



Herriman City Fire Safety Area Agenda

Wednesday, January 25, 2023

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a meeting in the City Council Chambers, located at
5355 WEST HERRIMAN MAIN STREET, HERRIMAN, UTAH

6:50 PM (OR AS SOON AS POSSIBLE THEREAFTER)

1. Call to Order

- 1.1. Motion for review and outline of the finalization process to approve the minutes of January 25, 2023
- 1.2. Approval of the August 3, 2022 HCFSa Meeting Minutes

2. Discussion and Action Items

- 2.1. Consideration and approval of amendments to the fiscal year 2023 Herriman City Fire Safety Area budget.

3. Adjournment

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. Request assistance by contacting Herriman City at (801) 446-5323 or info@herriman.org and provide at least 48 hours advance notice of the meeting.

ELECTRONIC PARTICIPATION: Members may participate electronically via telephone, Skype, or other electronic means during this meeting.

I, Jackie Nostrom, certify the foregoing agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body, at the principal office of the public body, on the Utah State Public Notice website www.utah.gov/pmn/index.html and on Herriman City's website at www.herriman.org. Posted and Dated this 20th day of January, 2023. /s/ Jackie Nostrom, City Recorder

5355 W. Herriman Main St. • Herriman, Utah 84096
(801) 446-5323 office • herriman.org



Herriman City Fire Safety Area Special Meeting Minutes

Wednesday, August 03, 2022
Pending Formal Approval

The following are the minutes of the Herriman City Fire Service Area meeting. The meeting was held on **Wednesday, August 3, 2022 at 6:00 p.m.** in the Herriman City Council Chambers, 5355 West Herriman Main Street, Herriman, Utah. Adequate notice of this meeting, as required by law, was posted in City Hall, on the City's website, and delivered to members of the Council, media, and interested citizens.

Presiding: Chair Lorin Palmer

Directors Present: Jared Henderson, Teddy Hodges, Sherrie Ohrn, and Steve Shields (Remotely)

Staff Present: City Manager Nathan Cherpeski, Assistant City Manager Wendy Thomas, Assistant City Manager Tami Moody, Financial Director Kyle and Alan Rae, City Attorney Todd, Communications Manager Jonathan LaFollette, Fire Anthony Widdison, Police Chief Troy Carr, Records Specialist Ashley Glines

1. Call to Order

Chair Palmer called the meeting to order at 6:07 p.m.

2. Public Hearing

2.1. Public Hearing and Consideration of a Resolution to establish the Property Tax Rate and Approve the fiscal year 2022-2024 budget for the Herriman City Fire Service Area – Alan Rae, Finance Director

Finance Director Alan Rae reported the board was required to adopt a property rate for the new Herriman City Fire Service Area (HCFSA), which would solely fund fire and emergency medical services in Herriman. Historically, fire and emergency medical services were funded through taxes to the multi-city Unified Fire Service Area (UFSA). When the City withdrew

from the UFSA taxing entity, a one-year transition period required fire and emergency service taxes to temporarily go to the general Herriman City tax rate. Those funds remained separated and have been reserved for fire and emergency services. Since the establishment of the HCFSA, fire and emergency service taxes would be collected and reserved directly to the HCFSA. Thus, the HCFSA tax rate was proposed to be set at 0.001320, which would generate \$7,558,404 in revenue, and Herriman City's general tax rate would see a corresponding decrease. The overall amount collected by residents would remain the same.

Finance Director Rae briefed the audience of the property tax rates from 2020 to present to explain the separated collections for fire and emergency services. Trustee Jared Henderson offered an explanation regarding equalization and reemphasized the need to conduct the truth and taxation hearing.

Chair Palmer opened the public hearing.

Steve Slessinger questioned how the money would be utilized to update Fire Station 103. He acknowledged confusion for people seeing a huge increase and suggested reporting it differently on the tax notice for clarification purposes. Finance Director Alan Rae offered an explanation on the fire district and repayment to build new station.

Kent Robertson stated as the city will continue to grow the need for more stations was warranted due to response times would continue to increase.

Darryl Robinson thanked the fire department for what they do to keep the community safe.

Kyle Hamilton referenced the proposed increase letter and asked if it was separate from the tax assessment or if it had already been included. Mayor Palmer indicated the increase was included in the tax assessment distributed.

Trustee Sherrie Ohrn moved to close the Public Hearing. Trustee Teddy Hodges seconded the motion and all present voted aye.

Trustee Ohrn moved to approve Resolution No. R07-22 adopting a final budget making appropriations for the support of the Herriman City Fire Service Area for the period beginning July 1, 2022, and ending June 30, 2024, and determining the rate of tax and levying taxes upon all real and personal property within the Herriman City Fire Service Area to be set at .001320. Trustee Hodges seconded the motion.

The vote was recorded as follows:

Trustee Jared Henderson	Aye
Trustee Teddy Hodges	Aye
Trustee Sherrie Ohrn	Aye
Trustee Steve Shields	Aye

Chair Lorin Palmer Aye

The motion passed unanimously.

Trustee Steve Shields opined this was the correct decision for the community moving forward to ensure funds were used solely for fire and emergency services.

3. Adjournment

Trustee Hodges moved to adjourn the Herriman City Fire Service Area meeting at 6:32 p.m.

Trustee Henderson seconded the motion, and all voted aye.

I, Ashley Glines, Records Specialist for Herriman City, hereby certify that the foregoing minutes represent a true, accurate and complete record of the meeting held on August 3, 2022. This document constitutes the official minutes for the Herriman City Fire Service Area Meeting.



Ashley Glines
Records Specialist



STAFF REPORT

DATE: January 11, 2023

TO: The Board of Trustees

FROM: Kyle Maurer, Finance Director

SUBJECT: Consideration and approval of amendments to the fiscal year 2023 Herriman City Fire Service Area budget.

RECOMMENDATION:

Staff recommends approval of the amendments.

ISSUE BEFORE COUNCIL:

Should the Board of Trustees approve the amendments as presented?

BACKGROUND/SUMMARY:

Good budgetary and accounting practices require periodic amendments to the City's adopted fiscal year budget. A number of budget amendments are required to ensure the Service Area is staying within budgeted allotments and transactions are being accounted for correctly in the financial system.

DISCUSSION:

One requested amendment pertains to the Fire Service Area's property tax collections. When Herriman City lowered its property tax rate in August 2022 (with a corresponding increase in the Fire Service Area tax rate), the Salt Lake County Treasurer's Office subsequently recalculated the property tax due to the Fire Service Area and Herriman City from January to September 2022. Because Herriman City was using general property tax to fund the Fire Service Area prior to the setting of a dedicated property tax rate, the Fire Service Area needs to reimburse the General Fund for property taxes collected January-September. There is a proposed corresponding increase in property tax revenue for the Fire Service Area (net zero effect).

Another proposed budget amendment involves budgeted for building & grounds maintenance, which was left out of the original 2023 budget (\$35,000). Another amendment requests \$500,000 for Station 103 replacement design that was also erroneously left out of the original 2023 budget. Both will require \$535,000 of fund balance.

ALTERNATIVES:

The Board of Trustees may choose to reject or change any of the proposed amendments.

FISCAL IMPACT:

\$535,000 – Budgets for building & grounds maintenance and professional fees. \$556,328
– Transfer to the Herriman City General Fund to reimburse for property tax reapportionment (offset with increased revenue).

ATTACHMENTS:

Resolution
Proposed budget amendments.

HERRIMAN CITY FIRE SERVICE AREA

RESOLUTION NO. _____

**A RESOLUTION OF THE HERRIMAN CITY FIRE SERVICE AREA
APPROVING AN AMENDMENT TO THE 2022-2023
FISCAL YEAR BUDGET**

WHEREAS, the Herriman City Fire Service Area ("HCFA") met in regular meeting on January 25, 2023, to consider, among other things, approving amendments to the 2022-2023 fiscal year budget; and

WHEREAS, the Board of Trustees of the HCFA has determined it necessary to amend the budget to reflect various changes; and

WHEREAS, the Board of Trustees of the HCFA determines that the amendment presented to the Board is necessary and appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees that the budget for the period of July 1, 2022, through June 30, 2023, is hereby amended as set forth on the attached amended budget.

This Resolution, shall take effect immediately upon passage and acceptance as provided herein.

PASSED AND APPROVED by the Board of Trustees of the HCFA this 25th day of January, 2023.

HERRIMAN CITY FIRE SERVICE AREA

By: _____
Chairman

District Clerk

Herriman City Fire Service Area Proposed Fiscal Year 2023 Budget Amendments						
GL Account	Department	GL Account Description	FY2023 Budget (Current)	Proposed Amendment	2023 Adjusted Budget (Proposed)	Explanation
27-31100		Property Tax - Current	\$ 7,540,000	\$ 221,119	\$ 7,761,119	Property tax was recalculated using 2022 rate from January-September. This is the amount of property tax the general property tax levy apportioned to the Fire Safety Area until the tax rate was set up for calendar year 2022.
27-31150		Motor Vehicle Fee in Lieu	360,000	335,209	695,209	Motor vehicle fee in lieu was recalculated using the 2022 rate from January-September. This is the amount of property tax the general property tax levy apportioned to the Fire Safety Area until the tax rate was set for calendar year 2022.
TOTAL REVENUE ADJUSTMENTS - FIRE SERVICE AREA FUND			\$ 7,900,000	\$ 556,328	\$ 8,456,328	
Utah Outdoor Recreation Grant \$31,932 (offset Trail Maintenance); Urban Forestry Grant \$2,400 (offset Match-Tree Grant line item).						
GL Account	Department	GL Account Description	FY2023 Budget (Current)	Proposed Amendment	2023 Adjusted Budget (Proposed)	Explanation
27-40260		Bldgs & Grounds Supplies & Maint	\$ -	\$ 35,000	\$ 35,000	Budget for Building & Grounds maintenance left out of original budget.
27-47512		Professional Fees	-	500,000	500,000	Funds for Station 103 replacement design left out of original budget.
27-49000		Transfer to General Fund	650,000	556,328	1,206,328	Reimbursement to the General Fund for reapportioned property taxes January-September.
27-4900		Budgeted Increase in Fund Balance	2,665,000	(535,000)	2,130,000	Reduction to increase in fund balance to account for building & grounds maintenance, and professional fees.
TOTAL EXPENDITURE ADJUSTMENTS - FIRE SERVICE AREA FUND			\$ 3,315,000	\$ 556,328	\$ 3,871,328	

Fund Balance Summary			
	FY2021	FY2022	FY2023
Beginning Fund Balance	-	(3,467)	1,152,984
Additions (Reductions)	(3,467)	1,156,451	1,595,000
Ending Fund Balance*	\$ (3,467)	\$ 1,152,984	\$ 2,747,984

*Excludes Fire Impact Fee