



**SPECIAL CLINTON CITY COUNCIL MEETING MINUTES
CITY HALL
2267 North 1500 W Clinton UT 84015**

**MAYOR
Brandon Stanger**

**CITY COUNCIL MEMBERS
Anna Stanton
Dane Searle
Marie Dougherty
Gary Tyler**

Date of Meeting	June 22, 2023	Called to Order: 7:20 PM
Staff Present	City Manager Dennis Cluff and Lisa Titensor recorded the minutes.	
Attendees	Recreation Director Brooke Mitchell, Fire Chief Dave Olsen, Police Chief Shawn Stoker, J. Stark, Austin Gray	
Roll Call & Attendance	Mayor Stanger, Councilmember Dougherty, Councilmember Stanton, Councilmember Tyler Councilmember Searle attended electronically.	
Public Input	There was none.	
A. <u>7 PM PUBLIC HEARING - RESOLUTION 13-23 CERTIFICATION OF TAX RATE AND ADOPTION OF FINAL BUDGET FOR FISCAL YEAR 2023-24</u>		
Petitioner	Dennis Cluff	
Discussion	<p>Mayor Stanger opened the public hearing at 7:22 pm.</p> <p>The current Tax Rate for FY 2022-23 is 0.001491. The proposed new tax rate is 0.001554. The FY 22-23 current tax value is \$1,862,442,682 of valuation. The new FY 23-24 tax valuation is \$1,830,579,942. The approximately 4% decrease in old valuation is the main reason for the raise in the new Tax Rate to 0.001554 for FY 23-24.</p> <p>The Fire Department requested to change from a 19 step to a 12 step pay scale to be more in line with industry standards and help with recruiting employees.</p> <p>The change in the budget adds \$65,000.00 for this FY. The positions of the Fire Department personnel will change incrementally. The change is reflected in the Tentative Budget.</p> <p>Mayor Stanger stated he is in favor of the proposed change.</p> <p>Councilmember Dougherty stated that the Fire Department services are greatly valued in the community. She likes that this will show the City's appreciation and that everyone will receive an increase. It will help Clinton stay competitive. She also pointed out that the increases will compliment the excellent benefits that Clinton already provides its employees.</p> <p>She expressed appreciation for the hard work of Mr. Cluff in putting together the budget.</p> <p>Councilmember Tyler agreed with Councilmember Dougherty and said he knows firsthand how valuable the Fire Department services are. He is in favor of the 12 step program.</p> <p>Councilmember Stanton agreed there needs to be some changes made. The Clinton employees are valued. Mr. Cluff works hard for the City in preparing the budget. The Fire Department does a great job providing service to the community. She is in favor.</p> <p>Fire Chief Olsen gave a brief explanation how the Fire Department calculates their hours.</p>	

The calculations are based on an average over 3 shifts. He confirmed they are FSLA compliant. The formula they use helps to accommodate for staffing shortages.

He expressed appreciation for the support of the City Council.

Councilmember Searle stated he appreciates the Fire Department and fully supports this change.

Mayor Stanger then explained he would like the Council to consider a tax increase of a minimum of 5% for the General Fund.

The City is required to maintain 5% of the General Fund up to a maximum of 35%. The City has been able to stay at approximately 25%.

For the past several years Clinton has been fortunate to have additional sales tax revenue that was able to be transferred into the capital improvement funds. These funds will be used for special projects including the 2000 W and 1800 N widening projects, the police and fire building expansion project, 1300 N and 800 N improvement projects. Inflation, the cost of goods and employee costs of living increases have impacted the amount of funds available to transfer.

Engineering does an amazing job at finding grants but there are too many unknowns and prices are continually increasing.

He feels that raising taxes in smaller increments more often to keep up with inflation is the best option.

He proposed going through the Truth in Taxation process (TNT) process and implementing a tax increase of $5\% \times 2,844,721 = \$2,987,506$, or a 0.000078 rate increase. He explained this is approximately \$1.67 per household per month.

Councilmember Dougherty stated she is not in favor of small increases in property taxes each year. She would prefer to raise taxes based on a specific need. Inflation is also hitting the residents and many are cutting back. Clinton City is already fiscally conservative and there are not a lot of areas to cut.

Councilmember Stanton commented that incremental increases for a few years might be beneficial but not long term. Historically the City has always been hesitant to raise taxes and fees unless necessary.

Councilmember Tyler said the City needs to provide services. Taxes have not been raised for many years but the costs have continued to climb. He is in favor of small increases for several years to replenish funds that are being used for major projects.

Mr. Cluff explained that the most recent tax increases were specifically for street repairs and to implement the Paramedic program.

Councilmember Searle stated he is mindful of the burden a tax increase places on citizens. It is important to remain fiscally responsible and to maintain the services and quality of life in Clinton. It is not if, but when and how much of a tax increase will be needed. It may be necessary to consider more than a 5% increase to keep up with inflation.

Councilmember Dougherty reported that in 2014 the City increased taxes to put toward street improvements. In 2021 the taxes were increased to implement the new Paramedic program. There is also a need to raise the fees for the sewer and storm drain funds. She hesitates to raise taxes and fees in the same year. She pointed out that staff is looking into grants so capital improvements may not be

	<p>enough of a reason to raise taxes at this time. The general fund balance is currently healthy.</p> <p>Mr. Cluff clarified that the enterprise funds should maintain themselves. Costs overall have increased. It is important to have reserve funds available for potential repairs and maintenance. Those funds are not as healthy as they have been in the past.</p> <p>Councilmember Tyler commented that taxes and fees are separate issues. He feels the City should be run as a business. It is important to maintain the ability to sustain the funds needed to provide services.</p> <p>Mayor Stanger stated raising taxes is the prudent thing to do. The City has provided increases in salaries to employees to remain competitive; inflation has had an impact on costs to run the City, the extra sales tax revenue is not guaranteed to continue.</p> <p>Councilmember Stanton agreed that an increase is necessary for the enterprise funds but she is not in favor of raising taxes this year.</p> <p>Mayor Stanger stated that to keep up with inflation and keep funds in reserve for repairs and maintenance, the enterprise fees should be increased annually.</p> <p>Councilmember Dougherty stated it is important to distinguish between enterprise funds and the general fund. Customers have a choice to purchase from a business but not for paying taxes. The City is currently in a healthy position with a balanced budget and over 25% in reserve.</p> <p>Councilmember Tyler said he feels it is the responsible thing to do to prepare for the future. He is not in favor of going out for bonds. He feels his decision is based on good business practices.</p> <p>Councilmember Searle expressed appreciation for the thoughtful comments from all the Council. He feels a tax increase is the responsible thing to do.</p> <p>Both Councilmember Dougherty and Stanton stated they appreciate both sides of this issue.</p> <p>Mayor Stanger said he feels there are so many outstanding projects it is the right thing to do to raise taxes now and it is a reasonable amount. He appreciates all the discussion and points provided by the Council.</p> <p>Mr. Cluff identified there is a notice and process required to be followed.</p>
<p>CONCLUSION</p>	<p><i>Councilmember Tyler moved to consider a Truth in Taxation Hearing for setting the proposed tax rate at .001632 and direct staff to begin the required notification process. Councilmember Searle seconded the motion. Voting by roll call is as follows: Councilmember Dougherty, no; Councilmember Searle, aye; Councilmember Stanton, no; Councilmember Tyler, aye. Mayor Stanger voted aye to break the tie.</i></p>
<p>ADJOURNMENT</p>	<p><i>Councilmember Stanton moved to adjourn. Councilmember Dougherty seconded the motion. Councilmembers Dougherty, Searle, Stanton and Tyler voted in favor of the motion. The meeting adjourned at 8:35 pm.</i></p>

 Lisa Titensor, Clinton City Recorder