

20th, 2017

UNIFIED FIRE SERVICE AREA

Meeting Minutes

8:30 a.m.

PRESENT:

Paul Glover
Jeff Silvestrini
Kathy Christensen
Coralee Moser
Sheldon Stewart
Allan Perry
Kelly Bush

ABSENT:

Sam Granato
Larry Johnson
Richard Snelgrove
Ben McAdams

ALSO PRESENT:

Dan Petersen	Mike Watson	Tony Hill
Riley Pilgrim	Jeremy Robertson	Jay Ziolkowski
Rand Andrus	Rachel Anderson	Mark Anderson
Embret Fossum	Steve Prokopis	Dema Barbour
Bill Brass	Steve Rowley	Ben Bailey
Stephanie Gracius	Steve Prokopis	Brian Roberts
Steven Higgs	Dema Barbour	Rand Andrus
Ross Fowlks	Kate Turnbaugh	Mike Watson
Cynthia Mathews	Mike White	Ifo Pili

Chair Coralee Moser presided

Called to Order

Chair Moser called the meeting to order at approximately 9:30 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. May 20, 2017

Councilmember Bush seconded the motion and all voted in favor.

Review and Approval of the Fiscal Year 2016 Annual Financial Report

Tony Hill thanked Kate Turnbaugh for her work on the annual report. She did a great job on preparing the report for the organization. Tony introduced Steve Rowley and Ben Bailey from the auditing firm Keddington and Christensen. Steve presented the Annual Financial Report to the UFSA Board and highlighted the auditor's opinion letter on page 2 for the board to review. The auditor looked at the internal controls for UFSA and they did not identify any material weaknesses.

The auditor tested UFSA for compliance with the Government Audit Standards and stated that there were no findings in this area.

The auditor is also required to test several areas for compliance with the Utah State Auditor's rules and regulations. The auditor stated there are two weakness that the auditor did identify:

1. Budgetary Compliance-one of the budgets was not amended
2. Utah Open Meetings Act-it was found that the Chair of the Board did not provide Open Meeting Act Training to the UFSA Board.

Steve stated that there were no other findings and that the audit went smooth. He stated that the auditors were able to get all information requested and management was great to work with.

Since the majority of the Board sits on other boards required to receive the Open Meeting Act Training, Mayor Silvestrini asked the auditor if they had looked into that. Steve stated that the firm did not, it is a requirement by the State of Utah that each board, including UFSA, offer and provide the Open Meetings Act yearly and it was a finding that UFSA did not offer the training to the Board in 2016.

Mark Anderson, UFSA Attorney, stated that there are two trainings required for the UFSA Board Members. The Chair of the UFSA Board is responsible to provide the board members with the training yearly. The other training is required by the State of Utah Auditor's Office and it is the Special District Training and this training must be completed within one year of beginning a new four year term for each elected official. Chair Moser stated that the UFSA Board is compliant with this training and that the UFSA Board received the Open Meetings Training in the May 2017 UFSA Meeting.

Councilmember Stewart made a motion to accept the 2016 Annual Financial Report. Councilmember Bush seconded the motion and all voted in favor.

Approval of Resolution 06-2017A, Determining and Fixing the Service Area's Property Tax Rate and Judgement Levy Fiscal Year 2017.

Tony Hill presented the property tax rate analysis to the Board. Tony highlighted the taxable value, new growth, collection rates and property tax rate for the past five years. He stated that the growth has been slow but in 2017 there is just little bit more growth and that the property tax revenue for 2017 is \$40,480,979. Tony stated that gap between the property tax revenue vs UFA member fee is growing, which the Board needs to keep their eye on. After reviewing the structural balance from the 2017 budget, Tony reminded the Board that the fund balance is slowing going down. Tony stated that as of 2017 the fund balance is right around \$7,600,000.

Councilmember Stewart stated that the UFSA needs to look at a small tax increase and needs to begin the process this fall. He stated that it would be better to do a small increase vs waiting and having to do a large increase a few years down the road. Chair Moser asked what needed to happen to increase the property tax rate for 2018. Tony stated that the process needs to get started this fall. In September, the Board will need to ensure a mailer go out to all voters to help educate them on the tax increase and UFSA will be required to hold public hearings. Mark Anderson stated that the law requires that the tax increase needs to be on the October agenda at the latest. The Board needs to announce all of the details in that meeting so the public has plenty

of time to be educated and informed of the increase. Councilmember Stewart stated that a structured increase is the right move for UFSA.

The Board asked that this item be on the agenda for the August meeting so that the process can move forward in September. District Administrator Ifo Pili stated that he is working with Tony to understand the personnel costs and how they will impact the budget. He will continue to work with Tony and address it in the August meeting. Mayor Silvestrini stated that it would be smart to do the small increases vs. a large increase.

Councilmember Stewart made a motion to approve resolution 06-2017A, Determining and Fixing the Service Area's Property Tax Rate and Judgement Levy Fiscal Year 2017. Mayor Pengra seconded the motion and all voted in favor.

Tony stated that there were not eligible judgements, thus no need for a public hearing on the judgement levy.

Public Hearing to Receive and Consider Comments on Proposed Amendments to the 2017 Fiscal Year Budget

Tony presented the original budget as well as the proposed amendments. Tony highlighted the following revenues that are being amended:

- Taxes: Property
- Taxes: Property-Pass Thru
- Taxes: Judgement Levy
- Taxes: Delinquent
- Fee-In-Lieu of Taxes

Tony presented the original budget as well as the proposed amendments to the expenses:

- Memberships
- Professional Fees
- Capital Lease
- Interest Expense
- Tax Payments to RDA/CDA
- UFA Contract Fees

Tony discussed the changes in the Professional Fees, Capital Outlay and the Construction Costs for Station 117. Mayor Pengra stated that Tony walked into the budget mid-year and that it was rather messy. He thanked Tony for his work on the budget and stated that he did an excellent job managing the budget.

The Board noted that UFSA has a seat on the Utah Association of Special District and that the Board should appoint someone to serve on that Board to represent UFSA. Councilmember Stewart asked that this appointment be added to the August agenda. Chief Petersen stated that he has been attending these meetings and that it is very important to have UFSA in attendance as well.

Mayor Silvestrini made a motion to open the public hearing to receive and consider comments on the proposed amendments to the 2017 fiscal budget. Councilmember Stewart seconded the motion and all voted in favor.

Chair Moser asked for public comments on the proposed amendments and there were none.

Mayor Silvestrini made a motion to close the public hearing. Councilmember Stewart seconded the motion and all voted in favor.

Mayor Silvestrini made a motion to approve resolution 06-2017B, Opening and Amending the 2017 Fiscal Year Budget. Mayor Pengra seconded this motion and all voted in favor.

UFA Use of Station 107 and Station 120

Chair Moser stated that the Board has been asked by UFA to repurpose these two stations now that they are not being staffed with firefighters. Ifo Pili stated that UFA would like to repurpose the stations for additional divisions within UFA. Ifo stated that there is not debt carried on these buildings and that the maintenance will be completed by UFA. Ifo stated that perhaps there could be a lease arrangement between UFA and UFSA for the usage of the buildings. In the lease agreement, it could be noted that UFSA has the right to sell the building if they so choose.

Mayor Pengra asked if there was an interest by the Board/Cities to sell the stations. Councilmember Stewart stated that it would depend on the agreements that were made with Salt Lake County and/or Riverton City that were originally created. He stated that Riverton City would prefer that the station be used and repurposed by Unified Fire Authority vs. selling the station. Mayor Pengra stated that he is in support of leasing the building to UFA for a reasonable fee. The Board asked the Anderson's for their legal opinion of the usage. Mark Anderson stated that it is simply an agreement that needs to be completed between the UFA and UFSA for the usage of the building. Councilmember Bush asked if West Jordan would be interested in purchasing Station 107. Chief Petersen stated that at this point West Jordan City is not in the position to purchase the station but perhaps in the future.

The Board asked Ifo, Chief Petersen and the UFA and UFSA attorney's to meet to come up with a maintenance service agreement and some type of lease agreement for the stations.

Mayor Pengra stated that he is worried about leasing the building for such a minimal fee and he asked if there was certain needs that have been identified for each station. The Board stated that the UFA plans on using and leasing both stations, if approved.

Chief Petersen stated that UFA plans to maintain the stations but if there are capital improvements needed, that UFSA would be responsible for the capital improvements or expenditures. Mayor Pengra stated in his opinion it should be the obligation of UFA to maintain the capital improvements as well to keep it in good repair while they are leasing them.

Mayor Pengra made a motion that the Board offer Station 107 and Station 120 to UFA for their use for the exchange of a \$1.00 lease each yearly. The lease will be renewed on an annual basis and it will be required that UFA insures the building and pays for maintenance expenses as well as capital improvements should they arise during the lease. UFSA would also maintain the right to terminate the agreement and sell the property at any time during the lease and authorize the Board Chair to sign and execute these documents. Councilmember Stewart seconded the motion and all voted in favor.

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 be reviewed and then listed on the August UFSA agenda for consideration and final approval. The Board will review the packet and information by the August Board Meeting. Ifo stated that he has personally reviewed the proposal and it seems sound and that his few concerns had been addressed. If the Boards have questions, please contact Ifo or Gordon at Herriman City.

State of Utah Wildland Mitigation Match Agreement

Chair Moser asked BC Pilgrim to explain the Wildland Match. BC Pilgrim stated that the UFSA is required to sign the Wildland Mitigation Match on behalf of all District Members in order to receive

the match for project work. Mark Anderson stated that the State agreement is with the UFSA for those that are members of the District but the four membering cities will need to enter an agreement with the State directly. Battalion Chief Pilgrim stated that although the agreement should be in place by July 1, 2017, the State is not holding UFSA to a hard and fast date but would like it completed as soon as possible. Mark Anderson stated that it been hard to decide who is actually responsible for what. Mark stated that after talking with Chief Pilgrim it would be best for the Board to authorize and approve the agreement and then instruct management and legal to work out the details. BC Pilgrim stated that the Wildland Bureau has already completed most of the project work has been completed on behalf of the membering cities. Chair Moser asked the Board if there were any questions and concerns and there were no questions.

Mayor Pengra made a motion to authorize the UFSA District Administrator, Legal Staff and Battalion Chief Pilgrim to work together to find a reasonable solution to the State of Utah Wildland Mitigation Match Agreement and authorize the Board Chair or District Administrator to sign the agreement when it is prepared and to work in good faith to complete the mitigation risk. Councilmember Stewart seconded the motion and all voted in favor.

Mayor Silvestrini asked that the agreement get signed and then UFSA work out the details to ensure that the agreement is in place.

Impact Fee Update-Zions Bank

Tony Hill updated the Board on the new Impact Fee Update. Matt from Zions Bank has started working on this for UFSA and Tony will be working closely with Ifo and the Anderson's to make sure it is moving forward. Matt has asked UFSA for data information and hopes to have an update on the August UFSA Board Meeting. Ifo stated that he spoke with Matt and he feels comfortable with redefining what work has already been done thus far and that UFSA is not in a venerable positon with the impact fees.

Cancellation of the July UFSA Board Meeting

Councilmember Stewart made a motion to cancel the July UFSA Board Meeting. Mayor Pengra 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 must 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.