UNIFIED FIRE SERVICE AREA BOARD MINUTES

MAY 19, 2026, 8:30 AM (or immediately following the UFA Board Meeting)
Electronically via Zoom Webinar/UFA Headquarters-3380 South 900 West SLC, UT 84119

- <u>Call to Order</u>
  Quorum present
  Chair Harris called the meeting to order at 8:59 a.m.

- <u>Public Comment</u>
  No public comments were received. Public comment remained available live and through the posted electronic submission option.

- <u>Approval of Joint UFSA/LBA Minutes</u>
  a. April 21, 2026 UFSA LBA Joint Board Meeting Minutes
  b. April 21, 2026 UFA/UFSA Open and Public Meeting Training Minutes
  Mayor Gettel made a motion to approve the minutes from the April 21, 2026, UFSA Board Meeting and the minutes from the April 21, 2026, UFA/UFSA Open and Public Meeting Training minutes as submitted. Councilmember Huish seconded the motion, and all voted in favor; none opposed. The motion passed unanimously.

- <u>Consider the Date of June 16, 2026, for a Public Hearing to Receive and Consider Comments on Proposed Amendments to the 2026 Budget</u>
  CFO Hill reviewed the upcoming public hearing notice included in the board packet. CFO Hill explained that the hearing would consist primarily of UFSA's standard mid-year budget adjustments. CFO Hill stated that by the time of the public hearing:
  • Final tax rates would be available
  • The property tax budget for the fiscal year could be finalized
  • The UFA budget would already be adopted
  • Member fee amounts could be formally adjusted accordingly
  CFO Hill also noted that any additional miscellaneous budget items requiring adjustment or reconciliation would be addressed during the public hearing process.

  Mayor Jackson moved to set the date for June 16, 2026, at 8:30 a.m., for a public hearing to receive and consider comments on proposed amendments. Councilmember Huish seconded the motion, and all voted in favor; none opposed. The motion passed unanimously.

- Quarterly Financial Report

CFO Hill presented the first quarter financial report, which was included in the board packet. CFO Hill noted that, unlike UFA, UFSA operates on a calendar-year budget cycle, meaning the report reflected only the first quarter of the fiscal year.

CFO Hill reviewed the revenue section of the report and stated that $2.2 million had been collected to date, representing 3% of the annual budget. He explained that the majority of UFSA revenues are received later in the year following finalization of tax rates and budget adjustments, which is why the Board previously approved the Tax Revenue Anticipation Note (TRAN) process earlier in the year.

CFO Hill next reviewed expenditures totaling $19.4 million through the first quarter. He explained that most expenditures were concentrated in three primary areas:

- Debt service payments
- The Sandy contract
- Member fee payments to UFA

CFO Hill reported that $4.2 million was paid in March toward annual bond obligations, representing the largest portion of UFSA's yearly debt service payments. He explained that additional interest-only payments would occur later in the year.

CFO Hill also reported that UFSA paid $700,000 to Sandy City for the first six months of contracted services provided to unincorporated Salt Lake County and White City. In addition, CFO Hill reviewed the member fee payments made to UFA for the first quarter, totaling $14.3 million.

CFO Hill noted that because UFSA has relatively few expenditures, the Board packet includes a detailed listing of all expenditures made during the first quarter.

CFO Hill then reviewed the Capital Projects Fund and reported there had been no significant activity during the quarter. He explained that no capital expenditures had been budgeted for the fund and that only minimal interest income had been collected.

Finally, CFO Hill reviewed the Debt Service Fund. He stated that UFSA had already made its largest annual debt payment, totaling $4.2 million, and anticipated making the remaining payment later in the year to bring total annual debt service payments to $4.9 million. CFO Hill also noted that all scheduled principal payments for 2026 had already been made, totaling $3.3 million.

Mayor Gettel made a motion to approve the Quarterly Financial Report as submitted. Mayor Jackson seconded the motion, and all voted in favor; none opposed. The motion passed unanimously.

- Fraud Risk Assessment

CFO Hill presented the annual Fraud Risk Assessment for UFSA and explained that the assessment process is like the assessment previously completed for UFA. CFO Hill reviewed the assessment and noted that while the overall report closely mirrors UFA's assessment, several items within the separation of duties section were marked as "not applicable" due to the operational structure of UFSA. CFO Hill explained that UFSA:

- Does not maintain a purchasing card program
- Does not have employees
- Does not process payroll directly

As a result, several assessment categories related to employee management and payroll controls were marked as not applicable.

CFO Hill stated that financial processes such as cash and check handling and bank reconciliations, UFA employees still perform financial oversight through the interlocal agreement between the organizations. He explained that many of the same financial controls, policies, and separation of duties used by UFA also apply to UFSA operations.

CFO Hill further explained that UFSA maintains its own, conflict of interest policy, procurement policies and Governance procedures. However, he noted that one of the ongoing challenges with the State Auditor's Fraud Risk Assessment tool is that it is designed as a "one-size-fits-all" model and does not always align neatly with organizations such as UFSA that operate without direct employees.

Discussion occurred regarding Question No. 4 of the assessment related to annual statements of ethical behavior. The Board asked whether the Board's existing practice of signing ethics-related documents could qualify the organization for a "yes" response under that section of the assessment.

CFO Hill stated that there was likely a reasonable argument for marking the item as compliant, given that UFSA has no employees and Board members already complete ethics-related acknowledgments. He explained that if the Board wishes to make that adjustment, staff will support the change and stand behind the rationale that the organization operates differently than a traditional employee-based entity.

Following the discussion, direction was given to modify the assessment accordingly. CFO Hill noted that with the adjustment, the organization's fraud risk category would move into the "very low" range. Board members commended the Finance Division for its work and oversight efforts related to fraud prevention and financial controls.

Mayor Jackson made a motion to approve the Fraud Risk Assessment as submitted with the discussed modification. Councilmember Butterfield seconded the motion, and all voted in favor; none opposed. The motion passed unanimously.

- <u>UFSA Finance Committee Updates</u>
  Upcoming meeting 6/8/26 at 2:30 p.m.

- <u>Board Discussion-Eagle Mountain Withdrawal Process/Governance Committee Discussion</u>
  Discussion occurred regarding the potential withdrawal of Eagle Mountain from Unified Fire Service Area, and the process moving forward should the Eagle Mountain City Council approve the proposed withdrawal resolution later that evening.

The Board asked whether it was appropriate to discuss the matter during the meeting since the item was not formally listed on the agenda. District Administrator Anderson noted that because the matter was still pending and no formal action had yet occurred, discussion would remain limited. However, District Administrator Anderson stated that if the resolution were approved, leadership would provide a detailed update during a future Finance Committee meeting regarding:

- The withdrawal process
- Potential impacts to UFSA
- Next procedural steps

CFO Hill stated that leadership would ensure the Board remained fully informed throughout the process and explained that UFA and UFSA previously navigated similar withdrawal situations involving Riverton and Herriman. He noted that a formal withdrawal policy had already been adopted during those prior transitions and stated leadership anticipated utilizing a similar framework for Eagle Mountain if the withdrawal moved forward. CFO Hill stated that the previous framework had functioned effectively and expressed hope that the process would remain straightforward and seamless.

Additional discussion occurred regarding governance structure. The Board asked whether UFSA maintains a formal Governance Committee like UFA. District Administrator Anderson explained that UFSA does not currently maintain a Governance Committee because many governance provisions are established directly through state statute. District Administrator Anderson stated that governance-related concerns or discussion items can still be brought forward through Board leadership as needed.

The Board expressed appreciation for Mayor Jared Gray openly discussing the situation and keeping the Board informed throughout the process. Board members stated they appreciated the transparency and emphasized that Eagle Mountain remained a valued member of the organization regardless of the eventual governance structure.

Mayor Gray stated that he did not want the situation to create uneasiness or uncertainty among Board members or member communities. He explained that Eagle Mountain's rapid growth continues to create significant service demands and operational pressures related to future station development and emergency response needs. Mayor Gray noted that Eagle Mountain is currently one of the fastest-growing cities in the nation and stated that transitioning to a direct UFA contract model may provide additional flexibility for both Eagle Mountain and UFSA moving forward. Mayor Gray expressed hope that any transition process would remain collaborative and uncomplicated moving forward.

- District Administrator Report

  District Administrator Anderson reported there were no additional items for Board discussion.

- Possible Closed Session

  No closed session was held.

- Adjournment

  Mayor Jackson moved to adjourn the May 19, 2026, UFSA Board Meeting. Mayor Gray seconded the motion, and all voted in favor; none opposed. The motion passed unanimously.

BOARD MEMBERS IN ATTENDANCE

Councilmember Tyler Huish
Mayor Kristie Overson
Mayor Dustin Gettel
Councilmember Chrystal Butterfield
Mayor Cheri Jackson
Mayor Roger Bourke
Councilmember Catherine Harris
Mayor Jared Gray
Councilmember Kathleen Bailey

BOARD MEMBERS ABSENT

Mayor Scotty John
SLCo Assessor Chris Stavros
Councilmember Sheldon Stewart
Mayor Mick Sudbury

STAFF IN ATTENDANCE

Fire Chief Dominic Burchett
CFO Tony Hill
District Administrator Rachel Anderson
Clerk Micayla Dinkel

ATTENDEES

AC Russell	AC Dern	DOC Easton	BC Millard
DC Greensides	OC Kay	Captain Costin	EM Director Behunin
FM Watkins	BC Backman	AC Robinson	
Digital Media Specialist Courtney Samuel		BC Bogenschutz	