



UNIFIED FIRE SERVICE AREA FINANCE COMMITTEE MEETING MINUTES

August 31, 2022

Meeting was held both electronically via Zoom Webinar/UFA Headquarters

Committee Members Present:

Council Member Hull

Mayor Overson

Mayor Stevenson

Committee Members Absent:

Mayor Silvestrini

Council Member Bailey

Staff:

Chief Burchett

CFO Hill

Cyndee Young

District Administrator Anderson

AC Pilgrim

Guests:

Council Member Bourke

Ryan Love

Kelly Bird

Michael Conn

Mayor Overson

Station 101

Kiley Day

Bill Brass

Mayor Westmoreland

Bryan Case

Erica Langenfass

Paul Story

Brad Larson

Brandon Dodge

Keith Zuspan, Brighton

Nyla Willoughby

AC Higgs

Courtney Samuel

Nile Easton

Meeting called to order by Chair Hull at 10:00 a.m.

Public Comments

None

Public comment was made available live and with a posted email address

Minutes Approval

Mayor Overson moved to approve the minutes from the June 8, 2022, Finance Committee Meeting as submitted

Mayor Bourke seconded the motion

All voted in favor, none opposed

UFA Operational Priorities – Chief Burchett

- ◆ Chief stated that wages and benefits are the biggest impact annually, but there is a need to balance this with growth of our communities and the needs of Operations and the safety of the crews
- ◆ For the coming 3-years, there are a couple of targets for consideration by the committee
 - ◆ Chief Burchett's biggest priority is to target 3 stations for a change from 3-handed to 4
 - The stations are 108 in BCC, 113 in LCC, and 251 in Eagle Mountain
 - Both the remoteness of these stations and the potential to be on scene without other stations quickly providing mutual aid make them the focus
 - The 4th person at Station 251 will allow for the opportunity to hold off on placing another engine at Station 253
 - In order to meet this target, FTE's will need to be increased from 9 to 12
 - ◆ Chief Burchett also noted that in the coming years, consideration to staff Station 107 again will be necessary
 - Special Enforcement is currently using this station
 - This station was shut down when Draper left UFA
 - Chief also stated that we are seeing a burden on WVC and West Jordan from mutual aid
 - Consideration to staff Station 107 with a 3 or 4-person crew will need to be considered in 2024
 - ◆ In 2025, with the rapid growth in Eagle Mountain, Station 253 will need to be fully staffed rather than just housing an ambulance as is currently planned
 - Currently there are two stations in Eagle Mountain, the new station is located right between them and will house only an ambulance for now
 - ◆ Stations 115 and 119 will be the last for consideration for 4-handed staffing, mainly due to other priorities, low call volume, and proximity to other agencies for mutual aid
- ◆ Facility Priorities
 - ◆ Once the floodplain issue is resolved, the rebuilding of Station 112 will need to be addressed
 - ◆ Kearns Station 109 was built in 1991, it's anticipated use is 5-7 more years
- ◆ Chief will continue working on prioritizing operational and facility priorities for the coming years
- ◆ Mayor Stevenson asked if criteria is built in for staffing of the stations
 - ◆ Chief Burchett stated that the ultimate goal is 4-person staffing, but this needs to be balanced with other priorities and growth
- ◆ Mayor Bourke inquired as to the financial implications to local communities for 3 to 4-person staffing
 - ◆ This will be addressed in the following agenda item

Long Range Plan Review – CFO Hill

- ◆ CFO Hill reviewed the baseline of where UFSA is currently sitting financially from 2021 through projections to 2025
- ◆ The end of 2021, there was \$14.3M in the ending fund balance, UFSA is financially in a good position
 - ◆ CFO Hill reminded the committee that the minimum policy for fund balance is 15% and to please keep this in mind for future projections
 - ◆ The 15% was adopted by the UFSA Board and is very important to bonding and is one of the reasons UFSA receives such good bond ratings
- ◆ 2022 still looks good, we are seeing a 5.48% property tax increase in revenue from new growth and a projected budget of 26.9% in ending funds
- ◆ 2024 the percentage begins to drop into the 15% range with
- ◆ Once the percentage drops below, a tax increase will be necessary
- ◆ The new expenditure bond payments begin in 2023 and are the reason the draw on fund balance begins, in order to pay for the stations currently being built
- ◆ Council Member Hull asked as to what happens if growth slows

- ♦ CFO Hill explained that currently the plan is 3%, which is conservative, but reasonable
- ♦ Numbers would need to be reduced if there is less revenue to draw from
- ♦ A chart was discussed that has taken the baseline and added the operational adjustments previously discussed by Chief Burchett
 - ♦ CFO Hill reminded the Committee that they have control of the pace, and finding the balance between operational need and finances determines how quickly movement forward can take place
 - ♦ Referencing what was previously discussed, when moving from 3 to 4-person staffing, \$1.3M is added to the Member Fee, which is about a 3% increase
 - Mayor Bourke asked if this applies to all or just those with stations adding the 4th person
 - CFO Hill explained that the costs are shared, that is the benefit of being in the district, all members pay the same tax rate for fire services
 - ♦ The revenue side must be considered when looking at funding all increases discussed
 - ♦ A tax increase in 2024 may be necessary and must also take into consideration other items on the horizon
 - Mayor Stevenson asked if inflationary costs have been included in current costs
 - CFO Hill answered that the costs are current, but some inflation has been accounted for in the baseline numbers, there will be an increase, but not major

2023 Budget Proposal – District Administrator Anderson

- ♦ DA Anderson is asking for direction in order for staff to prepare for the 2023 budget
- ♦ If the Committee desires a tax increase in 2023, work must start quickly
- ♦ There are a couple discussions that must be taken to the Board
 - ♦ Does the Committee approve of Chief Burchett's 5 to 7-year operational changes
 - Take into consideration, additional changes are necessary and recommends moving forward with the plan suggested, but not all can be done at once and the staggered options to reach these goals are appreciated
 - DA Anderson also recommends planning for the increase in staffing for the next budget and feels good with the 3-year plan
 - ♦ Does the Committee want to do a tax increase this year or wait until next
 - DA Anderson recommends not doing a tax increase this year since UFSA is in a solid financial position
 - With the discussed operational adjustments, the ending fund balance will be 19.7% next year, which is still good
 - It has been several years since the last increase and fewer larger increases or frequent smaller will need to be discussed
 - A better understanding of the economy and market cost changes will provide a better idea of what the tax increase should be
 - DA Anderson stated that the Committee should take advantage of the good fortune and do a truth in taxation next year
 - Mayor Bourke agrees, it is difficult to justify raising taxes with a reserve and agrees to wait
 - Council Member Hull agrees on waiting to see future financial situations and feels 4-person crews are critical
 - Mayor Overson agrees, and waiting is a good option and strategy, supports 4-person crews, but good with holding off 1-year
 - Mayor Stevenson wants to hold off on taxes as much as possible
- ♦ These decisions will be presented to the Board at the next meeting
- ♦ CFO Hill thanked the Committee for the direction to begin preparing the 2023 budget with no tax increase and the movement of 3 stations from 3 to 4-person staffing

- ♦ CFO Hill replied to Mayor Bourke that the movement from 3 to 4-person will take place at the same time, unless otherwise determined by the Board

Closed Session

- ♦ None

Adjournment

Mayor Overson moved to adjourn the August 31, 2022 UFSA Finance Committee Meeting

Mayor Bourke seconded the motion

All voted in favor, none opposed