

Minutes of the Centerville **City Council** meeting held Tuesday, August 17, 2021, at 7:00 p.m. with participants present at Centerville City Hall, 250 North Main Street, and electronically via Zoom.

MEMBERS PRESENT

Mayor Clark Wilkinson

Council Members Tamilyn Fillmore
William Ince
Stephanie Ivie
George McEwan
Robyn Mecham

STAFF PRESENT

Brant Hanson, City Manager
Lisa Romney, City Attorney
Jennifer Hansen, City Recorder
Jacob Smith, Administrative Services Director
Nate Plaizier, Finance Director
Paul Child, Centerville Police Chief
Lt. Allen Ackerson, Centerville Police Department
Bryce King, Recreation/Events Coordinator
John Barton, Custodian

VISITORS

Patricia Marsh
Grover Marsh
Heather McKenzie Campbell

PRAYER OR THOUGHT

Mayor Wilkinson

PLEDGE OF ALLEGIANCE

OPEN SESSION

PUBLIC HEARING – TRUTH-IN-TAXATION TAX INCREASE AND FY2022 FINAL BUDGET

To continue to provide essential services, as well as maintain and improve the City, Centerville City Council was proposing to increase revenue through a property tax increase of 14.59%. Finance Director Nate Plaizier explained property taxes and the truth-in-taxation process in the State of Utah. The City had not realized a property tax increase since 2017, yet the cost of providing services and infrastructure had increased considerably. Since the last property tax increase the cost of providing the same service levels had increased approximately 13.1%. Many of the City's long-term needs had been put off due to lack of funding. Mr. Plaizier explained that in order to avoid debt and continue with a pay-as-you-go approach to projects, an increase in revenue was necessary.

Mr. Plaizier explained sources of General Fund revenue and expenses. Police Chief Paul Child spoke of the need to transition from the FATPOT records management system to the Motorola Flex system during FY2022. Councilmembers expressed support for funding the transition.

Councilmember Ivie stated she voted against initiating the truth-in-taxation process for FY2022. She said the past year had been unusual with substantial funds from the Federal

1 Government that allowed the City to catch up in areas it had been behind, which she said freed
2 up money for the City to do other things. Councilmember Ivie acknowledged the extra funds would
3 not last forever, but said she believed the City was not in a desperate enough situation to increase
4 property taxes in FY2022. Councilmember Mecham said she also voted against initiating truth-in-
5 taxation. She said she did not agree with a property tax increase in FY2022. Councilmember
6 Mecham said she would prefer to see the City's sales tax revenue increase, and spoke of
7 economic development. Councilmember Ince said he felt strongly that the proposed property tax
8 increase was necessary.

9
10 Mayor Wilkinson opened a public hearing at 7:44 p.m.

11
12 Patricia Marsh, Centerville resident, said she appreciated hearing the pros and cons. She
13 said she was noticing a drop in income with a transition to retirement, and said she believed
14 FY2022 was not the correct time to implement a property tax increase if the City already had the
15 funds to pay for what was in the budget. She said she would vote against an increase in property
16 tax for FY2022. Ms. Marsh asked why she was not able to cancel her participation in the recycling
17 program, and asked the Council to reconsider the policy regarding snowplowing in cul-de-sacs.

18
19 Mayor Wilkinson read aloud a text message he received during the meeting from Don and
20 Vicki Johnson stating they were not in favor of the large tax increase proposed, and requesting
21 the Council not forget the retired citizens of the community. The Mayor read aloud another
22 communication sent to him from Brad and Larae Patterson requesting a 1-2% annual property
23 tax increase rather than the larger proposed increase, and a request from Paul and Judy
24 Mendenhall that the Council consider the families and businesses that were hard hit economically
25 at that time. Mr. Hanson commented that emails shared with the Council could be entered into
26 the record. Ms. Romney added that citizens were encouraged to attend and share comments in
27 person, or to provide written comment at least two hours prior to a meeting so that comments
28 could be shared on NovusAgenda. Councilmember Ivie read aloud an email from Jeff Thomas
29 sent to the Council expressing that the City should have to live within its budget just like the
30 citizens.

31
32 Heather McKenzie Campbell, Centerville resident, spoke against the proposed property
33 tax increase and the effect it would have on retirees. She said she would support a smaller annual
34 property tax increase or an increase in sales tax. Ms. Campbell thanked the Council for looking
35 at the issue, and said she supported approving funds for the Police Department to transition from
36 FATPOT to Motorola Flex.

37
38 Mayor Wilkinson closed the public hearing at 7:54 p.m.

39
40 Mr. Plaizier explained that the use of federal funds received by the City in the last year
41 was very restricted. He said he believed the City was in good shape financially, but was not where
42 it needed to be. Mr. Plaizier emphasized that in order to avoid debt, the City needed to be able to
43 save for future expenses. He explained that the City did not have control over the sales tax rate.
44 Mr. Hanson commented the State was looking at adjusting sales tax, and stated property tax was
45 a stable source of income for the City. Councilmember Mecham said she would be in favor of a
46 property tax increase in the future if the State were to adjust and reduce the City's sales tax
47 revenue. She said she preferred to address things as they happened.

48
49 Councilmember McEwan expressed the opinion it was important to look at overall City
50 needs and spend patterns over time, and emphasized that CARES Act and American Rescue
51 Plan (ARP) Act funds would not be available long-term.

1 Councilmember Ivie spoke of the possibility of an economic down-turn, and stated it may
2 not be feasible for the City to provide the same level of services as were possible in the past. She
3 said she would rather the City tighten its belt (e.g., let the cemetery lawn grow a little longer and
4 put up with pot holes longer) and let citizens have the money in their pockets a little longer.

5
6 Councilmember Ince commented that all five Councilmembers were involved in the 40%
7 property tax increase in 2017, which was made necessary by 20 years of not keeping up with
8 inflation. He said the entire Council was committed at that time to not creating the need for another
9 increase of that magnitude. Councilmember Ince pointed out that the proposed 14.5% property
10 tax increase would not even get the City back to where it was with the 2017 increase. He spoke
11 of the tremendous pressure to keep up with police and fire compensation, and said he felt strongly
12 the City would be in better shape if it kept up with inflation over time than if revenue were allowed
13 to slip over time. Councilmember Ince stated CARES and ARP funds were not available for
14 everything the City needed to do. Mr. Hanson commented that CARES Act funding allowed the
15 City to build up reserves and establish a needed Capital Reserve Fund.

16
17 Councilmember Fillmore commented that waiting until the City was desperate (e.g.,
18 allowing roads to fail) would cost more in the long-run because replacement costs were much
19 higher than maintenance costs. She expressed the opinion it was fiscally responsible for the
20 Council to look ahead to the future and make sure funds were available for projects and needs
21 they knew were ahead. Councilmember Fillmore stated she had been asking for a 2-3% annual
22 property tax increase her entire time on the Council. She said she knew citizens appreciated the
23 single-family nature of the City, but pointed out that the cost to maintain roads and other
24 infrastructure was higher per household for single-family neighborhoods than for multi-family
25 neighborhoods.

26
27 Councilmember McEwan spoke of the expectation in the community for emergency
28 services to respond promptly with quality service, and the high cost associated with providing that
29 service. He commented that the citizens on fixed incomes for whom a property tax increase would
30 be difficult included elderly citizens who were likely to need the emergency services provided by
31 the City's property tax revenue.

32
33 Mayor Wilkinson suggested there was perhaps merit in the idea of going through truth-in-
34 taxation every year for small percent increases to avoid the need every several years for larger
35 percent increases. Mr. Hanson commented the City had enough water projects that needed to
36 occur that it would be possible to spend expected ARP funding exclusively on water projects.
37 Councilmember McEwan spoke of the need to have funds set aside for unexpected breaks in the
38 water system.

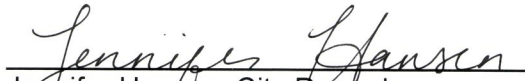
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40 Councilmember Fillmore commented that the property tax rate in Centerville was so low
41 for so long with the can continually kicked down the road, that it was time to be responsible and
42 not kick the can down the road to the next generation. Councilmember Ince said every citizen he
43 had explained the situation to had expressed support for the proposed increase. He said he
44 believed the majority of citizens recognized that the proposed increase was needed.

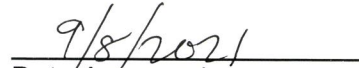
45
46 Councilmember Ince **moved** to adopt Resolution No. 2021-34, approving the proposed
47 property tax increase of 14.59% as explained earlier in the meeting. Councilmember McEwan
48 seconded the motion, which passed by majority vote (3-2), with Councilmembers McEwan, Ince,
49 and Fillmore in favor, and Councilmembers Mecham and Ivie dissenting.

50
51 Councilmember Fillmore **moved** to adopt Resolution No. 2021-35, adopting the FY2022
52 Budget. Councilmember Ince seconded the motion, which passed by unanimous vote (5-0).

ADJOURNMENT

At 8:33 p.m., Councilmember Ivie **moved** to adjourn the meeting. Councilmember Ince seconded the motion, which passed by unanimous vote (5-0).


Jennifer Hansen, City Recorder


Date Approved


Katie Rust, Recording Secretary

