

CITY COUNCIL WORK SESSION  
Tuesday, April 24, 2012 6:00 p.m.  
Cedar Hills Community Recreation Center  
10640 N Clubhouse Drive, Cedar Hills, Utah

Present: Mayor Eric Richardson, Presiding  
Council Members: Trent Augustus, Gary Gygi, Jenney Rees, Scott Jackman,  
Stephanie Martinez  
Konrad Hildebrandt, City Manager  
Rebecca Tehero, Finance Director  
Courtney Hammond, City Meeting Transcriber  
Others: Ken Cromar, Paul Sorenson, Sam Liddiard, Damon Martinez, Hallie  
Martinez, Marshall Shore

This work session of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 6:10 p.m. by Mayor Richardson.

Resident Ken Cromar read a prepared statement. He stated that the new recreation center building cost approximately \$2.5 million that was slated for a pool/recreation center. The building will be a monument to the misuse of funds. Earlier this year two residents filed a complaint with the county attorney alleging misdeeds by Konrad Hildebrandt and Mayor Richardson. They met twice with the county attorney's office to understand why an investigation wasn't conducted. Since then some "insiders" have approached him with information and evidence, including (1) not all documents were provided in a GRAMA request for records from a November Special City Council Meeting. (2) Recordings from that November meeting show that three city council members expressed dismay about the loans the city made to itself. Their questions were left unanswered. (3 & 4) Violating state nepotism law by not filing necessary paperwork regarding relationships (5) No records of free golf in the golf financials (6) The city has yet to publish a new declaration for the city newsletter. (7) GRAMA request for all emails between City Manager and Mayor since January 2011 has been denied. He feels there is a pattern of attempt to hide information. He believes a new investigation will be undertaken leading to removal of Konrad Hildebrandt and Eric Richardson. He respectfully demanded the resignations of Konrad Hildebrandt and Eric Richardson.

1. Budget Presentation for Fiscal Year 2013 (July 1, 2012 to June 30 2013) (6:19 p.m.)

Staff Presentation:

Konrad Hildebrandt stated that the State of Utah requires a balanced budget. The inflation rate is just under 3%. The budget increases are just under 4%. The main element of that increase is recreation center programs, which have corresponding revenues.

Rebecca Tehero reviewed the general fund and the motor pool fund. See handouts. The budget includes a \$40,000 increase in recreation programs revenue from class fees for the new recreation programs. This budget assumes that the Council will assume the property tax rate determined by the county which maintains revenue, rather than tax rate. Staff's

recommendation will always be to keep the property taxes constant for planning purposes. The building permit revenue assumes 20 residential homes and 1 business.

**Council Discussion:**

Mayor Richardson stated that based on the Citizens 2003 initiatives, over the past several years, the city has held the property tax rate constant, which means the city's revenue through property taxes fluctuates with property values. At times that may mean Truth in Taxation hearings when the rate means increased tax revenue. In the past few years, the city's revenue through property taxes has been reduced as property values have fallen.

C. Gygi recommended an explanation of the city's philosophy of property tax rates on the city website, making it concise and to the point.

C. Jackman stated that he is in favor of continuing the property tax based on valuation model. He favors working on a list of what the city will cut if the property tax revenue is decreased to \$600,000. He feels that the sales tax is too conservative given Harts development.

Break (7:12 p.m.)

Reconvened (7:23 p.m.)

**Staff Presentation:**

Rebecca Tehero reviewed general fund expenditures. See handouts. There is a \$10,000 increase for Decisions 2013, a survey that the city does every two years. The decrease in Administrative Services salary and wages is due primarily to reallocation of resources. Street light maintenance has been turned over to the city from Rocky Mountain Power. Initial maintenance to get all the lights to standard is higher than it is hoped to be in ensuing years. The Community Services budget covers the Community Services Director, who handles recreation programs. The Community Recreation Center Manager is in the separate Community Recreation budget that will be reviewed next week. His responsibilities are the grill and events.

**Council Discussion:**

The Council would like to see the Decisions summary posted online.

C. Jackman stated that the LPPD fees were changed to being primarily population-based, which has increased the city's portion.

Mayor Richardson stated that the fire services have changed over time from a volunteer fire force to LPPSD. LPPSD has lost some grant money and lost the ability and corresponding revenue of doing transport. In addition, Cedar Hills' public safety building is now fully staffed. All this has led to an increase in expenses from around \$200,000 in 2010 to \$620,000 today

C. Martinez stated that she is concerned that the staffing needs for the Community Recreation Center has not been fully considered.

Staff Presentation:

Rebecca Tehero reviewed the Capital Projects Fund. The budget includes a Mesquite Park restroom/storage project which will be funded with \$5000 from grant revenue and \$20,000 from the CARE tax revenue. She also reviewed the Motor Pool Fund, which included increased cost of fuel, and the sale and replacement of three vehicles and a bobtail.

Mayor Richardson requested staff's recommendation on reducing the budget by \$50,000 at a future meeting.

**MOTION: C. Jackman—To go into Executive Session, Pursuant to Utah State Code 52-4-204 and 52-4-205 to discuss pending litigation and character competence.** Seconded by C. Rees. (8:37 p.m.)

**MOTION: C. Jackman—To Adjourn Executive Session and Reconvene Work Session.** Seconded by C. Augustus. (9:46 p.m.)

Yes	-	C. Augustus	
		C. Gygi	
		C. Jackman	
		C. Martinez	
		C. Rees	Motion passes.

This meeting was adjourned at 9:49 p.m. by Mayor Richardson.

/s/ Kim E. Holindrake  
Kim E. Holindrake, City Recorder