

Minutes of the Centerville **City Council Special Meeting** held Tuesday, August 23, 2022, at 6:00 p.m. with participants present at Centerville City Hall, 250 North Main Street and via Zoom.

MEMBERS PRESENT

Mayor Clark Wilkinson

Council Members Gina Hirst
William Ince
George McEwan
Robyn Mecham
Spencer Summerhays

STAFF PRESENT

Brant Hanson, City Manager
Lisa Romney, City Attorney
Jennifer Robison, City Recorder
Nate Plaizier, Finance Director
Jacob Smith, Administrative Services Director
Mike Carlson, Public Works Director
Bryce King, Community Services Manager

PRAYER OR THOUGHT Councilmember Mecham

PLEDGE OF ALLEGIANCE

PUBLIC HEARING – TRUTH IN TAXATION INCREASE AND FY 2023 FINAL BUDGET

Finance Director Nate Plaizier showed a timeline for the 2022 Centerville budget process, and explained how property taxes worked in Utah. He showed a history of Centerville City's tax rate, and a comparison of property tax rates in other Davis County cities. Mr. Plaizier explained that Centerville needed a property tax increase because the cost of providing essential services and infrastructure had increased significantly. Property tax dollars in Centerville were used to maintain critical infrastructure, provide police/fire services, and maintain parks/cemetery. Many of the City's long-term needs (staffing, aging equipment, technology) had been put-off due to lack of funding. He commented that wages were rapidly increasing across the Wasatch Front. Approximately 91% of the proposed property tax revenue increase would fund emergency services.

Mr. Plaizier listed measures taken to reduce the budget and the impact on residents. He showed that, if the proposed increase passed (32.26%), an average home in Centerville would pay \$374.47 in City property taxes, an increase of \$91.29 per year or \$7.61 per month.

At 6:33 p.m., Councilmember Summerhays **moved** to open a public hearing. Councilmember Hirst seconded the motion, which passed by unanimous vote (5-0).

Chuck Moulton, Centerville resident, said he supported the proposed increase. He referred to the property tax increase approved last year, and asked if the Council anticipated a similar property tax increase next year.

Donald Olsen, Centerville resident, said he was shocked when he received the notice from the County Clerk's Office listing property taxes from the different entities. He said he perceived an assumption that the citizens were accepting of the higher rate, which he believed was not a good assumption. Mr. Olsen said he was on a limited fixed income, and would prefer to see the property tax rate increase slower over time. He asked for clarification regarding how property

1 taxes worked in Utah. Mr. Olsen spoke of the personal need to cut back and spend only on
2 necessities, and said he hoped that was also the case with the City.

3
4 Dick Leonard, Centerville resident, said he understood the needs of the City were great,
5 but said the impact on residents of the City's property tax increase added to the other six entities
6 also going through truth-in-taxation was significant. He asked if tax rates on utility bills would also
7 be increasing, in addition to the property tax and water rate increases.

8
9 LuAnn Hudson, Centerville resident, spoke of homelessness and the fact that the ability
10 to own a home had gone out of reach. She said it broke her heart that so many people were
11 destined to a life of renting, with rent being very expensive. She asked what else the City could
12 do beside raising property taxes. Ms. Hudson said she hated to see people lose their homes.

13
14 Kevin Samuelson, Centerville resident, referred to his personal property tax statement
15 sent by the County Clerk's Office, and said it seemed from his calculation that his City property
16 tax would increase 43.5%, not the 32% referred to. He expressed appreciation to the Mayor and
17 Council for all they did. Mr. Samuelson said he had changed his personal budget because of the
18 economy, and said he hoped the City would do the same.

19
20 At 6:56 p.m., Councilmember Ince **moved** to close the public hearing. Councilmember
21 Hirst seconded the motion, which passed by unanimous vote (5-0).

22
23 City Manager Brant Hanson and Mr. Plaizier explained how the City property tax rate was
24 applied by the County to individual properties. Mr. Plaizier explained that the City did not have
25 control over franchise taxes on utility bills, and said he was not aware of a planned increase.
26 Councilmember Hirst said she had been asked why the Council was increasing property taxes
27 instead of using reserve funds, and expressed the opinion that it was important to keep reserve
28 funds to cover necessities in case of a recession.

29
30 Councilmember Mecham said property tax was an emotional issue for her. She said she
31 voted against an increase last year, but felt strongly this year about increasing compensation to
32 be able to recruit and retain good police officers and public works employees. She emphasized
33 that 91% of the proposed increase would go toward public safety, and expressed support for the
34 proposed increase for 2022. Councilmember Mecham said the Council looked carefully at the
35 budget and reduced expenses where possible.

36
37 Responding to one of the public comments, Councilmember Ince said the Council did not
38 know whether the property tax rate would be increased next year. He expressed support for small
39 annual inflationary increases rather than occasional larger increases. He emphasized that
40 Councilmembers paid property taxes and experienced the same financial struggles as all citizens.
41 He said he believed the Council had cut as much as possible from the FY 2023 Budget.

42
43 In response to one of the public comments, Councilmember Hirst spoke of the water rate
44 increase. Mr. Hanson mentioned the hope to obtain State and Federal funding for needed water
45 projects.

46
47 Councilmember Summerhays said he believed it was important to be proactive rather than
48 reactive, and said he believed in saving for a raining day. He spoke of annual inflationary property
49 tax increases to avoid kicking the can down the road. Councilmember Summerhays said he
50 believed in a modest, realistic City budget.

1 Responding to the public comment about homelessness, Councilmember Ince mentioned
2 that Centerville City annually paid approximately \$40,000 into a statewide fund to address
3 homeless issues. Councilmember Ince said Centerville had been successful in creating a
4 desirable community, and housing prices had gone very high, resulting in new homeowners
5 having a difficult time buying in Centerville. He said he did not want to freeze anyone out, and
6 said the Council tried to do everything they could to make housing options as effective as possible.
7 Councilmember Ince mentioned options that had been suggested by individuals to help support
8 those who were unable to pay their property tax bill.

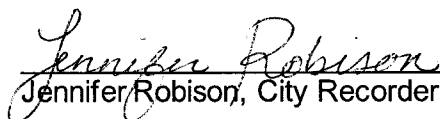
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10 Councilmember McEwan commented that not long ago, Centerville City had many years
11 of artificially low property tax rates, with a lot of deferred maintenance, and expressed the opinion
12 that the City had not yet completely dug its way out of that hole. He acknowledged that a property
13 tax increase was painful, but said he believed basic City services needed to be maintained.
14 Councilmember McEwan said he suspected a recession would occur, and said he agreed with
15 the desire to help individuals in the community who may struggle. Mr. Plaizier commented that
16 Davis County had a homeowner low-income abatement program.

17
18 Councilmember Hirst **moved** to adopt Resolution No. 2022-24 setting the Real and
19 Personal Property Tax Rate at 0.001247 for the General Fund for Centerville City, Utah.
20 Councilmember Ince seconded the motion, which passed by unanimous vote (5-0).

21
22 Councilmember Ince **moved** to adopt Resolution No. 2022-25, adopting the FY 2023 Final
23 Budget as previously presented. Councilmember Summerhays seconded the motion, which
24 passed by unanimous vote (5-0).

25
26 **ADJOURNMENT**

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28 At 7:51 p.m., Councilmember McEwan **moved** to adjourn the meeting. Councilmember
29 Summerhays seconded the motion, which passed by unanimous vote (5-0).

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33 Jennifer Robison, City Recorder
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9-6-2022
Date Approved

