

15th, 2017

UNIFIED FIRE SERVICE AREA

Meeting Minutes

8:30 a.m.

PRESENT:

Kathy Christensen
Larry Johnson
Coralee Moser
Eric Ferguson
Kelly Bush
Jeff Silvestrini
Sheldon Stewart
Chris Pengra
Richard Snelgrove
Allan Perry

ABSENT:

Sam Granato
Ben McAdams
Paul Glover

ALSO PRESENT:

Dan Petersen	Mike Watson	Tony Hill
Riley Pilgrim	Steve Schmidt	Jay Ziolkowski
Rand Andrus	Rachel Anderson	Embret Fossum
Steve Prokopis	Steve Prokopis	Brian Roberts
Steven Higgs	Kane Loader	Rand Andrus
Ifo Pili		

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Chair Coralee Moser presided



Called to Order

Chair Moser called the meeting to order at approximately 10:07 am.

Public Comment

Chair Moser asked for public comments and there were none.

Approval of Minutes

Councilmember Stewart made motion to approve the following minutes as submitted:

a. June 20, 2017

Mayor Pengra seconded the motion and all voted in favor.

Amend 2017 Yearly Board Schedule

Councilmember Snelgrove made a motion to amend the 2017 UFSA Board Meeting Schedule to set the new meeting time to be 9:30 instead of 8:30. Mayor Pengra seconded the motion and all voted in favor.

Quarterly Financial Report

Tony Hill presented the Quarterly Financials for the Board to review. In the General Fund, Tony highlighted the General Fund noting that the property taxes will not come in until the end of the year and that the fee-in-lieu is looking healthy as well. Tony stated that UFSA is at 50% of their budget year and that the incomes look good.

Tony stated that the expense are right at 49% which is good as we are half way through the year. Tony reminded the Board that the first bond payment has been made and that the second one will be in November. Tony reviewed the summary of all of the individual expenditures that have been made from the General Fund. Tony presented the Capital Projects summary as well as the Debt Service Fund.

Mayor Johnson made a motion to approve the quarterly report to include all expenditures that were presented to the Board. Councilmember Ferguson seconded the motion and all voted in favor.

Tax Rate Discussion

District Manager Ifo Pili stated that the Board had asked him and Tony to start working on some data that would show if the UFSA Board needed to increase taxes. It is Ifo's hope that what was prepared will help start the discussion formally about possibly aligning the tax rate. Ifo stated that if the Board finds there is a need to raise taxes, the process needs to begin as soon as possible.

Tony presented a tax rate analysis for the Board highlighting that the 2017 tax rate of 0.001809. The data also showed a summary of the tax rate from 2012 -2017 and that it has had a small increases. The UFA Member Fee (which is the majority of the expenses) has grown steadily from 2012-2017 without a increase to the revenues. Tony highlighted that this combination causes for UFSA to draw down on the fund balance in small increments.

Tony stated that he ran a tax rate analysis as the Board had instructed and used 6.18% as a place holder. The 6.18% increase will only cover the gap so that the expenditures meet the revenues so that UFSA does not need to draw on fund balance. Tony stated that UFSA knows that there will be at least a 2-3% increase coming in July 2018 from UFA and it would be prudent to look at adding this percentage in to the increase as well.

Councilmember Stewart asked about the fund balance to make sure that the bond rating isn't in jeopardy. Tony stated that UFSA needs at 15% for the bond rating to stay high and that we are find for this budget year. Tony stated that if we withdraw from fund balance in the next budget, the draw would put the fund balance below the 15% required by the Board. Councilmember Stewart asked if UFSA could use some type of index to increase taxes if needed. The Board could also decrease as well if needed. Councilmember Stewart stated that it is his opinion that the Board should fill the gap as well as plan for the 2018 increase that will be coming from UFA.

Ifo Pili stated that tying the tax increase could be tied to a index but staff will need to look and see if this is possible. Mayor Johnson asked that if UFSA needs to keep the fund balance at the 15%. Mayor Pengra stated that in addition to the UFA Member Fee, he would like to know what the Capital Costs will be for UFA. :

Chair Moser asked for a vote of the Board to see who is in favor of increase at least 6.18% to cover the gap:

YES

Christensen
Johnson
Bush

Ferguson
Silvestrini
Stewart
Pengra
Perry
Snelgrove

Chair Moser stated that it would be helpful to hear what UFA is planning on apparatus and how that might affect the amount that UFSA pays to UFA in 2018. Based on the analysis, it would be prudent to include those increases that the Board knows is coming in July of 2018. Mayor Pengra stated that although it might be uncomfortable, the Board does need to raise taxes to catch up is needed vs. what has been received.

Chair Moser stated that the anticipated increase from UFA in 2018 will most likely be 2.5-3.0 and she asked if the Board would be in favor to increase more. Mayor Johnson stated that he was not in favor of increase more than the amount needed to close the gap. The remainder of the Board was open to discussing more than what is need to close the gap. They discussed several options between 1.5-3.0.

Chair Moser asked Tony to run a few different scenarios:

#1 6.18% increase to close the gap

#2 6.18% increase to close the gap plus an additional 1.5%

#3 6.18% increase to close the gap plus an additional 3.0%

These options need to include what the cost to the tax payer will be.

Chair Moser asked Command Staff to provide a fleet/apparatus plan as well as a plan that shows what stations are in need of rebuild or even new builds for the next Board meeting.

Mayor Johnson stated that he is not interested in really going above and beyond what is needed to fill the gap.

Eric Ferguson stated that UFSA needs to close the gap and plan on a 3% increase.

Mayor Silvestrini would like to do the proposed percentage of 6.18% and then perhaps an additional 1.5%.

Councilmember Stewart stated that the gap needs to be closed but that the Board needs to plan for the increases in apparatus and stations and that we should address the tax increases in reasonable increments.

Mayor Pengra supported the 6.18% and a small amount more to cover the costs of the fleet and stations.

Allan Perry stated that he is it would be good to see the 1.5% increase to the additional base line proposed.

Councilmember Snelgrove stated that there is wisdom that UFSA use an index and that there are pros and cons of that. Councilmember Snelgrove stated that he is in support of the 6.18% and a small amount more to help support the increases that are coming.

Mayor Johnson asked if UFSAUFA/ has a standard when building stations. Although Station 117 is beautiful, it seems over the top. Mayor Pengra stated that once Station117 was completed, the Board felt that it was a little much. In the future, the stations will be built to certain required standards but there are things that could be scaled back when it comes to some aspects of the station.

Chair Moser asked Chief Petersen to address the following three things:

1. Address the apparatus plan
2. Station future building plan
3. What is the history of Station 117 and why it end up being so large/costly

Chief Petersen stated that we are still working on the plan and that at the next Board meeting there will be a good discussion on the apparatus, light fleet as well as a Capital Improvement Plan for the Board to discuss.

Chief Petersen stated that he is concerned not only about the costs for building new stations, but also the staffing costs that will need to be funded when opening a new station. Chief stated that he stated that the public wants to see permanence but not huge. The stations could be scaled back in the future.

Chair Moser asked Rachel to work on what legally needs to take place for the tax increase to be proposed and have a list of what needs to happen at the next Board meeting. Rachel stated that the Board needs to act quickly. The public hearing needs to be completed in December and certain notices need to be made before election time. Tony stated he has looked briefly into a few different options on how to mail out the information and explained the possible options as well as rough costs to send out the information to the tax payers.

Approval of Resolution 08-2017A Utah Association of Special Districts

Councilmember Stewart made a motion to appoint Dan Petersen and Jay Ziolkowski as the designees to serve as the authorized representatives for the Utah Association of Special Districts. Mayor Pengra seconded the motion and all voted in favor.

Impact Fee Update-Zions Bank

Tony stated that the GIS team is working on the data to give to Zions Bank to submit and be able to run some numbers to see what is happening. It is the goal to have it completed by the end of the year. Tony stated that Zions is impressed with the data that we can pull in house and it will speed up the process.

UFA Use of Station 107 and Station 120

Rachel stated that the draft lease is in place and staff has the authority to approve that. Chief Petersen stated that when the document is signed, the Wildland Crews will move into 120. The crews have already been to the Station to clean it up and get it ready. When the crews are moved in and ready, UFA can do a small celebration showing the repurpose of the stations.

Approval of Resolution 08-2017B Approving the Herriman CDA

Ifo Pili introduced Gordon and Heather from Herriman City to present the Herriman CDA request to the Board. Gordon gave a quick highlight of the CDA stating that the proposal has been updated since the last time it was presented to the UFSA Board for consideration. Gordon stated that the updated plan was sent to the attorney, but can be forwarded to the Board as well. It is the hope of Herriman City that the documents were reviewed. Mayor Pengra had some questions but that they were answered by Herriman City. Councilmember Stewart asked for all open CDA's that the UFSA is included in. Tony Hill will work on the list for the Board.

Mayor Pengra made a motion to approve Resolution 08-2017B Approving an interlocal agreement between the community development and renewal agency of Herriman and Unified Fire Service Area regarding financial assistance for the development of the identified project area. Councilmember Stewart seconded the motion and all voted in favor.

Closed Session

No closed session.

Updating of Audit Report

Chair Moser and Councilmember Stewart reminded the Board that if they have changes or updates to make to the audit report they need to be turned in by tomorrow.

Motion to Adjourn

Mayor Pengra made a motion to adjourn the meeting. Councilmember Stewart seconded this meeting and all voted in favor.