



CITY COUNCIL MINUTES

AUGUST 15, 2023

REGULAR SESSION

Present:

Mayor Brett Anderson,
City Manager Brigham Mellor,
Mayor Pro Tempore/Councilmember
Scott Isaacson,
Councilmember Roger Child,
Councilmember Melissa Layton,
Councilmember Alex Leeman,
Councilmember Amy Shumway,
City Attorney Paul Roberts,
City Recorder DeAnn Carlile,
Recording Secretary Deanne Chaston,

Community Development Director
Dave Petersen,
Assistant City Manager/City Engineer
Chad Boshell,
Finance Director Greg Davis,
Accountant Kyle Robertson,
Police Chief Eric Johnsen,
Fire Chief Rich Love,
Assistant Public Works Director Cory
Brazell (via Zoom), and
City Lobbyist Eric Isom (via Zoom).

CALL TO ORDER:

Mayor **Brett Anderson** called the meeting to order at 7:00 p.m.

Roll Call (Opening Comments/Invocation/Pledge of Allegiance)

Councilmember **Amy Shumway** offered the invocation, and the Pledge of Allegiance was led by City Manager **Brigham Mellor**.

PUBLIC HEARINGS:

Property tax increase for Fiscal Year 2024

City Manager **Brigham Mellor** said that Farmington had a Truth in Taxation hearing in 2021 when Davis County was transferring paramedic services to the cities. Before that, the last time Farmington held a Truth in Taxation hearing was in 2010. That was **Max Forbush's** last year as City Manager, and the last time the City increased taxes. Therefore, property taxes were last increased 13 years ago. Before that, taxes were last increased in 2001. Since 2010, inflation has increased 36%. The Consumer Price Index (CPI) is the direct measure of inflation, and is assessed by "a basket of goods", but does not take into account fuel, housing, and wages. Farmington has lost purchasing power due to inflation. In the last 10 years, payroll for Farmington Police increased 190%, with most of the increase just since 2020. Frankly, Utah cities were fighting for police officers and fire fighters.

In Utah, the property tax revenue remains the same if a Truth in Taxation hearing is not held. Therefore, taxes don't go up because the value of your home has increased. Of the entire property tax bill, Farmington only makes up 12% to 13%, while the Davis School District makes up a lion's share. A few years ago, the School District increased taxes 30%. Davis County increased their portion of the property tax 40% the year before that. **Mellor** acknowledged public safety employees attending the hearing.

Finance Director **Greg Davis** addressed the Council. He said the Fiscal Year 2024 (FY24) budget that the Council adopted in June of 2023 included revenue that would have to be generated from a 30% property tax increase. However, the Council must hear public input in a Truth in Taxation hearing before formally adopting a new certified tax rate (0.001502 for property tax year 2023, Farmington's FY24). Without the increase, the tax rate is 0.001159.

Davis said Farmington tries to be as efficient and lean as possible. An administrative staff position was removed and replaced with a sworn officer position. The department is trying to do everything possible to give Farmington proper coverage on the streets. Without the tax increase, the City can employ 26 sworn police officers. After the tax increase, the City can employ 29 officers.

He said according to a pay rate market study, Farmington is not the only city raising taxes. There is tremendous pressure to keep up with neighboring cities. Wages are the largest portion of the City's expenses. The City has been tapping into existing reserves to cover professional services and supplies. The City has taken advantage of every efficiency possible and now needs to increase revenue.

Increasing property taxes will generate \$900,000 in additional revenue, \$361,000 of which will be used to cover wages and benefits for three new officers. \$350,000 will be used to fund annual vehicle replacement while \$100,000 will go toward reclassifications, and \$89,000 to Cost of Living Adjustments (COLA).

Davis shared the number of full-time employees in the Police Department per fiscal year from 2019 to current. In 2019, there were 24 employees; 2020 had 25; 2021 and 2022 had 26; 2023 had 28; and 2024 will hopefully have 31. The budget increased from \$2.3 million in FY19 to \$4.184 in FY24.

For 27 years, **Davis** worked for Salt Lake City managing a \$9 million budget for the Transportation Department. He said he noticed they had an ongoing problem because they would wait until the end to see how much they could afford for the fleet replacement fund. They did not get in front of the process and budget what fleet replacement would demand. **Davis** said replacement should come first in order to keep service levels up. He said with this tax increase, Farmington is making a new commitment to take care of replacements and address core needs first. As such, \$350,000 of the new taxes will help keep police vehicles properly rotated. Officers live in their vehicles, which act as their offices. Therefore, the interior wears out. These vehicles are critical infrastructure and core needs.

In summary, the recommended property tax increase would be applied only to the Farmington City portion of the property tax bill and would result in an additional \$10 monthly property tax on Farmington's average residential home. The City's tax on a

\$641,000 residence would increase from \$356.78 to \$477.71, which is a \$120.93 increase per year. The City tax on a \$641,000 business would increase from \$648.69 to \$868.56, which is an increase of \$219.87 per year.

The proposed property tax increase would generate approximately \$900,000 per year in the City's General Fund, enabling the City to hire three additional police officers, provide merit and market adjustments for police officers, and set aside annual funding for the timely replacement of police vehicles. If the budget is approved, the City's property tax budgeted revenue (\$4.193 million) would increase 30.09% above last year's property tax budgeted revenue, excluding eligible new growth.

Mayor Anderson said the City has three sources of revenue: impact fees, sales tax, and property tax. He often has residents ask him why the impact fees from new development doesn't cover Farmington's ongoing needs. When he teaches a class at the local junior high about municipal budgets, he mentions that a piece of commercial ground generates 10 times the amount as residential ground. There is a preference between funding things with property taxes vs. sales taxes. If a City relies on sales taxes for ongoing needs, when a recession hits, it can hurt the City.

Davis said it is solid financial advice not to put all your eggs in one basket. Likewise, the City shouldn't rely on just one source of revenue. Farmington is fortunate to have a diverse set of industries, as well as a good mix of residential and commercial, to provide tax revenue. Fruit Heights relies primarily on property taxes, as they don't have a large commercial base. Three quarters of Farmington's ongoing revenue comes from a combination of sales and property taxes.

Councilmember **Scott Isaacson** said it is important that essential services are paid for by property taxes (not sales taxes) as much as possible. That way essential services can continue on even during a recession, when sales taxes typically drop. In Farmington, sales taxes are down this year compared to last year (looking at April's numbers).

Mayor Anderson said it is unacceptable for first responders' vehicles to not work when a 911 call comes in. That is an insufficient answer Farmington is trying to avoid.

Davis said in Salt Lake City, the average age of a police vehicle was between four to six years old because they wouldn't fund enough up front. Vehicles are necessary to provide a wide variety of services in Farmington including police, fire fighters, parks, and maintenance. Farmington needs to keep the community attractive for others. If the City does that with proper maintenance of parks, police support, etc., it keeps residents' property values up. If Farmington doesn't stay attractive and competitive, it will come out of the pockets of residents as property values decline.

Mellor said every few years the City goes through an International Organization for Standardization (ISO), where it is audited by insurance providers to evaluate the risk related to the City. If a city scores poorly on this insurance audit because of deficiencies, their premiums go up. The City doesn't get much out of increased insurance premiums, so it is preferable to get better services instead. He would rather improve public safety than make claims on insurance and pay a higher premium.

Councilmember **Alex Leeman** said scoring well on the insurance audit leads to lower homeowners insurance through the whole City.

Davis said Farmington takes advantage of impact fees, but they can only pay for new infrastructure and growth-related items. **Mellor** added that impact fees can't pay for anything less than \$500,000 and can't replace an old fire truck. The only fire apparatus that can be paid for with impact fees is a new ladder truck, which can cost \$1.5 million to \$2 million. Impact fees can't be used to remodel a fire station, only to grow the fire service. The Fire Department building in West Farmington coming in the spring will be paid for with impact fees. If a new truck is needed there, the City can pay for it with impact fees. Everything else will be paid for using the General Fund.

Mayor Anderson said impact fees are meant to try to maintain the status quo level of service. Farmington's Police Department is already understaffed without the impact of Lagoon, the County Fairgrounds, and Station Park. In a City with 27,000 people, the daily population can grow to 60,000 because of these attractions. That means the number of people in the City could double every day, and Farmington needs the resources to deal with that. When the County Fairgrounds gets repurposed into a sports park, Farmington may need more police. Davis County estimated that the economic impact of the fairgrounds was \$3 million to \$5 million per year. When it is repurposed into a sports complex, the economic impact is estimated to grow to \$90 million. The County sees this as a way to increase revenue through visitors patronizing local businesses and restaurants. **Mayor Anderson** said that was put on the City without consultation. Farmington is the County seat with not only City Hall, but also the County Jail, County Fairgrounds, and School District offices. Farmington doesn't get property taxes from these government uses. Farmington needs police to keep watch over all these facilities, but impact fees were not designed for that kind of ongoing maintenance.

Mellor said the proposed tax increase is not to address future growth. Instead, it is paying for the officers that are needed now and the vehicles that need replaced annually from this point forward. Farmington is setting the base line on a new level of service that is needed going forward.

Davis said the budget process started in May when the Budget Committee received millions of dollars' worth of department requests that were not just "fluff." The requests were whittled way down. **Leeman** said for every dollar of sales tax generated, Farmington gets one penny. Everyone pays the same taxes as everyone else, and there are no special deals going on. **Mellor** said no entity is receiving any tax revenue, and there are no deals on taxes.

Councilmember **Roger Child** said most of the sales tax generators are people who come into the City to buy services, pay for cars, and pursue entertainment and recreation. These draws are regional in nature. Although it is not fun to deal with the many freeways that slice and dice the City, those roadways bring people into Farmington to spend their money. The City is fortunate.

Leeman said Farmington has its pluses and minuses. Government buildings such as the jail, courthouse, fairgrounds, and schools don't pay property taxes. The

University of Utah Medical Center is also considered a government building. Those are all built on some of Farmington's most prime property, and the City still needs to send fire and police to those buildings. Farmington has to carry them on its back because they don't pay the bills. Lagoon and Station Park bring in people who help pay Farmington bills (via sales tax), but government uses don't. This burden must not fall on Farmington residents.

Mayor Anderson said it is an interesting analysis to try to estimate the cost of running the City. Everyone expected sales taxes to level off eventually and it actually came later than anticipated. This is the year that it hit, and now Staff expects sales tax revenue to level off. This creates a gap compared to past years when sales tax revenues were continually climbing. Right after the Salt Lake City riots a few years back, a lot of officers left the Salt Lake police force. Salt Lake City had to give a 30% increase in salary to get officers back. When Salt Lake City raised their officer salaries, the Utah Highway Patrol likewise raised theirs. That had a domino effect on Wasatch Front cities, who all had to raise their salaries to keep their own officers. Now everyone has been raising police pay, leaving poor cities to deal with the consequences.

Police Chief **Eric Johnsen** said right now, Ogden City pays starting officers \$5 an hour more than Farmington does. **Mayor Anderson** said this shows that Farmington is still down in the market, even though they have given consistent increases every year. It has turned into a game for every city in Davis County and beyond. Farmington is struggling to keep up.

Leeman said last year Farmington gave a significant 22% first responder wage increase just to meet the market. During annual wage studies covering all City employees, comparing Farmington to other Davis County cities, it was determined that Farmington first responders were bottom of the barrel. After the 22% increase, they rose to middle of the pack. Now, Farmington is second from the bottom again.

Mayor Anderson said mayors of other cities in Davis County are jealous of Farmington's commercial base. They all only have property tax. Public safety wage increases have hit cities every year as they try to stay competitive, which has caused many cities to really struggle.

Leeman said it is hard in today's social-political climate to be a police officer and fewer people are coming into the industry. Those who are in the industry are working harder. There are standards and Farmington has to support them, giving them the resources they need to do their job. The competitive market has led to the situation where there is only one police officer on duty during Farmington's night shift. This leaves one officer to wrestle drunk drivers to the ground and get them to jail all by themselves. They can't take a break, since they are the only one on duty. There are fewer officers on duty at night than during the day. **Leeman** said that is not good enough. There should be three night shifts.

Councilmember **Scott Isaacson** said 85 Utah cities are holding Truth in Taxation hearing this August, so this is not unique to Farmington.

Mayor Anderson said the proposed 30% property tax increase does not mean resident's entire property tax bill will increase 30%. Only Farmington's portion of the overall pie will be increased 30%. Farmington is only about 12% of the entire property tax pie. That has not always been explained well to residents. This is just Farmington's small piece of the pie. The City doesn't control the other pieces of the pie. The School District is half the pie, then there are six to seven other entities as well.

Isaacson said some Councilmembers are running for reelection this year. They did not want taxes to be raised during an election year. Because of their reluctance, they scrutinized the numbers and asked a lot of questions during the budget cycle. After three to four months of digging, he became persuaded that the tax increase was needed. He did not come to this decision lightly.

Councilmember **Melissa Layton** said the starting wage for a police officer in Farmington is \$25.95. Farmington wants officers to stay, and should pay them well to do so. They go into situations that the rest of us run away from, and the City should be paying them accordingly.

Mayor Anderson opened the Public Hearing at 7:50 p.m.

Michael Willard (1414 Frost Drive, Farmington, Utah) said nobody likes to pay more property taxes, but this has been done infrequently in the City. He wants services to be provided, roads to be plowed, pot holes to be filled, and public safety to respond to calls. He commended the Council for taking on this tough job. It will benefit him to have more than one officer on shift at night. He encouraged the Council to pass the property tax increase.

Max Forbush (73 S. 100 W., Farmington, Utah), former Farmington City Manager who retired 12 years ago, addressed the Council. He understands that financing a City is difficult. He has been in Farmington for 45 years and served as City Manager before Station Park was built. Money was always on his mind as he took on the challenge of securing funding for public safety, police, and fire. The City used to have volunteer fire fighters and a police force of seven to 10 officers. He wonders if Farmington will have to continue raising property taxes in the foreseeable future. He noted that residents are paying more on their utility bills, a transportation fee has been added, a new fire station is being planned, the City purchased the Old Mill, and now they are discussing a new swimming pool. He is concerned about destroying Farmington's peace and serenity. He wants the Council to look at all the options, ask questions, and seek funding alternatives. He asked them to consider the unemployed, new home buyers, and the poor in the community. It is a balancing act. There will never be enough money to fund all the needs of a City, so requests have to be cut. He questioned the newsletter saying the level of service is 2.5 officers per thousand population, as he doesn't believe in set national standards being a one-size-fits-all. Farmington used to have one officer per thousand. He is grateful for the future office park, which will help with needed revenue.

Hank Semadeni (247 E. 600 S., Farmington, Utah), who has served on the State Tax Commission, addressed the Council in behalf of senior citizens on fixed incomes. These are the people who made Farmington what it is today, and also support the

police and fire departments. While you won't see a senior citizen protesting on the steps to City Hall, they will be hoping in silence that they can stay in their homes until it is their time to go. These people have had to deal with increases from Weber Basin Water Conservancy District, Benchland Water District, basic water service, garbage, sewer, and storm water utility. Their cost of living has been impacted by the increasing costs of medicine and medical care. They are not asking for a handout, just a peaceful existence during the rest of their time. The senior citizens thank the Council for what they are doing. This is not begging; it is reality. The senior citizens are not going to complain, but some day everyone will be a senior citizen. In 1970, Farmington had no revenue and very little industry and retail sales, so a utility tax was imposed on electricity, natural gas, telephone, etc. Now 53 years later, that utility tax is still there. Since, there has been tremendous growth in retail, commercial, and residential. Let the people who want to go on the trails pay for the trails. Let Lagoon pay sales tax to offset what is needed for a budget. It is great to have the County and School District as guests, but they don't pay property taxes. Other cities in the County benefit from them, but they don't kick in on the difference.

Karen Davis (180 W. 600 N., Farmington, Utah) said she had learned a lot about the entities that share in the property tax pie, as well as impact fees. She said something seems "off" and not right. She agrees with the senior citizens, and doesn't want them hurt. If you live in your house for 50 to 80 years, property tax should go down. Why pay for schools when your kids no longer go to school? Fire fighters should have increased wages, but it needs to be funded in a way that doesn't hurt the resident who made the City where they are serving. The City should get a bigger piece of the pie. Police officers should be given raises and not have only one offer on staff at night. At 2 a.m., people speed 100 miles per hour down some Farmington roads. She learned a lot and is hyped about this, and warned that she was going to look further into this proposed tax increase.

Rusty Cannon (562 S. 10 W., Farmington, Utah), president of the Utah Tax Commission, addressed the Council. He has attended hundreds of Truth in Taxation hearings across the State, and this has been one of the better ones he has been to. Truth in Taxation is designed to do this out in the open, which is exactly what Farmington has done. They have done it exactly right: talking about the rate and the budget.

He said 13 years is too long to go without a property tax increase. Five to seven years is the "sweet spot" to raise property taxes in order to give raises and catch up with inflation. **Mayor Anderson** asked how **Cannon** felt about cities who plan to do property tax increases each year, which he feels leads residents to not be as informed. **Cannon** answered that an annual increase guts the reason for a Truth in Taxation hearing and numbs the people, and the Utah State Tax Commission always advocates against it. The Tax Commission also does not like transportation fees. If inflation is increasing, sales taxes also increases. School districts are mostly to blame for property tax increases, as they represent over 60% of the property taxes. They are the root of the problem.

David Stringfellow (2068 Sharp Shooter Court, Farmington, Utah) commended the Council for raising taxes. He encouraged any senior citizen struggling with paying property tax to seek programs that help with that. Such programs only help about half the people who would qualify for such help. He lives on the west side of Farmington, where they are building lots of new roads and stop signs are being stolen. Farmington residents consume a lot of services. If Farmington is going to double in size, he doesn't want the City facing a public safety crisis. In five years, inflation has risen 20%, which reduces the purchasing power of the City's money. Residents want a rich community full of services. He would hate to see those services reduced or eliminated because the City was afraid to raise property taxes.

Richard Baggett (217 S. 25 W., Farmington, Utah) asked why Farmington residents would have to pay for additional services rendered to the new County sports complex that would bring in \$90 million in economic impact. That should come from the sports complex. In other cities he has lived in, when something new is built, it takes a 10- to 20-year bond against new development; and the developers have to pay for curbs, gutters, and sidewalks. He doesn't understand why developer bonds can't help reduce the need for increased taxes.

Deb Hansen addressed the Council via Zoom. She is in favor of building a fire station in West Farmington. The City has a fabulous Fire Department and she is in favor of this increase. **Mayor Anderson** said the new fire station on the west side will be a more central location than the current fire station.

Mayor Anderson closed the Public Hearing at 8:24 p.m.

Leeman said a fire station on the west side has been a long time coming. If all the bridges over Interstate 15 were down, it would cause the Fire Chief nightmares. Services, including parks and recreation, need to be increased in this area of the City.

Isaacson said the most likely emergency to hit Farmington would be some kind of a toxic spill from a truck on the freeway or from a train. He appreciates the comments and questions from tonight.

Mayor Anderson said the City is working on something that may be able to help anyone struggling to pay their property taxes. He encouraged those in the audience to look for a future announcement. **Child** said it would be nice to publish the resources that can assist people with paying their property taxes in the newsletter.

In response to **Bagget** and **Karen Davis**, **Isaacson** said he understands their frustrations in not getting enough impact fees and having government not pay property taxes. He encouraged them to seek answers from the State Legislature, as cities don't make those rules. Cities are created by the State and only have the authority given them by the State. State law sets what can be done with the impact fees. **Layton** mentioned this is why it is good to have those who have served on city levels go on to be State Representatives.

Leeman said the School District was not required to file an application to build the new high school. Farmington gets no revenue off schools, and schools don't pay for the increased services they need. When the high school was constructed, the City

did not have sidewalks going out there. Farmington usually does make developers pay for such infrastructure. However, when the homes in that area were first built, there were no sidewalks to connect to and this infrastructure was not required of the developers. Some things come at inopportune times. Regarding laws at the State level that determine the money cities get and what cities can spend the money on, he encouraged residents to write to their legislators.

Shumway said all increases for garbage, sewer, and water rates are pass-through, meaning they are passed on to the City by the contractors who provides the services. When they raise their rates, the City has to. Water has been under budget for a very long time, necessitating the City to pull from the General Fund for that infrastructure. Farmington shouldn't be reliant on sales tax to pay for water. She warned that water rates will continue to increase in order to fund that critical infrastructure.

Mayor Anderson said Benchland Water District had more than 60 water breaks this year, and because of new pipe, Weber Basin Water Conservancy District only had three breaks. Farmington has a significant problem with water lines. Both hot and cold water cause water line breaks because the underground pipes are very old. The City is in the process of having a schedule for all old lines to be replaced, since it is not good to wait for them to break first. Water is needed now. Farmington is trying to be proactive with its water maintenance so there are not catastrophic failures. This can be very expensive.

Mellor said many pipes in Farmington are almost 100 years old. They have found pipe in Main Street stamped with the year 1933. Residents' utility fees are different from the General Fund because they are enterprise fees, as each acts as its own business. Enterprise funds can't be used to pay for anything other than the utilities and administration costs for that utility. For example, money from the water fund can't be used to pay for police or fire.

Isaacson said during COVID, the federal government sent out \$3 million. This is another reason why Farmington didn't have to raise property taxes for a while. The State Legislature said half of that federal money had to be used for water. In addition, the City used it to fund police. It is not prudent to continue using one-time money to fund police and services. He said the State and County are both helping to pay for Farmington's new roads.

Leeman said the budget process started in February, when Staff disclosed the idea of a property tax increase to close the gap between the money coming in and going out. He considers himself a budget hawk, and was initially upset with the proposal. When senior citizens talk about the impact this increase will have on their budgets, it is very painful to him, and increasing taxes is not something he takes lightly. The increase was proposed because of the math. Farmington doesn't have fluff or pet projects in its budget to trim. The City provides services that are needed and tries to get the best deals without sacrificing quality. But Farmington needs to be better than one police officer on shift at night. Roads need to be plowed, water needs to flow, and recreation needs to be provided for a good quality of life. Farmington can do less, or they can raise taxes to pay for what it costs to do what they already do. There is a standard Farmington wants to provide to its residents, and now the

Council is coming to the residents to say a tax increase is needed. He asked that residents tell the Council if they are spending money on things they shouldn't be.

He expected to hear more public backlash when the City recently paid \$4.7 million for the Old Mill, followed by a property tax increase. Purchasing the Old Mill was a once-in-a-lifetime opportunity. Farmington has a stewardship to preserve the history of the community, and the Old Mill was a jewel that the City needed to buy. It just happened that Weber State University bought a piece of City property that helped pay for the Old Mill. However, one-time money always runs out.

Although he understands the argument of not paying property taxes to fund schools if you don't have children, the City doesn't have a way of addressing that. The County sports complex will bring money in, and the City does get some of that. Visitors will spend \$5 million in new dollars at restaurants in Station Park, and the City gets a portion of that. This tax increase has not been an easy decision for him, but he is in favor of it. It is the right decision.

Mayor Anderson said he wants public input about what to do with Old Farm, which is City-owned land. He said there is no shortage of developers who want to buy the land and develop it into a lot of rooftops. The money could be used to build a fire station, among other things.

Leeman said Old Mill can't be used as it is right now. It would take \$2 million to make it safe and turn it into a park people can use. However, those long-term decision don't have to be made yet; it is just good that the property has been secured for now.

Isaacson said that according to recent surveys, open space is high on residents' priority lists and not all land needs to be built out. It will be prudent to figure out a way to make Old Farm into open space. **Layton** said it is good to preserve the small town feel of Farmington.

Child said it takes vision to look ahead and figure out how to create a tax base that doesn't burden the single-family home residents. The City is lucky to break even with single-family homes, so Farmington has to look into bringing additional revenue. Farmington is fortunate to have other revenue. Efforts to bring office buildings to the City will bring jobs and significantly impact revenue. One office building can pay tens of thousands of dollars of revenue to the City. The West Davis Corridor and freeway interchanges move day-time traffic in and out of the City without having to have that traffic drive through neighborhoods. This required significant planning, and timing is not always convenient. Sometimes roads have to be built before uses come to the City. Farmington has petitioned and worked with the State to get them to pay for some of the roads. It hasn't come down on any residents to pay for any new roads that are currently being built. From those roads will come revenue-generating uses that will add to the well balanced budget of Farmington.

He commended the conservative Staff who turns over every stone to make sure Farmington is justified in the budget. Farmington is the envy of many cities along the Wasatch Front for how well managed it is. The City should pay for the most critical services with the most reliable resources. He doesn't want to use sales tax

revenue for the City's most critical services. Sales tax revenue comes and goes. During COVID when people weren't going to stores, sales tax dwindled, just to explode once things opened back up. It was a wild ride and shows sales tax revenue isn't the most reliable source of income.

Child said he is sympathetic to the needs of public safety employees. His son and son-in-law are firemen paramedics. His son works for Clinton but had to move to Evanston, Wyoming, to afford a home. His commute is now 1.5 hours one way. He thanked public safety employees for their service, and said the Council was determined to keep and help them.

Shumway said she took note of what **Cannon** said comparing Farmington to other cities conducting Truth in Taxation hearings. Staff educated the Council and public in the right way.

Layton noted that Councilmembers pay taxes, too. Whatever increase they vote on will personally affect them as well. She has a lot of children and recently had to pay more school expenses than she ever has before. Staff and employees have worked tirelessly on this budget. She recently toured Public Works, and was fascinated with what they do themselves such as fixing their own vehicles. They are very frugal.

Motion:

Isaacson moved that the City Council approve the resolution to formally adopt the certified tax rate of 0.001502 and revenue of \$4.193 million as presented in the Staff Report.

Leeman seconded the motion. All Council members voted in favor, as there was no opposing vote.

Mayor Pro Tempore/Councilmember Scott Isaacson	X Aye	_____	Nay
Councilmember Roger Child	X Aye	_____	Nay
Councilmember Melissa Layton	X Aye	_____	Nay
Councilmember Alex Leeman	X Aye	_____	Nay
Councilmember Amy Shumway	X Aye	_____	Nay

ADJOURNMENT

Motion:

Leeman made a motion to adjourn the meeting at 9:00 p.m.

Shumway seconded the motion. All Council members voted in favor, as there was no opposing vote.

Mayor Pro Tempore/Councilmember Scott Isaacson	X Aye	_____	Nay
Councilmember Roger Child	X Aye	_____	Nay
Councilmember Melissa Layton	X Aye	_____	Nay
Councilmember Alex Leeman	X Aye	_____	Nay
Councilmember Amy Shumway	X Aye	_____	Nay

____/s/ DeAnn Carlile_____

DeAnn Carlile, Recorder



DeAnn Carlile <dcarlile@farmington.utah.gov>

Comment submission for Aug 15 property tax hearing

1 message

Christian Anderson <nytehawk_chris@hotmail.com>

Mon, Aug 14, 2023 at 1:29 PM

To: "dcarlile@farmington.utah.gov" <dcarlile@farmington.utah.gov>

Cc: Brett Anderson <banderson@farmington.utah.gov>, "bmellor@farmington.utah.gov" <bmellor@farmington.utah.gov>

Greetings DeAnn,

I am writing to submit the following public comment from my wife and myself for tomorrow evening's truth-in-taxation meeting, which I plan to attend either in person or via Zoom. Our comment relates to a brief phone conversation I had with Farmington City Manager Brigham Mellor about a month ago.

Farmington City's proposed "additional \$10 monthly property tax on Farmington's average residential home" represents a significant 33.9% increase, from ~\$30 per month to ~\$40 per month (~\$357 to ~\$478 per year on a \$641,000 residence per the city's Notice of Proposed Tax Increase). Information provided in Farmington City's recent monthly newsletters did not appear to account for the presumably considerable additional property tax revenue to be received by the city from significant recent and ongoing residential construction in Farmington, especially high-density housing. Farmington residents are already enduring the consequences of this new high-density housing. How much of the needed additional property tax revenue can come from Farmington's extensive new residential construction, rather than further burdening existing homeowners with a nearly 34% city property tax increase?

Could you please reply to confirm you received our above comment?

Thank you kindly,
Christian & Heidi Anderson
297 S 1150 W
Farmington, UT 84025
cell/text: 760-707-4235
home: 801-447-9764



DeAnn Carlile <dcarlile@farmington.utah.gov>

Concerns re proposed FY24 property tax increase (today's hearing)

1 message

Christian Anderson <nytehawk_chris@hotmail.com>

Tue, Aug 15, 2023 at 9:30 AM

To: Brett Anderson <banderson@farmington.utah.gov>, CITY COUNCIL <CITYCOUNCIL@farmington.utah.gov>

Cc: "dcarlile@farmington.utah.gov" <dcarlile@farmington.utah.gov>, Heidi Anderson <heidianderson02@yahoo.com>

Good morning Mayor Anderson and Farmington City Council,

I understand and appreciate the diminishing purchasing power of property tax revenue over time and the associated necessity of increasing Farmington's property tax revenue. However, my wife and I have two specific concerns that remain unresolved despite prior verbal and written communication with the City:

1. We have observed significant new residential and commercial construction in Farmington, especially new high-density housing (apartments/townhouses). It seems Farmington City may be well-positioned to receive substantial new property tax revenue from recently completed construction, yet this was not mentioned in recent city newsletter articles related to the proposed FY 2024 property tax increase. I inquired about this, anticipating a response that the proposed FY24 property tax increase represents the difference between the City's communicated FY24 financial needs and its estimated FY24 revenue including expected new property tax revenue from recently completed construction at the current tax rate. The verbal and written (below) responses I received, however, suggest the City may not have considered new FY24 property tax revenue from recently completed construction when determining the proposed FY24 property tax increase. As such, it seems the proposed ~34% (ref. original email further below) City tax levy increase might be higher than necessary.
2. Although Farmington residents may have experienced significantly fewer property tax increases than surrounding cities in recent years, the City's assertion that Farmington's "last property tax increase was 13 years ago" (below) is inaccurate and could be perceived as deliberately deceptive. The attached PDF minutes from Farmington's 8/17/2021 truth-in-taxation hearing clearly identify it as a 20% City tax levy increase for the very reasonable purpose of hiring six full-time paramedics. That property tax increase was expected to be somewhat offset by other decreases such as the promised County tax levy "fall off" which hasn't happened...but it clearly remains a tangible property tax increase and therefore should not be disregarded.

With above concerns unresolved, the current truth-in-taxation info appears lacking in truth (item 2) and potentially heavy on taxation (item 1). I plan to attend this evening's hearing in person, hoping the above concerns will be honestly acknowledged and appropriately resolved.

Thank you kindly,
Christian & Heidi Anderson
297 S 1150 W
Farmington, UT 84025
cell/text: 760-707-4235
home: 801-447-9764

**PROPERTY TAX INCREASE, FY24
FARMINGTON, UTAH**

	Before Prop Tax Increase	Property Tax Increase	With Property Tax Increase	Pctg of Total Rev	Pctg of Ongoing Rev	Pctg Sales vs Prop Tax
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PROPERTY TAX RATES

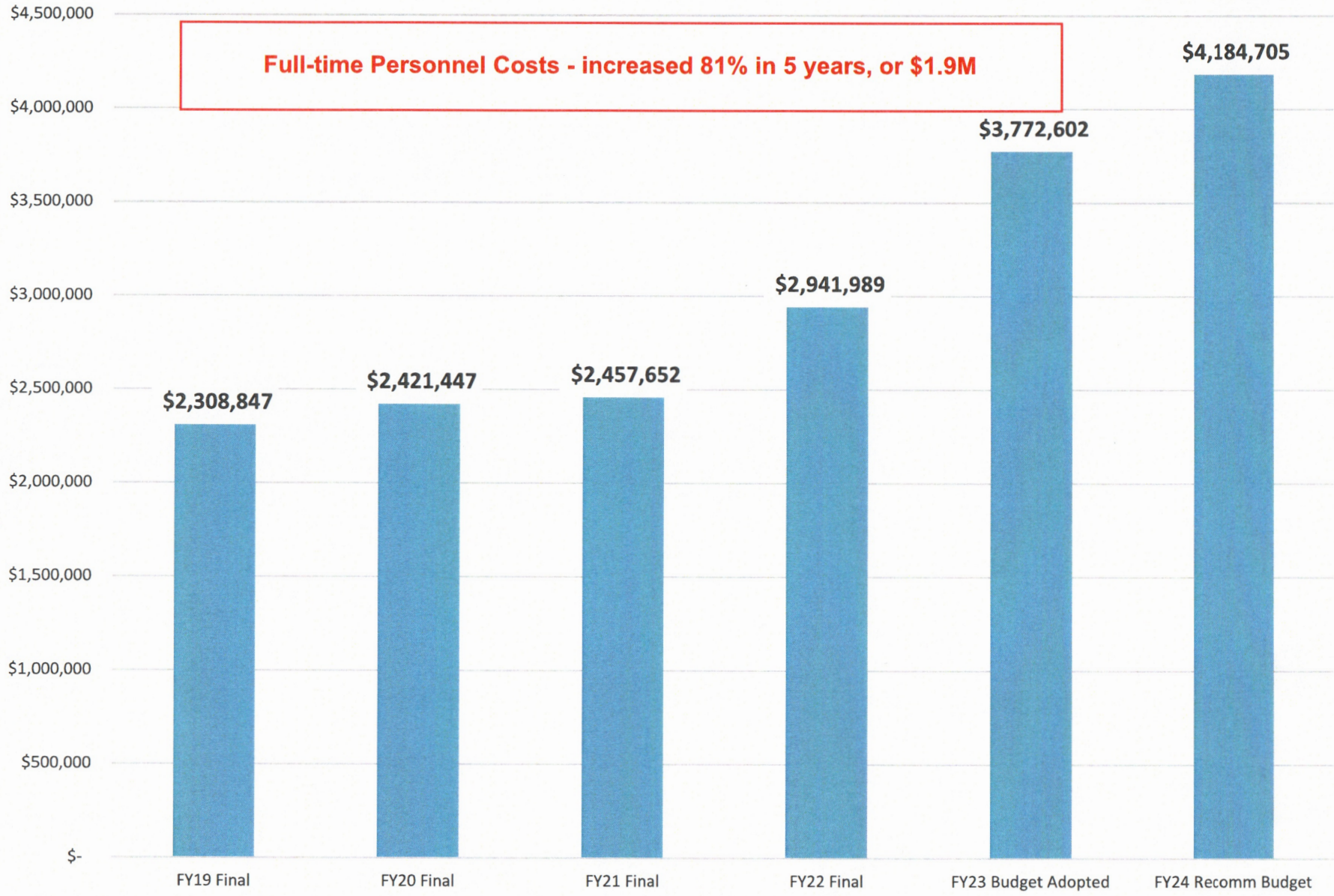
Auditor's certified tax rate and proposed rate (incl bonds)	0.001159	0.000343	0.001502			
Percentage increase requested		30%				

GENERAL FUND REVENUE BUDGET FY24

Sales Tax	8,400,000	-	8,400,000	45.3%	51.4%	67.7%
Property Tax	3,047,000	953,000	4,000,000	21.6%	24.5%	32.3%
Sales tax and Property Tax	<u>11,447,000</u>	<u>953,000</u>	<u>12,400,000</u>	66.9%	75.9%	100.0%
Energy Sales and Use Tax	1,480,000	-	1,480,000	8.0%	9.1%	
Building permits	721,000	-	721,000	3.9%	4.4%	
Service contract with Fruit Heights for Fire/EMS response	300,000	-	300,000	1.6%	1.8%	
Billings for police support at recreation & special events	187,530	-	187,530	1.0%	1.1%	
Transfer In from the Storm Water Fund for storm basin maint.	30,000	-	30,000	0.2%	0.2%	
Various ongoing revenues	1,210,110	-	1,210,110	6.5%	7.4%	
Total ongoing revenues	<u>15,375,640</u>	<u>953,000</u>	<u>16,328,640</u>	88.1%	100.0%	
Transfer In from RAP tax fund #30	300,000	-	300,000	1.6%		
Transfer In from Real Estate Fund	1,900,000	-	1,900,000	10.3%		
Total General Fund Revenues	<u>17,575,640</u>	<u>953,000</u>	<u>18,528,640</u>	100.0%		

Police officers funded by property tax increase	26	3	29			
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Police Department Payroll (not incl Crossing Guards)



Full-time Personnel Costs - increased 81% in 5 years, or \$1.9M

24 FT employees

25

26

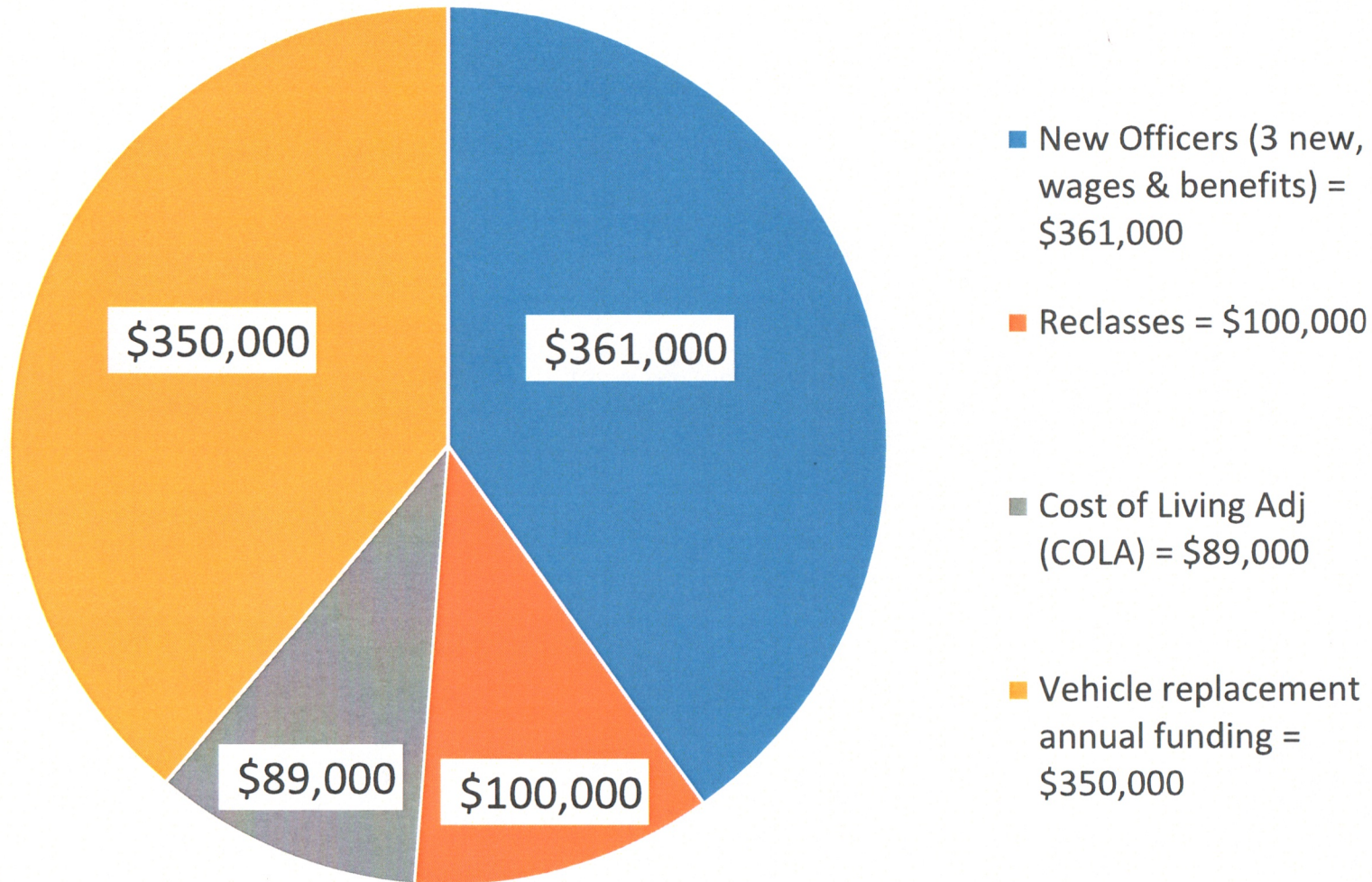
26

28

31

How Additional Property Taxes Will Be Used

\$900,000 for Police Department Ongoing Expenses



**Farmington City Monthly Utility Billing
Comparison of Residential Base Billing**

	FY23	FY24	\$ Change	% Change
Water	\$ 20.90	\$ 23.70	\$ 2.80	13.4%
Sewer (not pumped)	25.00	28.00	\$ 3.00	12.0%
Garbage and Recycling	18.80	21.40	\$ 2.60	13.8%
Storm Water	7.00	8.20	\$ 1.20	17.1%
Transportation Utility Fee	3.00	3.40	\$ 0.40	13.3%
Total utility billing	\$ 74.70	\$ 84.70	\$ 10.00	13.4%

Pass Through Cost

\$26 of the \$28 is passed to Sewer District
81% of exp is pass through