

Mendon City Council Minutes

Convened: August 29, 2024 | Meeting location 15 North Main Street, Mendon City Office

Meeting called by Mayor Ed Buist

Type of meeting City Council
Public Hearing

Note taker Holly Gordon

Attendees:

Amy Garbe Daphne Carlson
Jon Hardman Jim Cannon
Brian Myers Kirk Taylor
Bob Jepsen

TIME: 6:45 PM

Call to Order: There being five members present and five members representing a quorum, Mayor Buist called the meeting to order.

Others Present: Millie Smith, O’Ryan Smith, Derek Spence, Jamie Spence, Gary Saxton

Pledge of Allegiance: Council Member Nemelka

Invocation: Council Member Myers

Welcome: Mayor Buist welcomes everyone.

Agenda

Agenda Adoption: A copy of the notice and the agenda for this meeting was posted on the Utah Public Notice Website, Mendon City’s Website, posted at the City Office, the Post Office. It was also provided to each member of the governing body. All provided more than forty-eight hours before meeting time.

Minutes:

Topic 1- Top of Utah Marathon- Gary Saxton (6:47 PM): Top of Utah marathon has been running through Mendon since 2019. They enter near Mendon at 5400 West, do a circle by the railroad tracks, go up to Main Street for a couple blocks, back around and down by the elementary school and out of town. From mile 11 to mile 14, they use the Mendon area. An aid station is located between City Hall and Mendon Station. There will be a couple porta potties set up as well. The aid station will be set up from approximately 8 AM to 11 AM on Saturday, September 21. On 600 South between 5400 West and 2000 West, the Cache County Deputies will be helping with a road closure to ensure the safety of the runners. Gary personally notifies the homes between 5400 West and 2000 West with a flyer of information on the use of the road. The race committee has been known to be good at setting things up and cleaning up well after they are finished.

Topic 2- Recycling (6:52 PM) - Council Member Garbe heads a discussion on recycling due to citizens' concerns about recycling going to the land fill. Mendon City recycling goes to a facility in Hyrum called Mountain Fiber. Council Member Garbe personally visited the facility and watched the workers hand sort through a load of recycling. She was made aware of some things being thrown in recycling bins that are problematic. Glass, needles and live ammunition being some of those things. The lady at the facility gave Council Member Garbe a list of yes and no for recycling:

YES: #1 plastic (pop bottles, bottles with screw tops), #2 plastics (plastic milk cartons, natural plastic), soup cans, aluminum cans, paper, box board, cardboard, magazines, paper bags, paper egg cartons, steel.

NO: bags of any sort or anything inside a bag, glass, food or green waste, hoses, clamshell plastic (that cookies or berries come in), Styrofoam, shredded paper (gums up the sorting machine but will accept if taken to the other side of the facility in person), any plastic that is not #1 or #2, needles, sharps, ammunition, pizza boxes, yard pots, hangers, Clorox wipes or containers, little cans that are lighter mixed metals (cat or dog food cans).

Topic 3- New Deputy Introduction (6:58 PM)- Deputy Derek Spence is the new deputy assigned to Mendon City. Deputy Spence is a Mendon native and feels he knows what Mendon's about. Plans to make as many meetings as possible. Right now he is on grave shifts and predicts the grave shifts will continue next year. He is the one that was spoken with at length about Wayne's Loop. Is aware of the hot spots in Mendon for speeding. Knows that dirt bikes and four wheelers are an issue and assures that these issues are on his radar. Left cards with the city clerk.

Topic 4- PUBLIC HEARING- Truth and Taxation Increase Proposal (7:00 PM)- Council Member Hardman motions to close City Council meeting and open the Public Hearing for Truth and Taxation. Council Member Nemelka seconds the motion. All in favor.

Jim Cannon heads discussion with a Power Point. [Tax Increase Public Hearing](#)

The tax rate changes naturally without any intervention from Mendon City. When we speak of the tax rate, it's about the percentage that's applied to home values that then yields a property tax amount. The reason it changes without any intervention from us is the tax revenue stays flat unless there are additional homes that are added to the community. And so home values, let's assume, go up. If the assessed home values go up, then the percent tax rate must go down to maintain that same amount of revenue and vice versa. But more often than not, home values are going up, and therefore tax rates naturally go down. You can see that pattern over time, with the exception of when we choose to raise rates. And when we choose to raise rates, you can see an example for, like in 1998, there was a significant rate increase. That then resets, so to speak, our percent tax rate, and yields additional revenue. So, in short, tax revenue is held constant with the exception of when we add homes to our community. And therefore, since the total tax revenue stays constant, the actual percent tax rates typically go down over time.

Total tax revenues. This is the tax revenue over time, in years. You can see periods, notable periods of time, say from 2008 to 2016, when there weren't any tax rate increases of any substance, where the only growth in revenue would have been due to the addition of homes to the community. And then there are periods when we've increased the tax rate, a notable one. 1998, you see how there was a steeper incline, growth in the tax revenue, and that's because we increased the percent tax rate.

A graph is used as a benchmark, so to speak, of all of the communities within the valley. Because we are a smaller community, and we tend to have one of the higher tax rates, simply because there are certain costs we must bear as a community, regardless of how many citizens we have in our community. It's not unusual that smaller communities tend to be higher up in their percent tax rates. Color coding: those that are light blue are not increasing their tax rate this year. Across the x-axis, you see what the percent tax rate is. Those that are in dark blue are increasing their tax rate this year. The purple is our proposed tax rate. The gray is if we were not to increase the tax rate, where would we fall compared with our peers. What does this mean to our citizens in terms of dollars and cents? Our tax rate would, for the average: Parcel value for a resident, the proposed tax rate would result in a \$47.62 increase in property tax for the year. For a commercial, which has a higher average parcel value, it would increase it by just under twice that amount.

Parcel Average Value: \$614,000

If adopted the proposed budget is sustained in all future years (unless the tax rate is reduced):

Residential: from \$443.06 to \$490.68

Commercial: from \$805.57 to \$892.14

Parcel average Dollar Increase: Residential: \$47.62 Commercial: \$86.57

Entity Proposed Tax Revenue: \$210,750.00

Entity Certified Tax Revenue: \$190,241.00

Entity Revenue \$ Increase: \$20,509.00

Entity Revenue % Increase: 10.91%

Mayor Buist opens to public comment.

Millie Smith approaches the microphone with a question. Can you explain again the increase there's at 47.62 per year, or per month? (That's a year, that's an annual increase.) That's a 10.91% increase? (Correct.) If the revenue goes up with more houses, with the subdivision coming in, is that going to improve this, or will we still need this increase? Jim Cannon answers: As we add residents, those residents will be assessed this percentage of their assessed home value. Let's say that we double our community size, then the tax revenue would double, assuming that the assessed home values are the average, and then we'd have twice as much revenue. Now when it comes to need, as we add homes, we also add need. And needs aren't all variable, meaning one home adds exactly the same amount as the next home, etc. Some needs may include hiring more grounds crew as the city grows.

No more public comments. Discussion open to council.

Council Member Nemelka asks if the size of the parcel matters. The assessed value of the parcel matters in terms of dollars, not size.

Council Member Myers asks why there was such a big spike in tax increase in 2017. Mayor Buist answers the longer you wait the bigger the tax increase. This is why he has learned having tax increases more frequently hurts a lot less and the increase is a lot smaller.

Council Member Garbe asks if the rate is keeping up with inflation. While there is no data on that, property values have increased more than 10% in the last 12 months. However, this information is not specific to Mendon. Mayor Buist asks that the inclines shown on the chart not only include a tax increase, but they also include the values of homes. Jim Cannon answers that it is his understanding that the chart would show a flat line (no increase) if there were no homes added to the community. Absent an increase in taxes pushes your rate down dramatically which relative percentage wise, we're about as low as we've ever been and that's in part because of the increase in home values. For example, if your home value doubles, your rate will fall in half, unless there is an adjustment.

The rate increase years for Mendon that Jim Cannon has on record are as follows:

Approved in 1990 for 1991, in 1998 for 1999, in 2008 for 2009, in 2017 for 2018, in 2019 for 2020, in 2023 for 2024.

Mayor Buist confirms that other cities in the county will increase every year just to hold their rate.

Jim Cannon asks for the record and as a citizen, what would be done with the extra revenue. Other than inflation, it would help maintenance in the cemetery including getting off culinary water to water the cemetery. Cost inflation on materials for street maintenance. Maintenance on Mendon Station including painting and refinishing the floor. The food stand needs to be upgraded. Staff pay increases. A lot of demand on a small amount of money being approximately \$20,000.

Council Member Hardman motions for a tax increase of \$20,509, a tax rate of 0.147%.

Council Member Jepsen seconds the motion. All in favor.

Council Member Nemelka wants to disclose for the record, by principle he does not support tax increases simply to benefit or enrich the city, but as it's been said, rather to ensure the consistent fulfillment of its current and now growing obligations, some decisions of which were not ours.

Council Member Hardman motions to close city council meeting.

Council Member Nemelka seconds the motion.

Adjourned (7:45 PM)