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HIDEOUT, UTAH
10860 N. Hideout Trail
Hideout, UT 84036
TOWN COUNCIL MEETING
August 8, 2019
6:00 PM

TOWN COUNCIL PUBLIC HEARING
TRUTH IN TAXATION AND FINAL 2019-2020 BUDGET REVIEW

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Rubin called to order the meeting of the Town Council of the Town of Hideout at approximately 6:10 p.m. on August 8, 2019 at 10860 N. Hideout Trail, Hideout, Utah and led the Pledge of Allegiance.

2. ROLL CALL

Town Council Members Present:

Mayor Philip Rubin
Council Member Chris Baier
Council Member Kurt Shadle
Council Member Hanz Johansson
Council Member Jim Wahl (by telephone)

Excused: Council Member Dean Heavrin

Staff Present: Town Administrator Jan McCosh
Town Attorney Dan Dansie

Others Present:

Herma and Steven Powell, Jerry Dwinell, Jim Bolduc, Ted Brower, Jared Fields, Will Pratt, Bruce Woelfle, Mary Mouthaan, Marily Hernrolm, Joe Homan, Marc Rubin, Bill Batlett, Tony Matyszczyk, Rick Bolduc, Glenn Seymour, David and Jane Gorrell, Karen Scheible, J. Mosch, Jeff Wetzels, Roger Timmerman, and others who did not sign in or whose names were illegible.

3. PUBLIC HEARING - Truth in Taxation Process and Possible Adoption of Increased Tax Rate for Hideout Town

Mayor Rubin explained how the meeting would proceed, stating that he would cover the budget, the challenges, and the reasoning behind the proposed tax increase. He added the meeting would cover the actual budget numbers with Council discussion, followed by public comments, after

1 which the Council would vote to determine if the budget as proposed for 2019-2020 would be
2 approved.

3
4 Mayor Rubin presented a slide presentation to explain the process. He added the committee
5 working on the budget did a lot of hard work and he appreciated their efforts.

6
7 Mayor Rubin explained the current tax rate was .000441 and would remain so if the proposed
8 change was not adopted. The proposed increase would set the rate at .000867. He added the
9 comparable rates for surrounding areas were significantly higher and if the Town adopted the
10 proposed rate, it would still be lower than nearly all municipalities in Wasatch County.

11 Additionally, most towns with these low numbers have commercial tax revenues because they
12 have businesses operating within their locales. Hideout does not have businesses operating
13 within the Town other than the golf course, which operates on a seasonal basis and does not
14 bring a lot of tax revenue to the Town.

15
16 Mayor Rubin went on to outline the elements concerning the proposed tax increase. The Town's
17 bulk water supplier, Jordanelle Special Service District ("JSSD") increased the rate to the Town,
18 which impacted the water fund and the funds needed to support the water side of the business.
19 Further, the Town had been deferring work to maintain the Town infrastructure, namely the
20 water, sewer and road networks. An engineering study was conducted on the roads which found
21 approximately 20% of the roads were rated as critical or poor, thus it will require some road
22 repair work to mitigate major problems. Mayor Rubin added a lot of growth was underway in the
23 Town and building services had increased the demand on the staff. Additionally, the Town was
24 working on improving technology, such as Xpress Bill Pay. With the growth, the Town needs to
25 attract and retain employees and would have to offer more in salary.

26
27 Additional fiscal challenges enumerated: delinquent property taxes and unpaid water and sewer
28 fees, which the Town is working to resolve.

29
30 Mayor Rubin then outlined how the increase would be used:

- 31
- 32 1. Additional police patrol coverage to address the speed issue on Highway 248. The goal
33 was to add some additional patrol and traffic control capabilities as well as enforcement
34 for code violations.
 - 35 2. Road maintenance: Hideout recently contracted to complete some road maintenance in
36 Rustler starting as soon as the fiber infrastructure was finished.
 - 37 3. Investing in improved engineering operations, e.g. preventive maintenance on the water
38 and sewer systems, line location mapping, code enforcement, snow removal equipment.
 - 39 4. Staff and systems improvements necessary to keep billing up to date, updating code and
40 policies to better reflect the goals of the General Plan. He noted the General Plan was
41 updated in February 2019. The Town code had not really been updated in the last ten
42 years. Zoning and a number of sections of the Code needed to be updated.
 - 43 5. Parks and trails. The Parks/Open Space/Trails Committee was working on a plan to better
44 connect the Town and trail system, which will require funds to implement planning and
45 design.
- 46

1 Mayor Rubin outlined the budgeting process to date: in May, the Council approved the tentative
2 budget for this year; in June an interim fiscal year 2020 budget was adopted (the 2020 fiscal year
3 commenced July 1 of this year); then the truth in taxation process began, with this evening's
4 hearing having been scheduled and noticed in July.

5
6 The Mayor referred to a projected slide of the budget and explained the tax rate change on the
7 2019-2020 figures. He mentioned there was a fair amount of funds coming in from licensing and
8 fees. Further, there was a surplus in the account the Town was hoping to utilize to close some of
9 gaps in the budget. If approved, there would be a total revenue of \$818,000 projected for 2019-
10 2020. The Town was currently running on a \$600,000 budget, so the proposed increased budget
11 was not significant. Expenses in administration rose, mostly due to personnel costs, in efforts to
12 attract and retain qualified staff. The professional services expenses were slightly higher by
13 approximately \$10,000 in the general government area. He explained the \$30,000 proposed in
14 public safety was meant to achieve the goals he explained earlier. The street fund was up due to
15 the needed repairs outlined. Debt service remained the same because the Town was currently
16 paying off the debt on the Town administration building and vehicles.

17
18 Additionally, Mayor Rubin described the Enterprise Fund, which is funded from water, sewer
19 and storm water services fees. The primary increase in the fund was due to the water rate
20 increase. This fund currently reflects a bit of a shortage, and staff was considering how to close
21 that gap, adding State Code did not require balanced income and expenditure on the Enterprise
22 Fund. He stated the Town would need to watch repairs and ensure it was receiving all the
23 revenues due from water bills, etc. on time to close the gap, otherwise some maintenance would
24 be deferred.

25
26 Mayor Rubin then opened the discussion to the Council. Council Member Baier asked to more
27 closely look at how Hideout compared to some of the surrounding towns, e.g. Kamas and Heber
28 City. Mayor Rubin responded the dollars are not comparable because the municipalities are so
29 much bigger. Baier agreed that with the proposed increase, the Hideout tax rate would still be
30 lower than the other towns and cities. Council Member Shadle pointed out the average increase
31 per property owner in Hideout was about \$100. He enumerated the current issues the Council
32 needed to focus on and for which additional funds were needed: the roads were in disrepair; the
33 safety issues concerning access to Highway 248; significant property tax delinquencies; water
34 fee collection issues. Shadle felt the Mayor was essentially saying it was time Hideout became a
35 professional town and do the things the Town needed to do to operate for the betterment of the
36 community and its people. He felt \$100 per year was a worthwhile expenditure.

37
38 Council Member Johansson felt it was amazing the Town had been operated the way it was in
39 the past and he thought it made sense to bring it more in line with other towns and repair roads
40 and address other critical needs.

41
42 Council Member Wahl expressed his hope that the budget would be enough to run the Town for
43 a while, but he added he had all his faith and trust in those who had been going over the numbers
44 and they did a great job; he felt good about the budget.

1 With no further comments from the Council, Mayor Rubin opened the floor for public comment
2 at 6:25 p.m.

3
4 **Karen Scheible** resident of the Rustler development, inquired what percentage of residents were
5 delinquent. Council Member Shadle explained Wasatch County had 31,000 residents and
6 Hideout had 1,000 residents. The percentage of delinquencies in Hideout as a percentage of the
7 total taxation in Wasatch County was 20%. An unknown speaker inquired regarding the
8 percentage of water delinquencies. Shadle could not recall, but he stated it was a large number.
9 He explained the Mayor's decision to hire a business manager was to regularize the Town's bill
10 collection. There had been significant improvement on dunning people and making the
11 collections come in.

12
13 With no further public comments from the floor, at 6:30 p.m., Mayor Rubin opened the meeting
14 to the public attending telephonically.

15
16 **Don Blumenthal** thanked the Council for its candid discussion about the problems. He asked
17 whether there was a written budget justification for each of the components of the budget, as he
18 hadn't seen that. He stated with budgets he prepared for his work, he had to justify every aspect
19 of what the costs would be and how it would change over time. Mayor Rubin responded the
20 Budget Committee did prepare a detailed breakdown of every line item and tied them to desired
21 improvements. There was a list on each line item of the things the Town was intending to do
22 with the increase; the Mayor didn't believe the Town was required to do what Mr. Blumenthal
23 proposed. Dan Dansie confirmed that the line items the Town prepared satisfied its obligations.

24
25 Council Member Shadle reviewed the major line item components that were increased: road
26 maintenance, water and sewer infrastructure costs, staffing and snow removal. Building
27 inspection costs were up, but that item was concomitant with the significant increase in
28 inspection fees as a result of those inspections.

29
30 Mr. Blumenthal asked whether the budget figures were publicly available. Dan Dansie responded
31 that anything generated in connection with the project could be made publicly available, but in
32 terms of the document budget, the material presented this evening needed to go into the budget.
33 Mayor Rubin affirmed all the information was written down and the package would be posted
34 with the minutes of the hearing and the line item explanations.

35
36 With no further comments, Mayor Rubin closed the floor for public input.

37
38 *Council Member Shadle moved to adopt the proposed 2020 budget. Council Member Johansson*
39 *made the second. Voting Aye: Council Members Baier, Johansson, Shadle and Wahl. Voting*
40 *Nay: None. The motion passed unanimously.*

41
42 *Council Member Shadle moved to approve the proposed tax rate increase to .000867. Council*
43 *Member Johansson made the second. Voting Aye: Council Members Baier, Johansson, Shadle*
44 *and Wahl. Voting Nay: None. The motion passed unanimously.*

1 4. **PUBLIC HEARING - Final 2019-2020 Budget Review and Possible Adoption of the**
2 **Final 19-20 Budget**

3
4 The discussion on this agenda item was combined with Agenda Item 3.

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6 5. **ADJOURNMENT**

7
8 *Council Member Johansson moved to adjourn the meeting. Council Member Baier made the*
9 *second. Voting Aye: Council Members Baier, Johansson, Shadle and Wahl. Voting Nay: None.*
10 *The motion passed unanimously.*

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12 The meeting adjourned at 6:35 p.m.

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Nancy Hooten, Administrative Assistant