

**Sunset City Corporation
City Council Minutes
August 11, 2009
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Minutes of a special meeting held August 11, 2009 at Sunset City Hall, 200 West 1300 North, Sunset, Utah; Mayor Pro-Tempore Carlson presiding.

Mayor and Council Present:

Ricky Carlson	Mayor Pro-Tempore
James Bridges	Council Member
Cheyrl Budge	Council Member
Ray Chapman	Council Member
Ryan Furniss	Council Member

City Employees Present:

Susan R. Hale	Recorder
Linda J. Youngdell	Treasurer/Office Manager
Ken Eborn	Police Chief
Mickey Hennessee	Public Works Director
Vicky Gold	Recreation Supervisor
Doug Garcia	Police Corporal

Excused:

Dan Gotchy	Mayor
Neil Coker	Fire Chief

Others Present:

Chad Bangerter	Carl & Ora Clayton	Ken Arave
John R. Lewis	Maureen Adams	Ilia Elwell
Norma Earl	Larry Smith	J.D. Bowns
Shirl & Carol Rawson	Archie Toole	Buck & Shaylee Walker
Tony & Sheila Cole	Kaleb M. Boyd	Elaine Martin
Ty Swenson	Mr. & Mrs. Holm	

The meeting was called to order at 6:00 p.m. by Mayor Pro-Tempore Carlson.

Council Member Chapman led the Pledge of Allegiance and gave the invocation.

Council Member Chapman made a motion to enter into the public hearing. Council Member Furniss seconded the motion. The motion passed unanimously.

PUBLIC HEARING

1. Truth in taxation hearing to receive public input on the property tax increase and on the fiscal year 2010 budget: Mayor Pro-Tempore Carlson said the Council is reluctantly proposing a property tax increase, but only after everything that could possibly be cut has been cut. They've cut all possible equipment, supplies and training and the employees will not be receiving a cost of living increase or a merit increase this year. If the proposed budget is approved, this would be an increase of 28.25% above the property tax revenue for fiscal year 2009. The Sunset City tax on a \$131,000 residence would increase from \$83.36 to \$106.85, which is \$23.49 per year. The Sunset City tax on a \$131,000 business would

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increase from \$151.57 to \$194.27, which is \$42.71 per year. Property tax revenue for the City will increase from \$155,941 to \$200,000, which is a total of \$44,059. He then read the budgets for each fund, with the total Sunset City budget being \$3,976,825. He opened the hearing for public comment.

Carl Clayton asked what the purpose was for the tax increase and if the departments came in on or under budget. Recorder Hale replied the departments came in on budget, but there was a shortfall of sales tax this year and they plan for the same for this coming year as well. Mr. Clayton asked what the Council will do if the City receives stimulus money. There was a lot of discussion about the stimulus money, as to where it is and if Sunset will be able to receive any. Mr. Clayton asked if the Council received a salary increase last year and if they cut anything from their budget. Mayor Pro-Tem Carlson replied they had not even discussed giving themselves an increase and they did cut their hotel stay from the Utah League of Cities and Towns conference this fall. Mr. Clayton asked where the tax increase will be used and if the employees will be getting any of it. It was explained the employees got a substantial raise last year and they knew they may not get one this year. The tax increase will go towards operating costs and if the economy picks up it will be saved for infrastructure needs. It was suggested that Mr. Clayton talk with some of the employees about their raise last year. The City also picked up the health insurance increase for the employees. Every year the City has been taking more of the surplus instead of raising taxes and it has to stop. It is bad timing for the increase, but everything possible has been cut and it is still not enough this year. The tax increase was their last resort. Mr. Clayton asked again about the Utah League of Cities and Towns conference in St. George. Council Member Furniss replied they will not be cutting that training because the Mayor and Council Members need that training to be able to run the City and the amount it costs is pennies to the City budget. Mr. Clayton said when he was on the Council, they did not raise taxes. Council Member Bridges responded that is one reason the increase is needed now. For a lot of years the taxes were not increased, but the cost to run the City kept going up. Revenues are now below necessary expenditures and something has to be done.

Chad Bangerter read a letter from a resident, Larry Schleining, who was unable to attend. The letter stated he was not happy with the tax increase and believes it will be too hard on people who are already struggling. Mr. Bangerter said there are many people, both older and young, who are struggling with expenses. He has been concerned, and called several of the Council, about some of the things they have done. Every year there are increases in expenses, COLAs are given and this past year a tremendous raise was given to the employees that cost the City over \$140,000. The Fire Department budget has increased, with a \$20,000 purchase last year that was not fully necessary. With the tax increase three years ago and this one, it is a substantial increase to residents. The real hurt comes from the Davis School District; their increase was tremendous. He feels it is the Mayor and Council's responsibility to let the representatives know Sunset cannot afford to have this keep happening. They need a change. As Council Member Bridges brought up, 18 years without a tax increase was bound to hurt the City. The City portion of the tax increase may not be that bad, but it is compounded by the School District increase, County increase and the valuation increase. He believes the Council needs to stand up against the big guys, although he knows it is hard to

do. He wondered if the City should hire a City Manager to watch and control these things. He knows the increase has already been decided and thanked the Council for their time.

Homer Cole said his property value increased substantially and his tax increased about \$300. He stated his concern about the Davis County School District increase and asked what the School District actually does with the money. It was answered that he would have to go to the School District or their public hearing to find out. Sunset has no say in that matter. Mr. Cole said he knows the City has to raise taxes from time to time, but he hopes the Council puts the money where it is needed.

Jean Holm said she has lived in Sunset for 40 years and her home value just went up substantially. She wondered why, since she has not changed anything. She said Smith's Food & Drug is now paying taxes where they didn't before and other businesses are paying taxes so she does not know why they need to increase the property tax so much, especially when the Police Department is writing so many tickets. She feels the services are good, but this is beyond her ability to understand.

Council Member Furniss clarified that the Sunset City Council does not appraise the residents' property; that is done by Davis County. The Sunset City property tax increase is only about \$2 per month for each household. His property value also increased, so he fought it and won. The Council also does not set the School District taxes, so they don't have any ability to change that. Ora Clayton said she was told by someone at Davis County today that Sunset City asked the County to evaluate the appraisals of the Sunset homes. It was said that was not true, so Mrs. Clayton said she would go back to the County to dispute the appraisal.

Larry Smith asked if there was any chance a Davis County Commissioner would come up and explain things to them in a Council meeting. Mayor Pro-Tem Carlson said the Commissioners have come to a Council meeting before, so feels they might again. Mr. Smith thought it would be good to have things explained to them. He said these increases are hard on people who are on fixed incomes. He said he is proud of Sunset, it has some pretty good employees and he was happy to hear they got a good raise last year. He believes the Council needs to explore every possible way of increasing revenue to help relieve the tax burden. Mayor Pro-Tem Carlson said the Council spent hours and hours going over the budget and it was really hard for them to propose a property tax increase.

Shirl Rawson said he understands the increase is needed to cover costs, but asked what would be cut if the City didn't get the money. Council Member Furniss said the citizens' services would suffer due to things like a police car breaking down and being unable to respond to a call or the snow not being plowed in a timely manner because a snow plow has broken down. Just to show how much things cost, he said the North Davis Sewer District had to reline a sewer pipe that was less than a block long and it cost \$100,000. The Sunset City property tax increase is only going to net the City about \$44,000 and that is a drop in the bucket. All the years of not raising taxes may have been good on the surface, but you can't continue to run a city that way when costs keep increasing. A politician may be proud to say they never raised taxes, but that person neglected the City by doing so because there are things like infrastructure that has to be replaced from time to time.

Carol Rawson said Sunset is small and there are not a lot of development abilities for the City and costs are going to continue to go up. She asked if there are other options to raise revenue. Mayor Pro-Tem Carlson said they have been trying to get things going on Main Street for years and with Falcon Hill there will be more opportunity on Main Street and down 1800 North. Mrs. Rawson said that makes her feel better. Council Member Furniss explained the hope for revenues to be received from Falcon Hill buildings and sales tax. Falcon Hill and MIDA was discussed further.

J.D. Bowns said he is a recent resident of Sunset and this is the first home he's purchased. He asked if the budgeted revenue increase included the extra revenue from the increased property valuations. Mayor Pro-Tem Carlson replied they did consider that and it was one of the things that made their decision to increase taxes harder.

Shirl Rawson repeated that he has no problem with the property tax increase as long as the money is used responsibly. Council Member Furniss said he had the same kind of skepticism until he took office and saw how efficient the City Department Heads are. This year they even cut needed items like slurry seals, asphalt and water meter replacement. The property tax increase is just pennies of what the City really needs. Council Member Budge said they are not asking for more than they really need to run the City.

Mayor Pro-Tem Carlson thanked everyone for participating in this public hearing. He invited the residents to attend the budget work meetings to get a better understanding of how the budget is drafted each year and where the money goes.

Council Member Furniss made a motion to go back into the regular session. Council Member Budge seconded the motion. The motion passed unanimously.

REGULAR SESSION

- 1. Resolution 2009-04 adopting the FY2010 budget:** There was no further discussion.

Council Member Furniss made a motion to approve Resolution 2009-04 adopting the FY2010 budget. Council Member Bridges seconded the motion. The motion passed unanimously with a roll call vote. Council Member Bridges – aye, Council Member Budge – aye, Mayor Pro-Tem Carlson – aye, Council Member Furniss – aye and Council Member Chapman – aye.

- 2. Resolution 2009-05 adopting the certified tax rate:** The proposed certified tax rate is 0.001483.

Council Member Furniss made a motion to approve Resolution 2009-05 adopting the certified tax rate. Council Member Chapman seconded the motion. The motion passed 4 to 1 with a roll call vote. Council Member Bridges – aye, Council Member Budge – nay, Mayor Pro-Tem Carlson – aye, Council Member Furniss – aye and Council Member Chapman – aye.

3. **Council Member reports and general information:** Council Member Chapman reported, due to the work they did and the money they earned at the Pepsi trailer during Fun Days, the Youth City Council is excited to do a membership drive. They will be providing information to the Jr. High and High schools.

Council Member Furniss thanked all the residents for attending the meeting tonight. He stated he would not have voted for the tax increase if he didn't think it was really needed. The City has suffered too long; infrastructure upgrades and equipment is sorely needed. He noted that, unfortunately, the sewer rates will also be increasing. The North Davis Sewer District has been mostly funded by impact fees, but with the growth slowing down, the fees had to be increased.

Council Member Budge thanked everyone for attending and also invited them to attend the Council's budget meetings for a better understanding of the process. She explained the reason she voted no on increasing the tax rate was because of a statement she made a few months ago and feels she has to stand behind her comments. However, she does feel the increase is needed for infrastructure, etc.

Council Member Bridges also thanked all the residents for attending and for 19 years of trusting him on the Council. They have tried over the years to not raise taxes and that has hurt the City. He thanked Chad Bangerter for spearheading the clean up of a foreclosed property, which took a lot of work to get the weeds cut down and picked up. He said he has asked to have a line item placed in the budget for about \$300 to help with this sort of work. He has lived in Sunset for 50 years, really loves the City and it makes him sad to see all the homes being foreclosed on and going down hill. Larry Smith asked about placing liens on homes to help pay for their clean up. Police Chief Eborn explained sometimes that does no good because when a foreclosure is finished the lien is wiped off and the City would not get any money.

Police Chief Eborn stated his appreciation for the things said by the Council tonight regarding the Department Heads being frugal with their budgets. He has talked to other Police Chiefs and they can hardly believe Sunset can run a police department on the budget they have. Another comment was made on other things the City may be doing to avoid raising taxes. Council Member Furniss worked hard at getting a company to build a billboard on City property and that will raise about \$16,000 per year. The Chiefs of Police in Davis County have petitioned hard to get the School District to help with the cost of providing DARE and Resource Officers to the schools. Due to their work, the School District pays for 50% of DARE/Resource Officer Garcia's wages during the school year.

Public Works Director Hennessee reported the UDOT environmental impact study on building a railroad overpass and widening 1800 North should start in the fall and it will take from 18 months to three years to complete. Town meetings are planned to be held to update residents on the project. He has a verbal agreement with the Davis School District to take out two baseball fields to make room to build an adult soccer field. It will also be used for flag football and will help bring in money to the Recreation Department. HAFB representatives

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will be here at the next Council meeting to give an update on the ground water contamination clean up.

Recreation Supervisor Gold reminded everyone that the Senior Luncheon will be held next Monday at noon in the Central Park bowery. She said the Department Heads discussed going back to having the bouncy toys for the little kids to play on during Fun Days. There are both good and bad issues with having a carnival and they talked about being different than other cities by not having a carnival and going back to a small town feel. She asked the Council to think about it and give her an answer at the next Council meeting.

Mayor Pro-Tem Carlson thanked the residents for attending and participating in the meeting tonight. He also thanked Chad Bangerter for cleaning up that yard at his own expense. He thanked the Department Heads and employees for everything they do for the City.

Council Member Budge made a motion to adjourn. Council Member Bridges seconded the motion. The motion passed unanimously.

The meeting adjourned at 7:30 p.m.

These minutes have been read and approved at the regular City Council meeting held **August 18, 2009.**

Dan Gotchy, Mayor

Susan R. Hale, Recorder