ELK RIDGE
CITY COUNCIL MEETING
August 6, 2015

TIME AND PLACE OF MEETING

This scheduled Public Hearing of the Elk Ridge City Council, was scheduled for **Tuesday, August 6, 2015, at 6:00 PM**; The meeting was held in the Fire Station at Elk Ridge City Hall, 80 East Park Drive, Elk Ridge, Utah.

Notice of the time, place and Agenda of these Meetings, were provided to the Payson Chronicle, 145 E. Utah Ave, Payson, Utah, and to the members of the Governing Body, on August 5, 2015.

ROLL CALL

Mayor: Hal Shelley
Council Members: Nelson Abbott, Brian Burke, Dale Bigler, Brittany Thompson (Paul Squires Absent)
Others: Melanie Hoover, *Deputy Recorder* and Royce Swensen, *Recorder*.
Cheri Rhodes, *Deputy Sheriff*
Public: Ty Ellis, Erin Clawson, Katherine Gerber, Weston Youd, Terry Gunn, Steve Youngberg, Terry Shelley, Stacey Petersen, Angela Olsen

PUBLIC HEARING

Opening Remarks were given by

6:00 pm 1. Truth in Taxation Public Hearing.

Mayor Shelley reported that discussion has taken place in previous council meetings regarding this truth in taxation hearing. He explained the format to tonight's meeting where he will begin by providing a general presentation and then allowing those who would like to address the council to speak. Each resident has one minute to speak and/or express themselves. He stated that council will not respond, that this is a public hearing for the public to be heard. Next Tuesday is when the truth in taxation decision will be made.

Mayor Shelley referenced the growth of the city with increased costs to operate the city. The basic concept for property tax is to cover the cost of city functions on day to day operations including existing roads and buildings and maintenance of various aspects of the city. Impact fees by comparison are one time fees that help develop the infrastructure necessary for new development and to offset the costs the new development will impose on the city. The Capital Facility Plans are created by statute to accommodate the various roads, sewer system, buildings and parks that exists and need to be cared for, expanded, repaired and maintained from input of staff, planner and engineer. The Capital Facility plan considers the budget to accommodate the needs of the city. The plan is updated at least every 5 years. There is a concern of the current budget 2015-2016 that is in place. If the tax is increased by 25%, this would go into the budget as an income. A large amount of proposed projects up to $160,000 has been removed from the budget to balance it. The proposed increase would allow the city to put aside additional dollars for projects including roads and a new fire engine. If the city had a new fire engine, the city can maintain the current ISO rating which individual homeowners insurance rates should stay relatively low. To replace a fire engine, it could cost between $500,000-$1,000,000. There is a multitude of issues that it takes to run a city. Property tax takes care of existing issues. The water fund has to take care of itself. Impact fees should cover a large portion of the cost of a well if needed. The sewer system has to support itself as well. If the full 25% tax rate was approved, Mayor Shelley reported his property tax would go up approximately $7 per month. He feels that if that amount can assist the city, he is willing to pay it. He feels that there needs to be a contingency built so that if a need arises that the city can't anticipate, the city can take care of it without going into major debt.

Mayor Shelley opened the meeting to public comment.

Erin Clawson has reviewed previous minutes and listed items that were discussed in regards to savings for purchases for the city. In the last year, she hasn't seen an overall plan. She feels the city is trying to

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upgrade in a crisis mode instead of a proactive mode and suggests to take each department and make an algorithm to see on a month to month basis on goals, visions, and how to get there. She is willing to make the monthly sacrifice of a tax increase as long as the funds are not mismanaged. She feels she hasn't seen enough from the Mayor or Council to show that's not going to happen.

Katherine Gerber is willing to make the 25% tax increase sacrifice as long as she can see that it is being accounted for. She would like to see the meeting minutes reflect revenue as well as expenses. She would also like the recreation section eliminated from the newsletter to allow room for minutes to be included. She would like to see Council readdress the General Plan as she feels that it's not based on individual rights. In regards to the sewer rate increase, she wonders why people haven't resisted the EPA in this regards. She would like to encourage the elimination of the plans for a splash pad as she feels this is a want and not a need.

Weston Youd had concerns in the 25% proposed tax rate. He reflected back to when he was on City Council. He would like to see the 25% broken down and see how the city is planning on spending the funds. He wondered where this money would be going if the city's biggest expense is water and sewer and the funds cannot go to these departments.

Terry Gunn is curious as to why anything that needs to be paid by the city for the third well and why the new homes are not covering this cost. He feels the current residents should not be responsible to pay for this.

Ty Ellis hopes the Council has a vision on what the city should be looking at on a fiscal standpoint and get the city on track this time. He wants to know the city is well taken care of. He is willing to pay the tax increase and wants it done right. It's unfortunate that the city is where it is financially but he is willing to pay the increase.

Steve Youngberg feels that 25% tax increase is a big hit. He hopes the community realizes that it is a bedroom community. The city doesn't have a major taxing commercial opportunity and just has homes. He thanked the Mayor and council for all efforts and time that was put into this.

Terry Shelley is willing to pay the tax increase to keep the community the way it is. She pointed out the city hasn't had a tax increase for 8 years and that other costs to operate the city have gone up. If it's worth having, residents have to pay for it whether they like it or not.

Stacey Petersen stated the 25% proposed tax increase rate sounds like it is due to a lack of a consistent increase over the years and maybe should be included in a cost of living increase so it doesn't come as a shock. She is in support to paying what she has to pay for. She supports the money increase if spent wisely and also supports the recreation plans.

Terry Gunn only got a 2% raise this year and compared that to 25% tax rate increase.

Weston Youd specified the current budget year is funded and wondered if the 25% if for additional projects. Mayor Shelley stated the current budget year is funded. If there is a need to amend the budget with a valid reason it would be approved by Council. The projections are there for what is needed in the future. The city needs funds to build up to cover the cost of future projects. An amount of $160,000.00 was taken out of the current budget to keep from going into the negative. Truth in Taxation meetings are to be declared to the county in May on whether the city will have a hearing or not. Budgets are all posted online for public review.

Erin Clawson feels all the minutes she read include wants and not needs. Where does the money go that was projected for and not used or cut? Nelson Abbott responded that the items and projects that were cut from the budget did not have funds there to move in the first place. Therefore there wasn't any money to go anywhere else. The Capital Facilities plan from 2003-2004 has budgeted the same amount of funds for roads as the current budget does. He feels there are areas to be improved or expand the budget and by adjusting for inflation is a fair way to do it. He feels the city could be more transparent and the city is working on that. Ideas will be discussed at the next council meeting. The budget was approved without the proposed increase as there is a chance the increase will not happen.

Angela Olsen knows that the city needs a tax increase and feels the proposal is significant. She appreciates the parks that have been put in. She had concerns on where the impact fees are going. She would like quicker Sheriff and EMT response times. She feels things should have been done right the first time in regards to parks avoiding the corrections that have been made.

Mayor Shelley invited the Council to express themselves to the public.

Dale Bigler reported that council has gone over the budget extensively. He feels we have a great community and the majority of everything is working smoothly as a lot of good things have happened. He

complimented that Royce Swensen, City Recorder is very efficient in reviewing numbers and city office administration. He reported how impact fees pay for the new construction, parks and trails within the city. He reported the north end of the city has more amenities than the rest of the city including sidewalks, planter strips with trees, trails, more parks and contributes a lot of the work done and progress made to McKay Lloyd, public works employee. The city did not have ownership of the parks until recently and have now been able to work on them. A lot within the city has improved considerably and he is impressed with changes that have been made. He stated the city has not been spending money it does not have and has been cutting projects out of the budget. The budget this year has been reviewed line by line and he cannot see any area that hasn't been covered. His goal and emphasis is in parks and trails and making the city beautiful.

Brittany Thompson thanked the residents who took the time to come to the meeting and thanked them for their constructive comments and professionalism. She learns something new from every meeting and new ways to save funds are always coming forward. At all city council meetings the council reviews options on how to save money currently and in the future. The city is headed in the right direction with a lot of improvements made. There are things that need to be done to maintain the city including roads, parks, snow plows and fire trucks.

Nelson Abbott thanked the public for coming. He has learned that sometimes you have to be willing to change course because the needs of the city and circumstances change and asked for the public to keep an open mind on those types of things. He gave his contact information for residents to contact him if he can't talk to them after the meeting as he values the residents input.

Brian Burke moved to this city because he loves the area and the feel of being in the country and a living in a city that cares what it looks like. For the last 8 years there has not been a lot of growth. Last year growth has really escalated. He feels you can get along without tax increases and feels the explosive growth has strained the city budget to the max specifically within the road budget. He has noticed the roads and starting to deteriorate and the infrastructure improvements can only be ignored for so long. Last year the road funds got cut from the budget. The city can save money by cutting necessary projects but feels that the city will later pay the price. He feels there needs to be some kind of a tax increase whether it be 25% or not. He feels that a tax increase not passed last year was a mistake. His perspective is that the council is trying to invest in the future of the city. He feels the money will not be spent frivolous. He wants to spend the money wisely for benefit of all residents. He feels the ambulance purchase and gravel pit could have been handled differently. He hopes that residents consider each city council candidate's skills and abilities to get the best city council as possible.

Paul Squires was not present and therefore unavailable for comment.

Mayor Shelley again thanked the public for attending the meeting. He has taken a lot of notes and will take comments to heart to try to address some issues as was done last year. He is trying to get the city some economic development but there is still a lot of answers to get to make sure this does not affect the feeling of a bedroom community. The council will be the decision maker in whether or not to have a tax rate increase and then it gets forwarded to him to administer. Sometimes this gets to be frustrating and hard. The whole city needs to be looked at in perspective. We only get 20 hours of sheriff and residents complain that we need more sheriff hours. All of her calls keep her busy and are not related to traffic control. The only way to get more sheriff hours is to pay additional $55,000. He has complaints on code enforcement and unfortunately had to cut our code enforcement officer to 5 hours per week. There is a large area of things to take place within the city that require more funds. He wants residents to get acquainted with the candidates and encouraged residents to come to the meetings more often. He is available to speak and listen to all residents.

Brittany Thompson informed the public that the city collects on average approximately $300 per home from property taxes.

Erin Clawson stated that if the taxes are raised, the money needs to be transparent and managed right.

Weston Youd wondered if the proposed tax increase could be tabled until the next council is appointed and allow the new council to state their position.

Mayor Shelley responded he will research this question.

Terry Shelley responded that if this decision is left to the voters it's not going to be a fair vote. Most of the public do not come to the meetings and are unaware of the city's needs.

There were no additional public comments.

2. Closed Session if Necessary.
Mayor Shelley and City Council did not go into a closed session meeting.

ADJOURNMENT

Mayor Shelley adjourned this meeting at 7:30 pm.

Melanie Hoover, Deputy Recorder