



**MURRAY MUNICIPAL COUNCIL
TOWN HALL MEETING
PROPERTY TAX INCREASE**

Meeting Minutes

Tuesday, July 13, 2022

Murray City Center

5025 South State Street, Council Chambers, Murray, Utah 84107

Attendance: Council Members and others:

Kat Martinez – Chair	District #1
Diane Turner – Vice Chair	District #4
Pam Cotter	District #2
Rosalba Dominguez	District #3
Garry Hrechkosy	District #5

Brett Hales	Mayor	Jennifer Kennedy	City Council Executive Director
Doug Hill	Chief Administrative Officer	Pattie Johnson	Council Administration
Joey Mittelman	Fire Chief	Brenda Moore	Finance Director
Camron Kollman	IT	Shaun Delliskave	Murray Journal
Nick Haskin	Murray Fire Department	Travis Bodtcher	Murray Fire Department
Jerrick Akina	Murray Fire Department	Athan Bullamis	Murray Fire Department
Kim Sorensen	Parks and Recreation Director		
Residents			

Conducting: Ms. Martinez called the meeting to order at 6:30 p.m.

Welcome and Meeting Overview – Ms. Martinez said the purpose of the meeting was to provide an opportunity to give more information about the proposed property tax increase and allow the public to ask questions. She clarified that the Truth in Taxation meeting would be held on August 9, 2022 where public comments would also be taken.

Property Tax Presentation – Ms. Moore gave a slide show, provided a handout to explain the property tax increase, (See Attachment) and reviewed a pie graph to explain where all GF (General Fund) revenue comes from. She noted that as part of the budget, the City would use \$525,000 in reserves.

Mr. Hrechkosy asked what percentage of sales tax revenue was allocated to the GF in a normal year and noted that sales tax revenue had increased during the pandemic and not decreased as anticipated. Ms. Moore stated the allocation is usually between 40% and 45%. She felt the situation was still volatile and said comparatively, other cities allocate 55% to 60% of property tax revenue to operation costs because they do not have a retail base like Murray. Mr. Hrechkosy concluded the current sales tax revenue amount was normal. Ms. Moore agreed.

Ms. Moore explained expenditures from GF revenue. She noted that approximately 50% of budget spending is for public safety, which is \$16 million or 28% for the Murray Police Department, and \$10 million or 18% for the Murray Fire Department. Money from the GF is allocated for salaries and operations costs only and does not apply to capital items such as vehicles. Other department costs, various spending categories, debt including bonds for the new city hall building, and transfers out were also reported.

Ms. Moore stated that with the use of \$525,000 from reserves, the remaining amount would still be 25% of the budget. This would allow the City to operate for three months if for some reason all income to the City stopped.

She reviewed how property tax is calculated and clarified that just because property values recently increased by 28% on average this year, it was not true that cities would gain more in property tax revenue. She said without a property tax increase, all that happens is that rates are lowered, so the City would get the same amount of income. She compared Citywide taxable property values for calendar years 2020, 2021, and 2022 including new growth; and noted the property tax increase request was for \$1.4 million. She said that the current tax rate of 0.001513 was actually less than the rates for the two previous years. In summary, the City is requesting a 15% property tax increase, home values went up 28% so the rate is actually going down.

Ms. Moore displayed a chart reflecting a 10-year history of property tax rates in Murray. She clarified the request is not to increase the tax rate, but to increase revenue. She noted all entities that receive a portion of property taxes and what amount each entity gets from one dollar. Murray City would receive 16 cents of every dollar. She said if not for the Murray Library, Murray residents would be paying the County Library property tax rate, which is much higher than the Murray City Library who is not asking for a property tax increase. She explained Murray is only asking for a 15% increase on 16 cents that it receives from property taxes.

She reviewed reasons why the property tax increase was necessary and stressed the main reason for the increase was to fund police and fire department salaries and retain employees in a very competitive market. She said Murray would still not be the highest paying municipality for police and fire employees; the request would also give the City a better chance of retaining all valuable employees like water technicians, street staff, engineers, building permits people and other highly skilled employees; and if Murray City does not pay competitively, valuable workers would leave.

She reported what the increase would cost the average city resident and commercial property owners. She said property tax increases would vary, based on higher property values in comparison with other property types within the City; and that everyone would experience the increase differently.

Citizen Questions – There were no public comments or questions.

Final Remarks – Ms. Martinez adjourned the meeting at 6:50 p.m.

Pattie Johnson
Council Office Administrator III