



South Davis Metro Fire Service Area

Meeting of the Administrative Committee
255 South 100 West, Bountiful, Utah and Zoom
April 10, 2023
10:30 a.m.

COMMITTEE ATTENDANCE:

NAME	POSITION / CITY REPRESENTED
Bryce Haderlie	Woods Cross
Ken Leetham	North Salt Lake
Duane Huffman	West Bountiful – Chair
Brant Hanson	Centerville – Vice Chair
Gary Hill	Bountiful
Curtis Koch	Davis County

STAFF PRESENT:

Dane Stone, Fire Chief
Dave Powers, Deputy Chief
Greg Stewart, Deputy Chief

Jessica Hardy, Finance Director
Nikki Dandurand, Secretary

APPROVAL OF MARCH 2023 MINUTES

Mr. Haderlie made a motion to approve the minutes for the minutes presented. Mr. Leetham seconded the motion. All members voted and approved the motion.

DISCUSSION OF FY 2023-24 BUDGET

Mr. Huffman reviewed the previous meetings discussion, concluding that if everything proposed is approved, we will have a deficit of \$800k.

Chief Stone stated the tentative budget includes a proposed 5% COLA with the current step program.

Mr. Huffman stated that in the past, with a property tax increase, we collected more funds up front and over the years, smooth it out. If we use fund balance now to balance, the increase will be close to 20%. Mr. Leetham asked where we fall in the fund balance currently. Mr. Huffman stated we are generally fine and right now in the target range. The big question is the training center funds that are allocated. Mr. Haderlie asked about moving from an 11 step to 9 step scale, which are healthy bumps already. Chief Stone responded that we would have to keep everyone in their current step. Ms. Hardy stated the firefighters will see a bigger increase this time around, rather than officer positions. Mr. Leetham asked the Chief if 5% is acceptable and would keep the department competitive. Chief Stone responded yes. This is always a vicious cycle with pay increases. This time next year will be the same thing. However, if we adopt the proposed budget, we will stay competitive and we want to stay in front of that cycle, and not play catch up. Mr. Haderlie stated it's definitely a supply and demand issue.

Chief Stone stated we recently had a Open House Recruitment, which was a huge success thanks to Jessica. The demand is high everywhere, with few applicants. Salaries are always a huge motivator.

Mr. Leetham suggested keeping the member assessments at 5% and using fund balance to balance the budget. It would also be a good idea to have a 2-3 year projection, to include a property tax increase at some point, so the department and the public know its coming. Mr. Huffman agreed; that would give us options. Mr. Leetham stated that would give the Board some flexibility, a 2-3 year projection with a stable capital plan.

Chief Stone stated we had a Truth in Taxation in 2021 with the previous one in 2017. We would prefer smaller/annual increments rather than large spread-out ones. In two years, it would be another large tax increase. Our capital plan is well planned, so these tax increases would be for salaries. Mr. Leetham stated he would be fine with another TNT this year, with a 3 yr. projection since we have the justification. Chief Stone recapped the suggestions with conducting a salary survey this year and COLA next year. Ms. Hardy stated we only need \$190K to adjust the salaries this year to market value. Mr. Koch suggested condensing the steps, 5% COLA for this year and paying out the \$190k to match until the end of the fiscal year in July 2023. The committee discussed different options with the 5%, fund balance and adjustment through July 1. Mr. Huffman reviewed the three options to balance the budget: using only fund balance, using fund balance and property tax or just using property tax. Mr. Leetham confirmed that is with keeping assessments at 5%.

Mr. Haderlie asked what the insurance premiums will be at. Chief Stone said the rate came in at 6.9%. Mr. Haderlie suggested matching the merit increase with the URS rate or something similar. Chief Stone stated last year we rolled the increase back to the employees. This year the rate went down, so we are not in the same situation. Mr. Koch asked how many positions empty right are now. Chief Stone replied we are down four, with eight graduating in May. Mr. Koch said historically you turn back in personnel costs. DC Powers stated it's only around \$15k a month, so it's not very much, but we use that savings right back to pay overtime. Mr. Huffman stated he is comfortable making a change in pay mid-fiscal year and sending that

recommendation to the Board. This issue cannot wait any longer. If we can commit those funds, we should do it. Chief Stone stated that would be great to bring it before the Board in April. It would have a good impact on the department to act now. Mr. Haderlie agreed we need to "stop the bleeding." He supports the merit increase, throttle back the COLA to extend over time, supports a TNT and using fund balance to balance the budget with keeping member assessments at 5%. Mr. Hill does not like the idea of an out of budget salary adjustment. He would suggest educating the crews that changes are coming, and it does take time. Chief Stone agreed as well, there is a process, but not everyone understands there are two groups that are needed for approval and time. The crews are nervous. Mr. Hill stated it's important to show commitment on both sides and to follow thru. Chief Stone replied we have done that and spoke to many personnel on an individual basis, as well as by platoons.

Mr. Leetham stated that we are only 90 days away from approving a new budget. The fire district has a great history to look at. Mr. Huffman reviewed the three options and recommends sharing those with the Board in May with an early increase. Mr. Hill asked what the Board feels about the budget right now, with a possible increase mid-quarter. Mr. Hanson agrees with Mr. Hill. If there is a mid-quarter increase it throws off expectations and creates more problems. We need to preserve the structure. A property tax increase would answer the major problem of salaries. The residents should decide. Mr. Leetham stated he is okay to wait until July 1, and let the Board announce and approve the budget, moving forward after July 1.

Mr. Koch said he is hesitant to recommend anything until there is a plan in place. There is still a high uncertainty. He would spend down fund balance, talk to the department and assure them change is coming. Mr. Huffman stated he is not so concerned with the cycle and interrupting the budget year. The dates are so close together that if the majority wishes to wait until July 1, that is fine, we can revisit this in May.

Mr. Koch stated this is a fairly young department and this is part of the fight. We will always be chasing this. So what will it take? Chief Stone agreed. We have a lot of senior people that have left and with the current culture and change, we need to give some perspective. We need to retain employees for good leadership. It's a struggle. DC Powers agreed also. The growth and leadership in the department has been difficult. We have never reached that magical number. The one thing to remember also is that it's across the board, in all fire districts. Mr. Koch stated extra shifts, overtime, etc. all wear on young families. How to balance work and family is the constant struggle for all of us.

Mr. Huffman concluded we will update the Board in May and work towards a new pay scale effective July 1.

FIRE CHIEF REPORT

Chief Stone had nothing to report.

ADMINISTRATIVE CHAIR UPDATE

Mr. Huffman had nothing to report.

ADJOURNMENT:

Mr. Leetham moved to adjourn the meeting; Mr. Koch seconded the motion.



Duane Huffman, Chair



Nicole Thompson, Secretary