000 has been allocated in the capital projects budget for FY2027 for feasibility studies and initial testing and the public can visit the water breakout session to learn more.

3. *Breakout Sessions.

- Emergency Services – Mayor Josh Ewing & Bluff Volunteer Fire Department Chief Dawn Dielgo
- Bluff Rural Innovation & Civic Center Renovation Project – Project Manager/Administrative Director Malia Collins & Councilmember Britt Hornsby
- Secondary Water Project – Councilmember Gary Haws and Patrick McDermott
- Town Roads – Roads Manager Michael Haviken & Councilmember Spencer Wade
- Dark Sky & Business Collaboration Efforts – Councilmember Jennifer Davila
- General Budget – Town Manager Erin Nelson

Nelson explained that the recording will stop at the end of the presentation, as the ambient noise in the room during the breakouts is not conducive for a recording. The presentation slides will be posted on the town website under “Town Council” → “Current Year Agendas and Minutes”

Most of the breakout sessions concluded around 7:00PM, with a few individuals staying to ask questions until about 7:45pm. The Bluff Town Council did not have any further conversation or make any decisions during the open house event.

Minute Taker: Erin Nelson
Draft Minutes Published: May 29, 2026