

# BOUNTIFUL CITY COUNCIL MEETING

Wednesday, August 11, 2021

6:00 p.m. - Regular Session

NOTICE IS HEREBY GIVEN that the City Council of Bountiful, Utah will hold its regular Council meeting at **City Hall, 795 South Main Street, Bountiful, Utah**, at the time and on the date given above. The public is invited to all meetings. Deliberations will occur in the meetings. Persons who are disabled as defined by the Americans With Disabilities Act may request an accommodation by contacting the Bountiful City Manager at 801.298.6140. Notification at least 24 hours prior to the meeting would be appreciated.

If you are not on the agenda, the Council will not be able to discuss your item of business until another meeting. For most items it is desirable for the Council to be informed of background information prior to consideration at a Council meeting. If you wish to have an item placed on the agenda, contact the Bountiful City Manager at 801.298.6140.

*Bountiful City Council meetings, including this meeting, are open to the public. In consideration of the COVID-19 pandemic, the meeting is also available to view online. The link will be available on the Bountiful City website homepage ([www.bountifulutah.gov](http://www.bountifulutah.gov)) approximately one hour prior to the start of the meeting.*

## AGENDA

### 6:00 p.m. – Regular Session

1. Welcome, Pledge of Allegiance and Thought/Prayer
2. Consider approval of Ordinance 2021-09 setting a property tax rate of 0.000967 for 2021 taxes and adopting the Fiscal Year 2021-2022 budget – Mr. Galen Rasmussen
  - a. Public hearing
  - b. Action
3. Adjourn

  
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City Recorder



# City Council Staff Report

**Subject:** Truth in Taxation, Final adoption of the  
FY2021-2022 Budget and Property Tax Rate  
**Author:** Galen D. Rasmussen, Assistant City Manager  
**Department:** Executive  
**Date:** August 11, 2021

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## **Background**

On June 22, 2021 the City Council adopted a Tentative Budget for Fiscal Year 2021-2022 containing a property tax budget of \$3,551,839 with a proposed tax rate of 0.000967. This budget exceeded the Certified Tax Rate of 0.000708 with corresponding revenue of \$2,601,839 (which is a \$950,000 proposed tax increase). Given this, state law requires certain notifications to the public and a public hearing to be held under the provisions of the Truth in Taxation law in the state of Utah. As part of the official business of the Council on June 22<sup>nd</sup>, a Truth in Taxation Public Hearing was set for August 11, 2021 which meeting was to begin at 6:00 p.m. in the Council Chambers at City Hall.

## **Analysis**

Per requirements of state law, a notice of the proposed tax increase, including specifics related to the date, time and place of a public hearing along with the financial impacts of the increase on the average residential home and business in Bountiful City was published in the Davis Journal and Standard Examiner on two separate dates. The first two dates were July 16<sup>th</sup> and 23<sup>rd</sup> in consolidated format by Davis County along with other taxing entities pursuing tax increases. The third date of publication was a separate notice from Bountiful City published on July 30<sup>th</sup> and August 6<sup>th</sup> in the Davis Journal. Companion notices were also published on the following websites as required by law:

[www.utahlegals.com](http://www.utahlegals.com)

[www.bountifulutah.gov](http://www.bountifulutah.gov)

[www.daviscountyutah.gov](http://www.daviscountyutah.gov)

[www.utah.gov/pmn](http://www.utah.gov/pmn);

In addition to the notices and scheduled public hearing, the City also held an open house at City Hall in the Council Chambers on July 29<sup>th</sup> which started at 7:00 p.m. An advance notice to advertise the open house was sent via Bountiful City e-Newsletter post and posting on the City website along with City social media. On the night of the open house there were between 50 and 75 people in attendance who viewed the presentation and asked questions of staff and the Mayor and Council. This public comment was in addition to many phone calls and emails received which addressed the matter of the tax increase.

Having complied with the required budgeting and legal noticing requirements of state law, the City Council must now hold a Truth in Taxation public hearing to allow for public comments prior to consideration of adoption of the tax increase and to finalize the Fiscal Year 2021-2022 budget containing that tax increase.

### **Department Review**

This staff report has been reviewed and approved by the City Manager and City Attorney.

### **Recommendation**

Staff recommends the following actions by the City Council:

1. Hold the required Truth in Taxation Public Hearing prior to consideration of adoption of the final budget, property tax amount, and tax rate noted.
2. Consider adoption of Ordinance 2021-09 which:
  - a. Sets a property tax rate of 0.000967 for calendar year 2021 taxes.
  - b. Consider adoption of Ordinance 2021-09 which adopts the Fiscal Year 2021-2022 Tentative Budget as the City's final budget containing the property tax amount of \$3,551,839 and a real property tax rate of 0.000967 assessed as calendar year 2021 taxes.

### **Significant Impacts**

Adoption of the proposed property tax rate and revenue, and adoption of the Fiscal Year 2021-2022 budget will allow the City organization to:

1. Continue meeting existing service levels in the General Fund
2. Correct for structural imbalances in revenue sources of the General Fund and
3. Replenish reserves to maintain the City's pay-as-you-go fiscal practices into the future.

### **Attachments**

- City Ordinance 2021-09



# BOUNTIFUL

MAYOR  
Randy C. Lewis

CITY COUNCIL  
Millie Segura Bahr  
Kate Bradshaw  
Kendalyn Harris  
Richard Higginson  
Chris R. Simonsen

CITY MANAGER  
Garv B. Hill

## Bountiful City Ordinance No. 2021-09

An ordinance (1) adopting a final budget for the City of Bountiful for the Fiscal Year beginning July 1, 2021, and ending June 30, 2022; (2) adopting the Electric Rate Schedules, Electric Service Policies, and Electric Service Agreements of Bountiful City Light & Power (BCLP), Bountiful, Utah (effective for usage as of July 1, 2021; (3) authorizing and directing the participation of the City in the Public Employees Contributory Retirement System and the Public Safety Contributory Retirement System of the Utah Retirement Systems for fiscal year 2021-2022; and (4) setting the tax rate and levying taxes upon all real and personal property in the City of Bountiful, Utah, made taxable for the year 2021.

### It is the Finding of the Bountiful City Council that:

1. The Bountiful City Council, through its elected officials and appointed officers, has caused to be prepared a Final Budget for Fiscal Year 2021-2022;
2. This Budget has been duly considered and formulated according to the Uniform Fiscal Procedures Act for Utah Cities (Utah Code §10-6-101 et seq);
3. This budget includes estimates of anticipated revenues, appropriations for expenditures and expenses, adjusted compensation schedules for City officers and employees that reflect the rates required for participation in the Utah Retirement Systems, and user fees for City facilities and services.
4. A Tentative Budget was adopted on May 11, 2021 and again on June 22, 2021 to reflect certain authorized adjustments, and made available as required by law;
5. A public hearing to consider this Final Budget has been noticed and held on June 22, 2021, according to the requirements of the Uniform Fiscal Procedures Act for Utah Cities.
6. The City is authorized and required by the Uniform Fiscal Procedures Act for Utah Cities (Utah Code §10-6-133) to set the real and personal property tax levy; and through its elected officials and appointed officers, has determined the amount of property tax which should be included in the budget for the Fiscal Year 2021-2022, beginning July 1, 2021, and ending June 30, 2022.

### Now, therefore, it is hereby ordained by the City Council of Bountiful, Utah:

**Section 1.1.** The City of Bountiful, through its elected officials and appointed officers, has caused to be prepared a budget for the fiscal year beginning July 1, 2021, and ending June 30, 2022. This budget has been duly considered and formulated according to the Uniform Fiscal Procedures Act for Utah Cities and other applicable State and Federal law. It is now desirable

and necessary to formally adopt this budget.

**Section 1.2.** This budget includes estimates of anticipated revenues, appropriations for expenditures/expenses, adjusted compensation schedules for City officers and employees, user fees for City facilities and services. The budget also includes, by reference here, all related policies pertaining to the budget and finances of Bountiful City. These budget and finance related policies replace all existing policies for this purpose whether adopted by prior resolution, ordinance, or other action of the governing body.

**Section 2.1.** The Bountiful City budget for the fiscal year beginning July 1, 2021, and ending June 30, 2022, with the adjusted compensation schedules and the City user fees incorporated in its preparation is hereby adopted including the Electric Rate Schedules, Electric Service Policies, and Electric Service Agreements of Bountiful City Light & Power (BCLP), Bountiful, Utah (effective for usage as of July 1, 2021).

**Section 3.1.** Bountiful City hereby confirms its participation in the Public Employees Contributory Retirement System and the Public Safety Contributory Retirement System of the Utah Retirement Systems for fiscal year 2021-2022. The budget and compensation schedules reflect the Annual Certification of Retirement Contribution Rates required for participation in the current year. The City Manager and staff are authorized and directed to take such steps as are necessary to implement the City's participation in these programs.

**Section 4.1** The City of Bountiful, through its duly authorized and legally appointed officers, has determined the amount of property tax which should be included in the budget for the fiscal year beginning July 1, 2021, and ending June 30, 2022.

**Section 4.2** Bountiful has, based on assessed valuation information furnished by Davis County, determined the rate of the general tax which should be levied.

**Section 4.3.** For the purpose of defraying the necessary and proper expenses of the City of Bountiful, Utah, and maintaining the government thereof, the rate of the general tax levied upon all real and personal property within Bountiful, Utah, made taxable by law for the year 2021 (or for the fiscal year ending June 30, 2022) will be the Proposed Tax Rate of 0.000967 to be applied on each dollar of assessed valuation of said property, and is hereby adopted by this ordinance.

This ordinance shall take effect immediately upon first publication.

**Adopted by the City Council of Bountiful, Utah, this 11<sup>th</sup> day of August, 2021.**

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Randy C. Lewis, Mayor

ATTEST:

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Shawna Andrus, City Recorder