

**SOUTH DAVIS METRO FIRE SERVICE AREA**  
**BOARD MEETING – PUBLIC HEARING**  
**August 2<sup>nd</sup>, 2021**

The South Davis Metro Fire Service Area Board of Trustees held a Public Hearing on August 2, 2021 at 5:00 p.m. at the South Davis Metro Fire Service Area Station #81, 255 S. 100 W., Bountiful, Utah.

**CONDUCTING:** Len Arave- Board Chair

**BOARD MEMBERS PRESENT**

Len Arave- Board Chair  
Ken Romney – Vice-Chair  
Rick Earnshaw  
Clark Wilkinson  
Randy Lewis  
Bob Stevenson

**STAFF PRESENT**

Dane Stone – Fire Chief  
Dave Powers – Deputy Chief  
Greg Stewart – Deputy Chief  
Jessica Hardy - Accountant  
Nikki Dandurand - Secretary  
Todd Godfrey – Attorney

**OTHERS PRESENT**

Ken Leetham – Administrative Committee Chair

Commissioner Arave stated that this is an open Public Hearing and a notice of time, place, and agenda had been sent to the newspaper and to each member of the Board prior to the meeting.

Commissioner Arave opened the meeting and turned the time over to Chief Stone. Chief Stone made his presentation and outlined his top three items for the increase in property tax. Because the county paramedic levy is going away, we need to pay for full cost of the department's paramedics, our debt service, and the need to pay for our capital improvements such as apparatus and equipment. Commissioner Arave explained how city assessments work. Chief Stone stated the Administrative Committee recommends a 10% increase in city assessments. Chief Stone also explained the increase in 2017 was to fund 24 new employees and keep up with the step increases in pay. Commissioner Stevenson stated the line item for the county paramedic tax will disappear. Chief Stone stated that the department did a 20% wage adjustment in 2017. We have re-focused that amount into a flat 21% department wide. Commissioner Lewis stated that as a resident of Bountiful, he doesn't want an average fire department, and although we don't need the very best we do want one that is very competent. We are looking forward and making the best decision. The fire department does not create revenue, but we can afford better than average.

Commissioner Earnshaw made a motion to open the public hearing, Commissioner Stevenson seconded the motion.

**PUBLIC HEARING: OPEN – 6:40 P.M.**

Summer – Can you please clarify 10 or 100%? Commissioner Stevenson replied the increases are on the bottom of your statement. Summer asked why we cannot do little increases every year. Commissioner Arave replied that it is an option, but historically entities haven't passed inflationary cost increases because of the perceived difficulties in truth in taxation hearings. It is something the board could consider however, and he supported the idea. Summer also asked about the training facility. Chief Stone stated the department needs a facility for training. We are currently utilizing SLC for our recruits but have usage of that facility reduces the available resources when training is occurring.

Paul – Centerville – the numbers listed are confusing. Is it 114% or 60%? The Board explained that the county is eliminating their tax for paramedics. The increase district is assuming that portion of the tax and that is included in the higher tax amount. The Board also explained that although the district receives revenue from ambulance billing, Medicare reimbursements do not cover the full cost, Additionally, we have roughly a 5-10% increase in volume of calls annually. Paul stated his tax statement is going up nearly \$400 this year. The board explained that only a small part of that was due to the fire district. Commissioner Stevenson explained the county how assessments in the county work and that some variations occur in the county as different properties are assessed approximately once every five years. In addition, it was explained that there is no

inflation factor in property taxes. One of the reasons of this property tax is to reflect the increase in inflationary costs, which requires this Truth in Taxation hearing. Paul concluded that most of the senior population cannot afford this.

Garth – Centerville – pointed out the Board receives the same taxes as well. There has to be a breaking point. What about the unincorporated areas? What about new people moving in? The Board responded that the fire department covers the unincorporated areas in our district area. Commissioner Arave explained that new revenue is generated from new housing and business development. He explained new processes that have been put in place to help control costs. The Chief must go through two levels of approval, the Administrative Committee, and the Board of Trustees.

Elaine – Bountiful – clarify the inflationary cost adjustments. Is it only adjusted every 15 years? Commissioner Arave explained that the state does not allow for such adjustments to automatically happen. Taxing entities much actually pass a tax increase to cover the costs of inflation. He stated it has been five years since the fire department last increased taxes. She also asked what would prohibit an increased tax increases to cover inflation. Commissioner Arave replied state law prohibits unless a Truth in Taxation hearing occurs. This often discourages such increases from happening. Elaine asked who would prohibit them? It was explained that the Board can holding a Truth in Taxation annually and could consider that in the future. She concluded it would be easier to explain in smaller increases. Mr. Leetham gave the state code stating those guidelines.

Tom – Centerville – clarify the tax rate for SDMFA, the paramedic levy... is the county going to pay you more? What about the increased tax assessments? Where is the additional \$2M going? Is 10% not sufficient? Commissioner Arave replied we over the past few years, the Agency has funded some of these costs through our reserves, but reserves are now getting low. He explained that the budget goes through all the city managers who analyze it for cost effectiveness. Tom added that with new growth comes new property tax.

Kurt – Bountiful – appreciates all the personnel. He echoes Tom's comments, but this level of increase in astounding. Where did the stimulus money go? Can it be used here? Commissioner Stevenson replied there are stimulus dollars, but it's very restrictive on the use. The county got nearly 69M, but how and where to use it is hard. When and if the county gets audited, it will be hit hard if funds are spent improperly.

Fred – Bountiful – previously served on the City Council. While on the council, I regret voting for the merger. We were receiving many county funds and we promised to never become a taxing entity. We have a spending problem. How do you sell it to the public? Pay as you go is great. Commissioner Arave replied that Bountiful did save money with the merger. He again stated his belief the city managers help scrutinize the department's costs. The budgeting process is a painful experience for the Chief justifying his proposed costs can be difficult.

Chief Stone stated he is a resident of the South Davis County and is taxed as well. My job is to run the department and try to maintain a reasonable budget. We have maintained a flat budget for several years. Commissioner Arave stated this is our department and they will show up every time to save your house. He explained that there is new technology both medical and in communications that will save lives. This technology is part of what we are paying for with this increase.

Jack – Bountiful – You are unelected officials. Is this how we want to run things? We are the opinion of the people and no one is listening. Don't talk down to us. We want a handout and transparency. Commissioner Lewis defended the Board, particularly Commissioner Arave, stating he is elected from you. Jack continued that we are all citizens and let's do better. Commissioner Arave apologized for not providing a handout or something visual. Commissioner Romney added that we should have had something. However, the work force has changed. There are no part time jobs and everyone has full time benefits.

Andrew – Centerville – has questions about the training facility. Is it only \$116k to buy the land? Chief Stone replied we budget that amount annually and are trying to work with Holly Refinery for some property. Andrew asked if we put that much aside, how much longer will you do that? Chief Stone said the big question is where we buy property. The value of land keeps increasing and a department our size should have our own facility. Andrew stated that building a facility is expensive too. Would you bond in the future? Chief Stone stated that hopefully we will not have to bond with putting this money aside. That is why we are building this fund now and intend to pay cash. We can also apply for grants as well. Andrew asked about the reserves and if we could fund costs a little longer? Commissioner Arave replied we could but questioned

how much such a deferral would help. We would still need to come back in the future and ask for an increase. Whether through district taxes or through city assessments, tax increases were probably coming.

JoEllen – Bountiful – asked if that was twenty-five cents a household to have a better department. We may not be the best, but that's the most we can afford. She asked for specific costs that the Agency had made from the initial budget. Ken Leetham stated the administration has cut some equipment and after two more budget meetings, we asked the Chief to cut more. He explained that although the budget committee worked with the Chief to reduce his proposed budget, they did not necessarily demand reductions in specific line items. The committee recognized they are not fire operations, and recognized the chief's expertise in what is important. Chief Stone has already reduced his budget. Chief Stone explained budget increases including adding two new staff members. The training facility is also a high priority. We need a logistics officer to handle over 25M in apparatus and equipment. JoEllen concluded that if she personally can't afford something, she just doesn't buy it.

Brett – Centerville – he served previously in the county. He has been through Truth in Taxation before. If you were to review the minutes from the merger, you would see that I had serious concerns. This boils down to a political issue. The city councils need to step up. I would love to talk to the commissioners about this. Shame on you all for not providing an adequate presentation explaining the reason for the tax increase. Commissioner Stevenson asked if Brett was on that Board in 2017 and asked if he really did support that increase. Brett replied he did. Commissioner Earnshaw asked if he honestly thought it would stay the same? The interlocal entities needed to become an agency to be able to issue debt bonds to fund the growth in the district. We also needed to meet the standards of the feds. That's why we formed the district. Commissioner Arave stated the city councils never got a choice of what to pay on their allocations under the interlocal agreement. Decisions on assessments came from the Board and cities were required to pay them. Yes, we can run portions of the increase through the cities. We can bury the cost, but don't you think it's important for the taxpayers to know what the district is doing? We have to go through this experience. If the fire district needs money, they should raise taxes to get it. Brett stated the public needs to see that. Commissioner Arave replied that he requested a presentation to late in the process and that is his fault no presentation was made. Chief Stone stated he was given the assignment and should have done a better job with the explanation of why the tax increase. Brett stated that in closing, this is a lesson learned. Take this opportunity.

Jerry – Bountiful – been here for 45 years. Would like clarification on the Bountiful increase does it include the 10% assessment. Commissioner Arave replied that the board has not been decided if they will increase the assessment to the cities. Tom Hardy stated the Bountiful city budget included a 10% allocation increase anticipating the Board's decision. After Mr. Hardy spoke with the Bountiful City Manager, he indicated that Bountiful would lower its anticipated increase if the Board did not increase the city's allocation. Commissioner Romney clarified that yes, there are two 10% increases on the tax statements, one from the Fire Agency and one from Bountiful City. Chief Stone stated that if the .620 tax increase is approved, Bountiful City would decrease their tax increase. Jerry stated that the money has always been well spent, but this large increase got his attention and crunching his numbers, it's a 77% increase. We can't get away from inflation. We really needed a presentation tonight. It's not transparent at all. Please come prepared next time. Davis County schools was the other one, but I could see every item on their budget. I would think salary increases might be part of this. The Board responded a typical firefighter increase is only 5%. Jerry concluded a presentation would have helped us better understand this. Also having our own training facility has its benefits. Chief Stone replied it would be great to share with another district, but that's difficult with distances. Right now, SLC has the best training facility for us.

Commissioner Stevenson stated there is some difficulty in sharing a training facility. But if we can and develop it right, it's smart. We can cross lines to help each other.

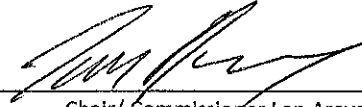
Rick – Bountiful – Bountiful is built out. Commercial building is going out and housing is coming in. If you don't get the land from Holly, there are other refineries. Chief Stone replied Holly is center to our district and having one location to train but also response to calls would be great due to its proximity. Rick also asked about the tanker trucks if there's a program to repurpose them. Our insurance agency looks at many different aspects to insure our apparatus. Rick stated that when people move into an area, they are looking for the same things.

Chief Stone concluded the next Board meeting is August 16<sup>th</sup> at 5:00 P.M. Ken Leetham again apologized for not providing a presentation.

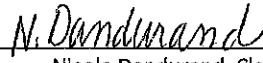
Commissioner Lewis made a motion to close the public hearing, Commissioner Stevenson seconded that motion. A roll call vote was taken, and all Board members voted "aye".

PUBLIC HEARING – CLOSED – 8:43 p.m.

Commissioner Lewis made a motion to adjourn the meeting, Commissioner Stevenson seconded the motion. Board meeting was adjourned.



Chair/ Commissioner Len Arave



Nicole Dandurand, Clerk