

STATE OF UTAH  
OFFICE OF THE LIEUTENANT  
GOVERNOR



DEIDRE M. HENDERSON  
LIEUTENANT GOVERNOR

NOTICE OF PROPOSED INCORPORATION AND FIRST PUBLIC HEARING

The Office of the Lieutenant Governor oversees the creation of new cities and towns in a process known as incorporation. A group of citizens filed a request with our office to create a new town known as Riddermark. On April 8, 2024, the Office of the Lieutenant Governor commissioned LRB Public Finance Advisors to conduct a modified feasibility study to determine if the proposed town is financially viable. On June 3, 2024, the feasibility consultants released the results of the study, which found that “the incorporation of the proposed Riddermark boundary will likely result in at least a five percent budget surplus.” Pursuant to UCA §10-2a-207(2) the incorporation process will now proceed to the first public hearing phase.

The first public hearing regarding the Riddermark Incorporation will be held at the following location and time:

**Date: July 22, 2024**

**Time: 6:00 P.M.**

**Location: Three Peaks Elementary  
1685 Midvalley Road  
Cedar City, UT 84721**

The purpose of the first public hearing is to allow the feasibility consultants to present the results of the modified study to residents and property owners within the area proposed for incorporation, allow members of the public to express their views about the proposed incorporation and the established boundaries, and to permit the public to ask the feasibility consultants questions about the modified study. Attached to this notice is the summary of the modified feasibility study. A full copy of the study is available at <https://ltgovernor.utah.gov/incorporations/> as well as the Office of the Lieutenant Governor, 350 North State Street, Suite 220, Salt Lake City, Utah 84103. **Additionally, if you would like to submit a question to ask LRB Public Finance Advisors during the public hearing, we invite you to submit**

those questions in advance at the following link: <https://ltgovernor.utah.gov/incorporations/>

Owners within the proposed incorporation who own at least 1% of the assessed value of owned land or 10% of the privately owned land area may request to have their property excluded from the incorporation. These individuals are known as *specified landowners*. The following criteria must also be met in order for their property to be excluded:

1. Exclusion of their property does not leave an unincorporated island within the proposed area; and
2. They receive a majority of their municipal services from the county.

Owners that meet these criteria can exclude their property by filling out the exclusion request form at <https://ltgovernor.utah.gov/incorporations/> **beginning July 22, 2024, and ending August 21, 2024, at 11:59 P.M., 30 calendar days after the first public hearing is completed.** You will be required to enter the following password: R1234.

Under no circumstances may specified landowners request that the Lieutenant Governor exclude all or part of their property after **August 21, 2024, at 11:59 P.M.** 30 calendar days after the day the first public hearing is completed. Additionally, no property may be annexed from the proposed incorporation area after **August 21, 2024, at 11:59 P.M.** 30 calendar days after the first public hearing.

If you would like to contact the Contact Sponsor of the Riddermark Incorporation, please call Casey Anderson at 435-215-9001 or email [caseyoanderson@gmail.com](mailto:caseyoanderson@gmail.com)

If you have any questions regarding this notice, please contact the Office of the Lieutenant Governor.

Phone: 801-538-1481

Mailing address: 350 North State Street, Suite 220, Salt Lake City, Utah 84103

Email: [incorporations@utah.gov](mailto:incorporations@utah.gov)

Regards,

Jordan Schwanke

Local Entity Specialist

Office of the Lieutenant Governor

## SECTION 1: EXECUTIVE SUMMARY

LRB Public Finance Advisors (LRB) was retained by the Office of the Lieutenant Governor (OLG) to complete a supplemental feasibility study related to incorporation of an unincorporated area within Iron County (County) known as Riddermark (Study Area or Town). The purpose of the Executive Summary is to fulfill the requirements established in Utah Code 10-2a, which requires the feasibility consultant to submit a completed feasibility study, including a one-page summary of the results. The study considers two scenarios related to the tax impacts of the Town incorporation.

Scenario 1 includes the applicable incorporation costs as outlined in Section 10-2a-220, as well as an expense of \$300,000 for a government office that is amortized over a 15-year period. The five-year average revenue margin is negative 17.6 percent. Matching the County's equivalent tax rate is not sufficient to cover the expenditures within the Town in years two through five, and an increase to the Riddermark tax levy is needed, as shown in **Table 1.1**.

**TABLE 1.1: SCENARIO 1 – TAX AND FISCAL IMPACT**

	2024	2025	2026	2027	2028
Net (Revenues minus Expense)	\$6,690	(\$26,507)	(\$20,976)	(\$27,074)	(\$21,471)
<b>Revenue (Expense) Margin</b>	<b>7%</b>	<b>-29%</b>	<b>-20%</b>	<b>-27%</b>	<b>-19%</b>
Equivalent County MSF Rate	0.001803	0.001845	0.001890	0.001937	0.001988
Additional Levy to Balance Budget	0.000000	0.001264	0.000989	0.001247	0.000978
<b>TOTAL TOWN RATE</b>	<b>0.001803</b>	<b>0.003109</b>	<b>0.002879</b>	<b>0.003184</b>	<b>0.002966</b>
<b>NET IMPACT ON MEDIAN HOME (\$400K)</b>	<b>\$0</b>	<b>\$278</b>	<b>\$218</b>	<b>\$274</b>	<b>\$215</b>

Scenario 2 does not include the additional expense related to a new government office. Revenues exceed expenses by an average of 7.2 percent, satisfying the requirement outlined in Section 10-2a-205(6).

**TABLE 1.2: SCENARIO 2 – TAX AND FISCAL IMPACT**

	2024	2025	2026	2027	2028
Net (Revenues minus Expense)	\$9,330	\$3,834	\$9,604	\$3,710	\$9,586
<b>Revenue (Expense) Margin</b>	<b>10%</b>	<b>4%</b>	<b>9%</b>	<b>4%</b>	<b>8%</b>
Equivalent County MSF Rate	0.000000	0.000000	0.000000	0.000000	0.000000
Additional Levy to Balance Budget	0.001803	0.001845	0.001890	0.001937	0.001988
<b>TOTAL TOWN RATE</b>	<b>0.001803</b>	<b>0.001906</b>	<b>0.001890</b>	<b>0.002023</b>	<b>0.001988</b>
<b>NET IMPACT ON MEDIAN HOME (\$400K)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Section 10-2a-205(6)(a) allows the process moving forward as the findings of Scenario 2 illustrate that the incorporation of the proposed Riddermark boundary will likely result in at least a five percent budget surplus without any boundary changes when comparing available revenues to expenses.

