

STATEMENT FROM THE CITY OF CEDAR HILLS
JUNE 3, 2013

Where inaccurate or incorrect information is publicly advanced, the City feels it is in the interest of the community to provide an accurate and correct summary. Recently, statements made on a public website present inaccurate or incomplete information regarding a recent City Council meeting. The City wishes to address those statements.

Statement: "The City has again broken laws. This time in a way that resulted in the subject of alcohol service in the Rec Center being hidden from the public."

The City has not broken any laws. On the published agenda for the meeting it stated that the Council would review and take action on a policy for the Event Center Rental Contract and Supplemental Agreement. In the Council packet that is posted online the memo states that a customer had requested the ability to serve alcohol at their reception being held in the Vista Room and staff was recommending changes to the wording of the contract to allow for this. This agenda and the accompanying memo was posted and made available to the public prior to the Council meeting. There was never an attempt to hide information from the public.

The Council voted to allow alcoholic beverages to be served during private events when the Vista room has been rented, provided all appropriate licenses and laws are obtained and followed. Any person who rents the room may have a licensed third party vendor who is approved by the State of Utah to serve alcoholic beverages. Alcohol may only be served to adult guests of the private event and a copy of the vendor license and agreement are required prior to the event taking place. All state liquor laws will apply and an additional cleaning deposit will be required.

The City is not obtaining a liquor license and will not be serving alcohol. While it will be allowed to be served during private events, it will only be served by an approved third party vendor hired by the person renting the room.

Statement: "A complete and unedited audio recording of the April 23rd meeting was not posted to the city website as required by State Code."

This statement is untrue. The audio file is posted on the City's website and may be found at <http://www.cedarhills.org/node/1833>. While portions of the audio may not be as clear as some would like, it has not been edited, nor is it incomplete. At the time of the recording neither City Council nor city staff realized that the microphone wasn't clearly picking up every statement made that night. This was due to the way the tables were setup to accommodate more residents for public comment and was not intentional. The City is now aware that this setup is less than ideal for recordings and has adjusted the recording equipment accordingly.

Statement: "The expansion of the Community Recreation Center goes directly against a new city ordinance recently passed for no building over \$400,000 additional without full disclosure and citizen input."

This statement does not accurately reflect the wording of the ordinance. On January 22nd the Council passed an ordinance which states "The City of Cedar Hills shall require approval of the voting majority of registered Cedar Hills residents at a duly called election to construct or purchase public buildings in excess of \$400,000, excluding cost of land." This ordinance was based to address a petition that was filed in 2011 requesting that the City not build any new facilities that exceed \$400,000 without a vote of the residents. At the April 23rd meeting the Council voted to approve the construction of an addition to the

Community Recreation Center and completion of the basement. The lowest bid amount was \$364,000, which was the bid approved by the Council.

Statement: "Recently the City implemented a property tax increase."

This statement is deceiving. The City did implement a tax **rate** increase, but as home values declined this meant that the City collected about the same amount of revenue as the prior year and most residents paid about the same amount in property taxes to the City as they did the year prior.

When it comes to the City's portion of property taxes there are generally two approaches cities use to determine how much tax you must pay each year. The first and most common approach is for the tax rate (or percentage) to adjust each year as property values change so that the total tax collected by the city is approximately the same every year. Each year the County re-estimates property values and then calculates what this tax rate should be so that the revenue collected by the City remains constant. For the 2013 budget year the City Council decided to adopt the Utah County calculated tax rate, which meant the tax rate went up from .003153 to .003183. The main reason for this decision was a dramatic increase in legal fees. For the 2012 fiscal year the Council had to approve a budget adjustment increasing the amount allocated for legal expenses from the anticipated \$75,000 to the actual amount of \$152,474.22. With existing and threatened litigation there is was reason to expect that the City's legal fees would be at least the same for the 2013 fiscal year. Home values declined in 2012 so if the City had kept the tax rate of .003153 the Council would have had to look at cutting services in order to have a balanced budget. But again, the amount paid by residents in property taxes to the City was about the same as paid in 2012.

The City will continue to address any incorrect or misleading data that is presented and encourage residents to visit the City's website to receive these updates. Residents who have questions are encouraged to contact Mayor Gary Gygi or City Manager David Bunker. Contact information can be found online at www.cedarhills.org.

Media inquiries can be sent to Jenney Rees at jrees@cedarhills.org