

# Welcome to the Public Safety Funding Open House



# The Proper Protection – Funding First Response

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- Total Public Safety Increase ~ \$701,000
  - Fire ~ \$536,000
    - Maintaining Level of Service
  - Police ~ \$160,000
    - Recruitment and Retention
  - District Administration ~\$6,000
- City Council considering:
  - Dedicated property tax increase OR
  - Public Safety Fee



# LONE PEAK FIRE REQUEST

Fire Chief Reed Thompson





# The Problem

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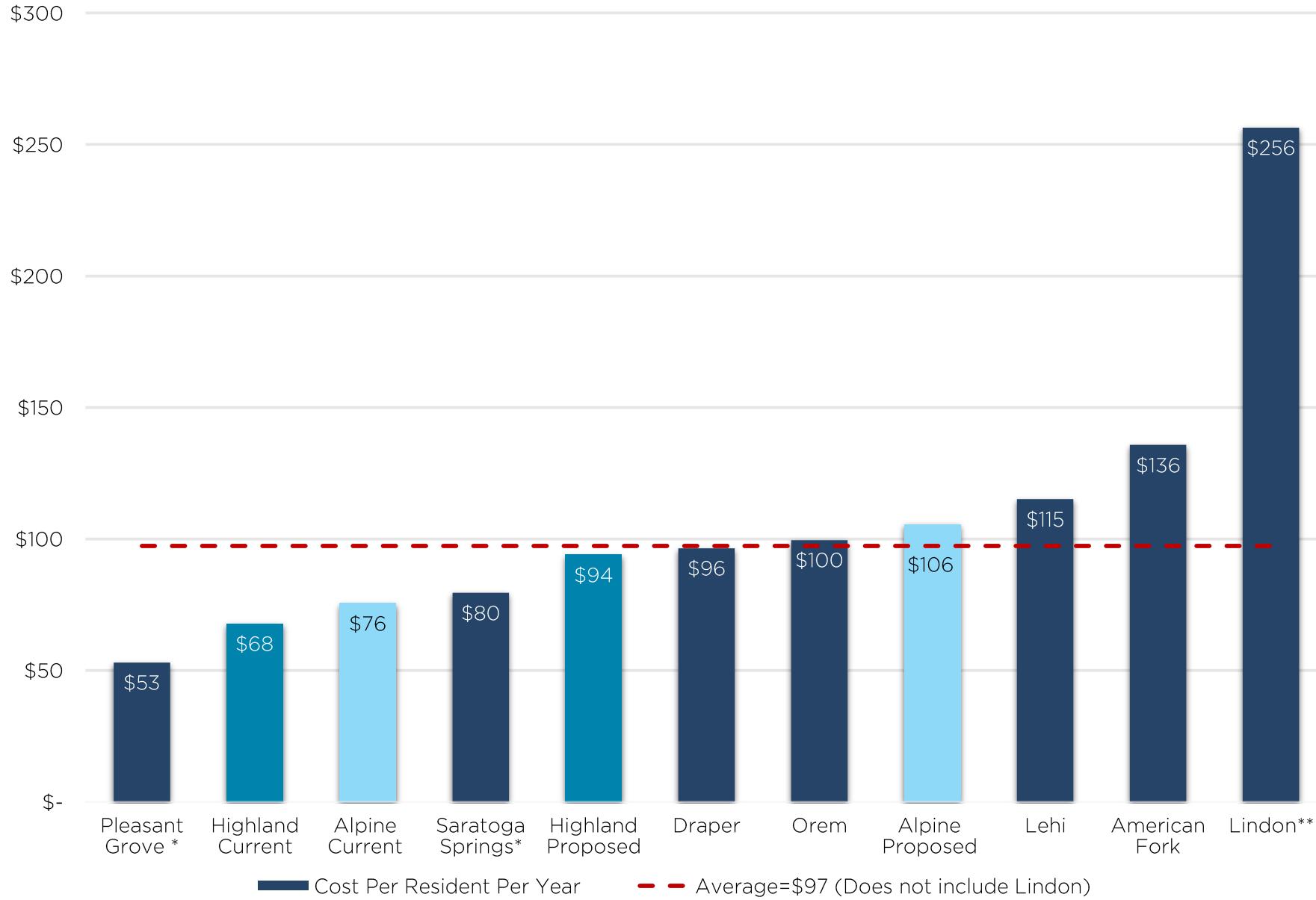
- How to maintain the existing level of service with a reduction in revenue?
  - Cedar Hills' exit
    - Loss in ambulance transport & city contribution revenue
    - Limited cost reductions
- Realistic Approach
  - National standard vs. our area's needs

	<b>Current</b>	<b>Proposed</b>
<b>Station Count</b>	3	2
<b>Vehicle Count</b>	3	3
<b>Firefighter/ Paramedic Count</b>	9	8
<b>Response Ability Without Mutual Aid</b>	<ul style="list-style-type: none"> <li>Initial response for 1 to 2 simultaneous EMS calls</li> <li>Treat 2 patients</li> </ul>	<ul style="list-style-type: none"> <li>Initial response for 1 to 2 simultaneous EMS calls</li> <li>Treat 2 patients</li> </ul>
<b>Station Closed During Transport Time</b>	×	

	<b>Rejected Consideration: National Standard</b>	<b>Rejected Consideration: Dedicated Ambulance for Alpine</b>
<b>Station Count</b>	2	2
<b>Vehicle Count</b>	4	4
<b>Firefighter/ Paramedic Count</b>	12	10
<b>Response Ability Without Mutual Aid</b>	<ul style="list-style-type: none"> <li>• 2-3 simultaneous EMS calls</li> <li>• Treat 3 patients</li> </ul>	<ul style="list-style-type: none"> <li>• 2 simultaneous EMS calls</li> <li>• Treat 2 patients</li> </ul>
<b>Station Closed During Transport</b>		
<b>Cost Increase*</b>	~\$347,000 or \$6.13 per month on fee or tax increase	~\$174,000 or \$3.07 per month on fee or tax increase
<b>Added Benefits</b>	<ul style="list-style-type: none"> <li>• Fire units manned with 4</li> </ul>	<ul style="list-style-type: none"> <li>• Add to PT pool</li> <li>• Redundancy in both stations</li> </ul>

	<b>Rejected Consideration: Reduce FT for PT</b>	<b>Rejected Consideration: Elimination of Dedicated Ambulance</b>
<b>Station Count</b>	2	2
<b>Vehicle Count</b>	3	2
<b>Firefighter/ Paramedic Count</b>	8	6
<b>Response Ability Without Mutual Aid</b>	<ul style="list-style-type: none"> <li>Initial response for 1 to 2 simultaneous medical calls</li> <li>Treat 2 patients</li> </ul>	<ul style="list-style-type: none"> <li>1 EMS call</li> </ul>
<b>Station Closed During Transport</b>		X
<b>Cost Savings*</b>	~\$62,000 or \$1 per month on fee or tax increase	~\$174,000 or net \$0.13 per month on fee or tax increase
<b>Revenue Loss*</b>		~\$167,000
<b>Other Concerns</b>	<ul style="list-style-type: none"> <li>Layoff 3 FTE (Morale Impact)</li> <li>Recruitment and Retention (FT&amp;PT)</li> <li>Less daily staffing consistency</li> <li>Less staff during major incident</li> </ul>	<ul style="list-style-type: none"> <li>Extremely limited coverage</li> <li>Nearly eliminate PT pool</li> <li>Higher home insurance rates</li> <li>2 less firefighters for fire incidents</li> <li>Cannot provide aid to neighbors</li> </ul>

# Cost Per Resident Per Year for Fire/Emergency Medical Services





# LONE PEAK POLICE REQUEST

Police Chief Brian Gwilliam



# The Problem - Recruitment & Retention

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- Limited pool of applicants
  - Wages & Benefits
  - Negative Public Perception
- 2019 Recruitment = 5 Applicants for 2 Positions

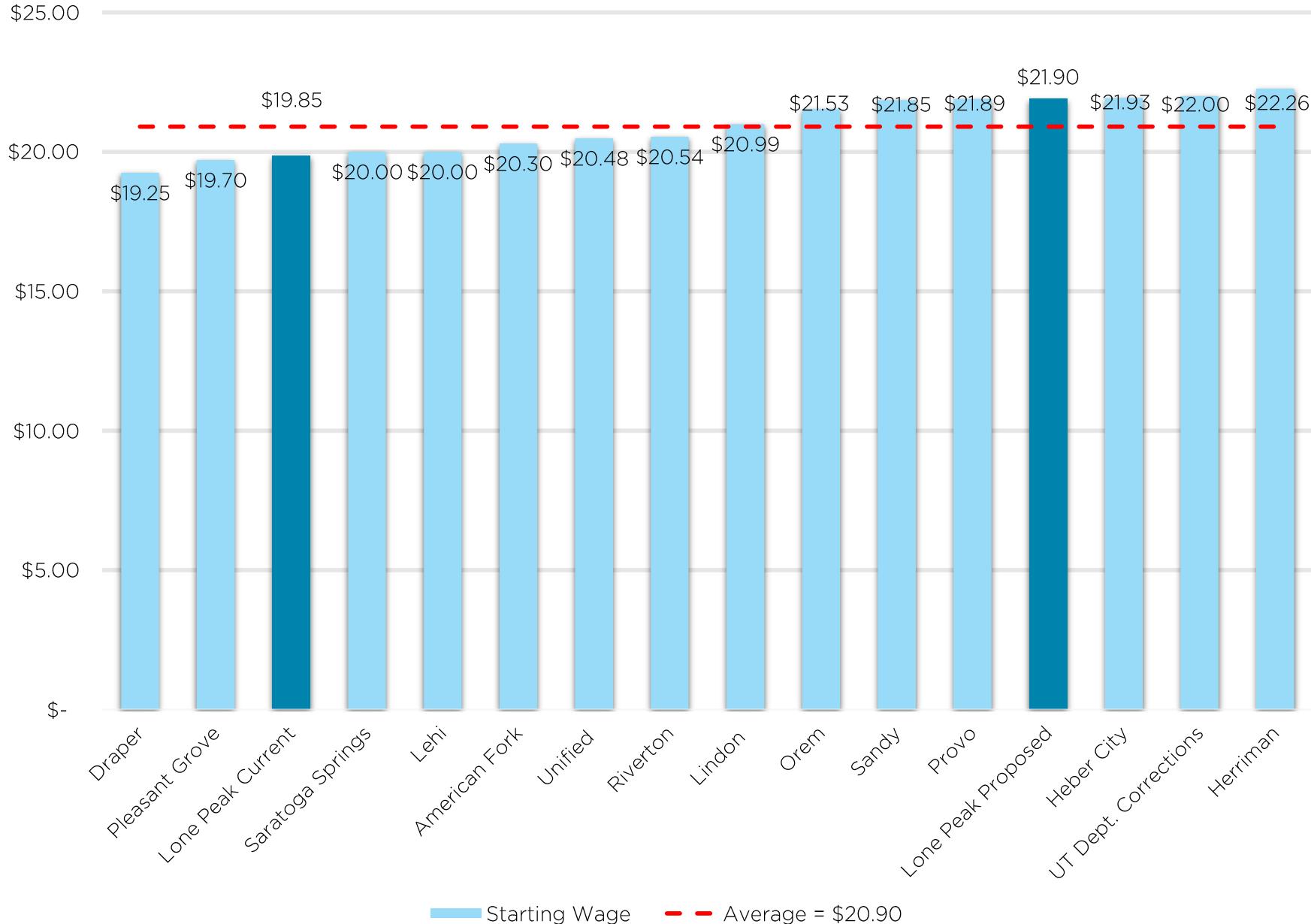


# Major Budget Changes

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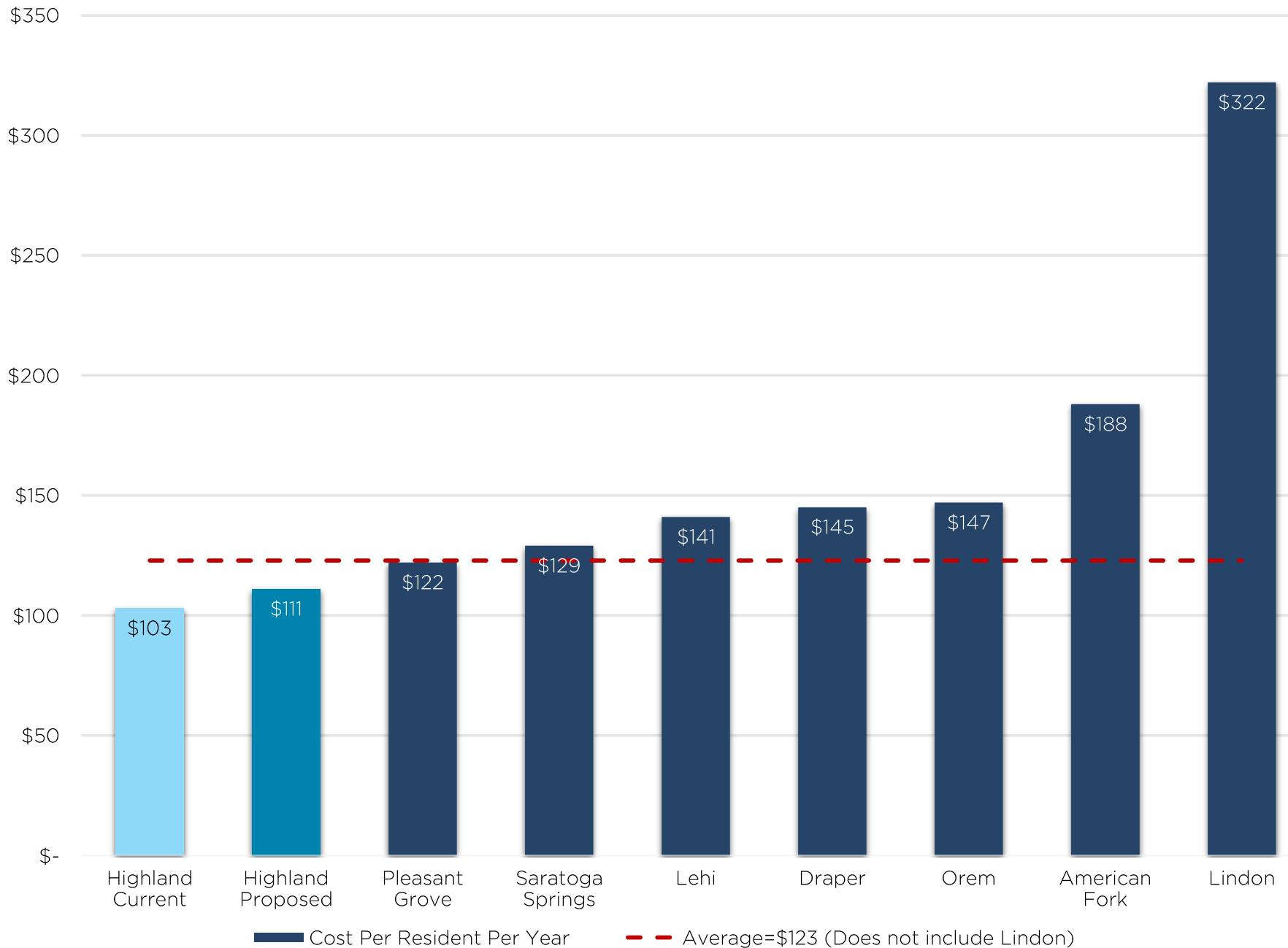
- Wages
  - \$2.05 starting wage increase
- 2.5% 401K Match
  - Increase competitiveness
- Retirement
  - State Legislature mandated increase

# Starting Wages for New Officers



Department	401K/ Match	Tier II Contribution	Tuition Reimbursement	Medical Insurance	Life Insurance	Take Home Vehicle
American Fork	X	X	X	X	X	X
Draper	X	X	X	X	X	X
Heber	X	X	X	X	X	X
Herriman	X	X	X	X	X	X
Lehi		X	X	X	X	X
Lindon	X	X	X	X	X	X
<b>Lone Peak</b>	X	X		X	X	X
Orem	X	X		X	X	X
Pleasant Gove		X	X	X	X	X
Salt Lake	X	X	X	X	X	X
Sandy	X	X	X	X	X	X
Santaquin	X	X		X	X	X
Saratoga Springs	X	X	X	X	X	X
Unified Police	X	X	X	X	X	X

# Cost Per Resident Per Year for Police





# HIGHLAND CITY BUDGET OVERVIEW & FUNDING OPTIONS

Nathan Crane, City Administrator/Community Development Director

# Options Council Is Considering to increase funding

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1. Property Tax Increase or
2. Public Safety Fee

# Property Tax Information

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- The City's tax rate is calculated by the County to generate the same amount of revenue each year.
- If property values go up, the tax rate goes down.
- The only increase the City ever sees in property tax revenue is from new growth or if the City requests a revenue increase.

# Property Tax History

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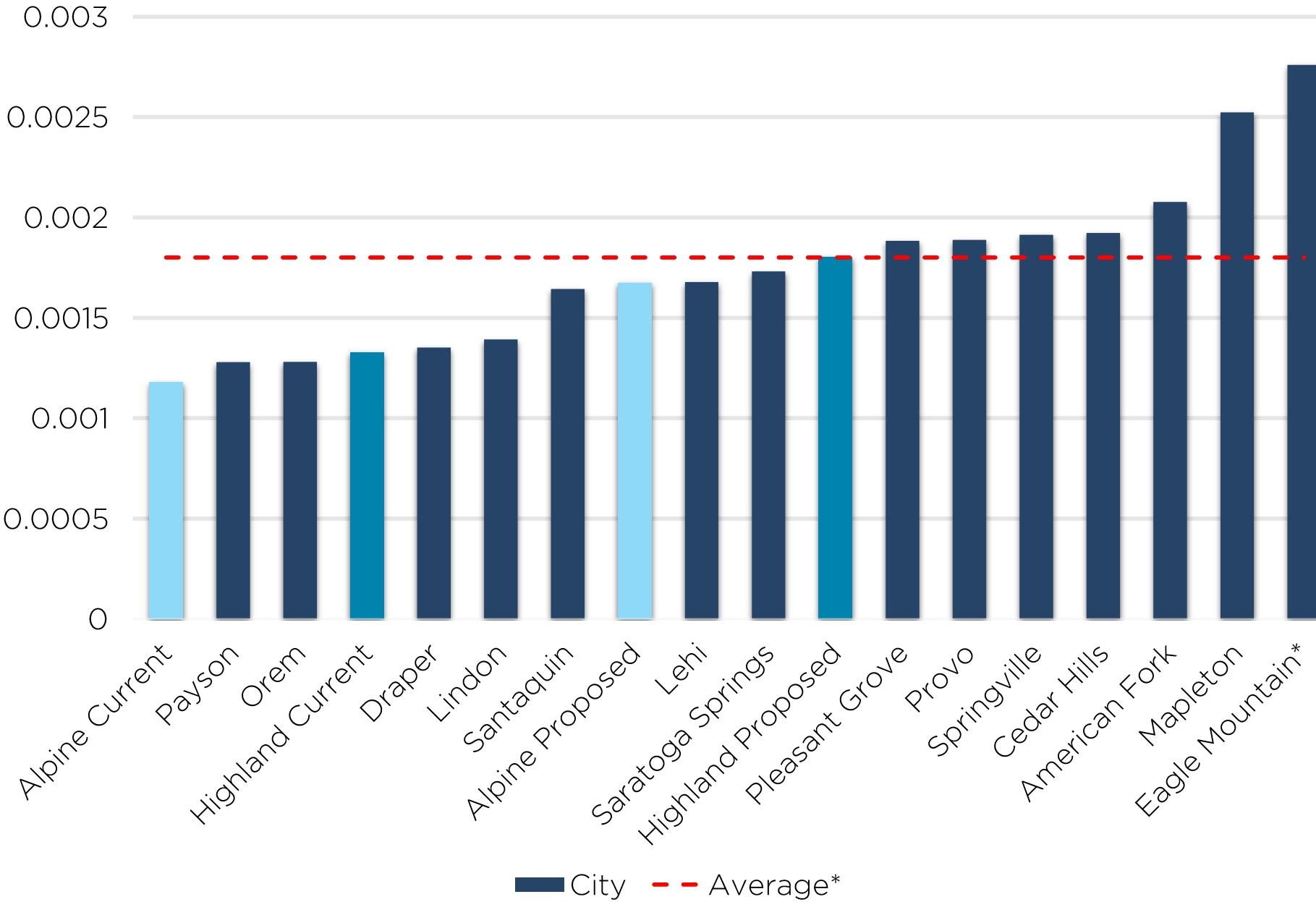
- Increase in 2006 for Public Safety
  - \$324,197
- Library tax added in 2007
  - \$200,000
- Decrease in 2010 for City-wide cuts
  - \$67,900

# Option 1: Property Tax Increase

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- \$146.80 per year on a \$561,290 home
  - Equates to \$12.23 per month
  - 36% increase on City portion of property taxes
    - City portion is 18% of entire property tax bill
- Dedicated/Restricted to Public Safety
- Tax deductible for some
- Not uniform
  - Individual increase based on home value
  - Tax exempt properties don't pay
  - Businesses pay at full rate

# Property Tax Rate Comparison

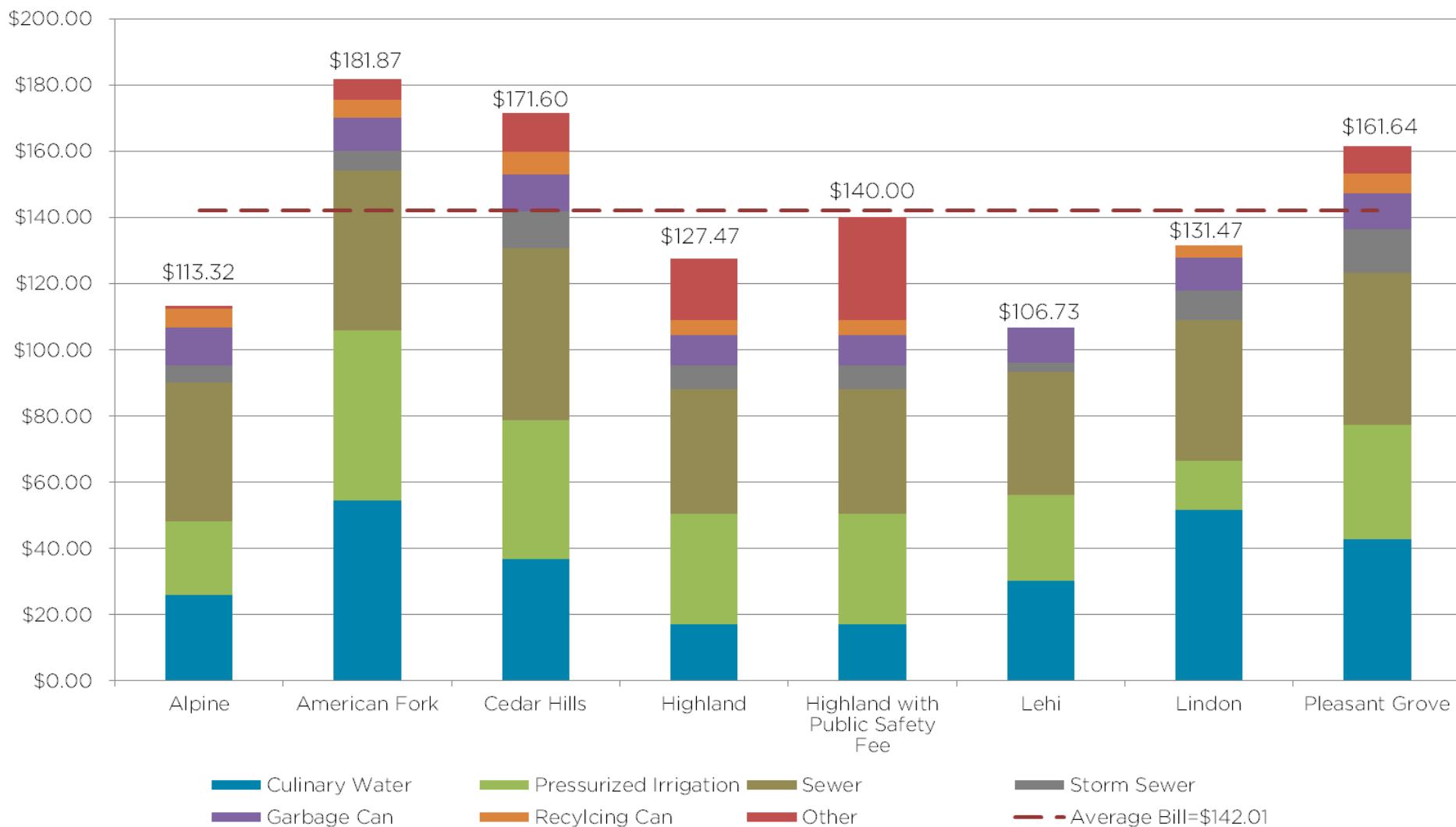


# Option 2: Public Safety Fee

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- \$12.53 per month on utility bill
- Dedicated to fire and police
- Uniform
  - Tax exempt properties included
  - Businesses pay the same as residents
- Not tax deductible

## Utility Bill Comparisons

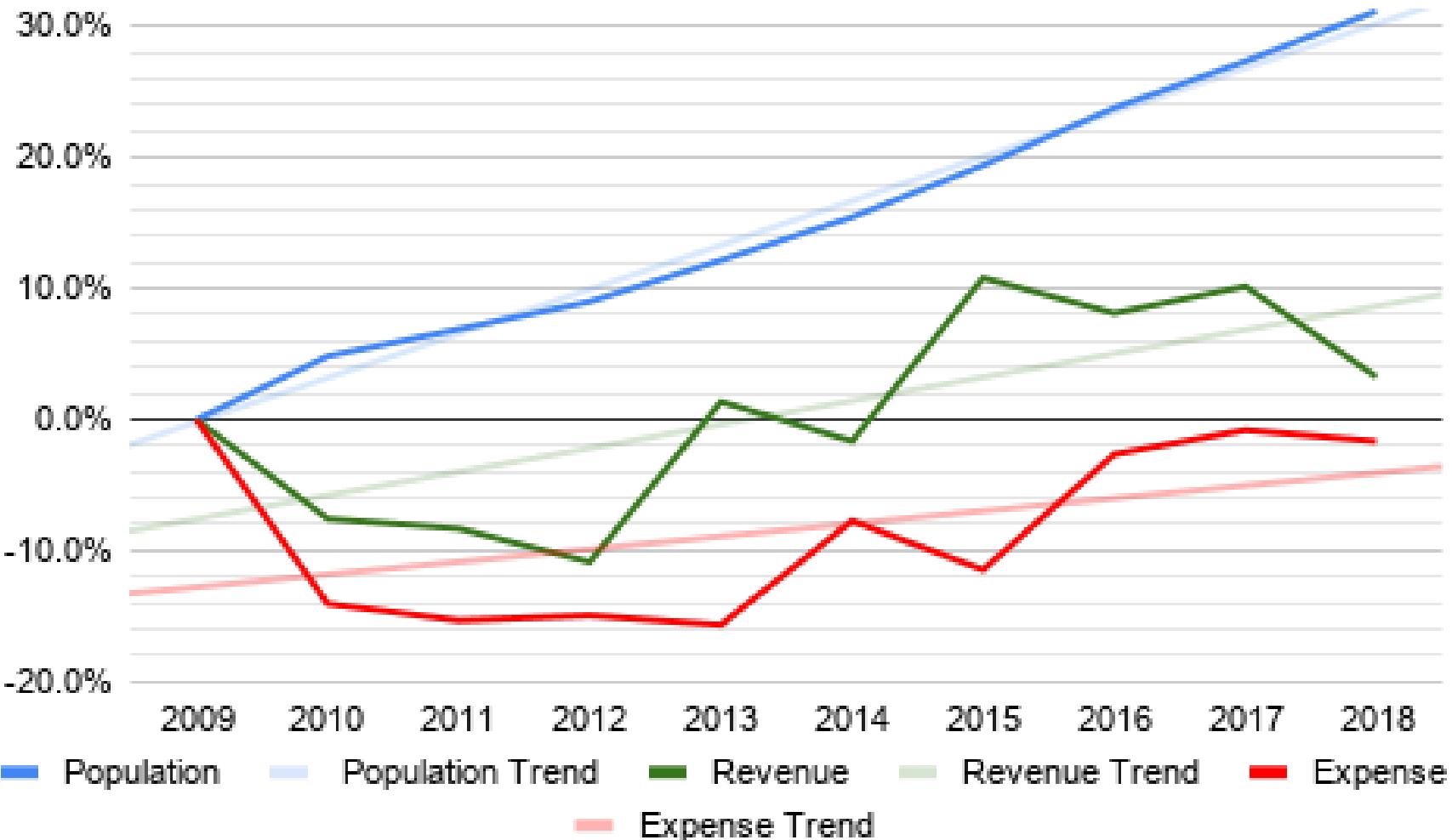




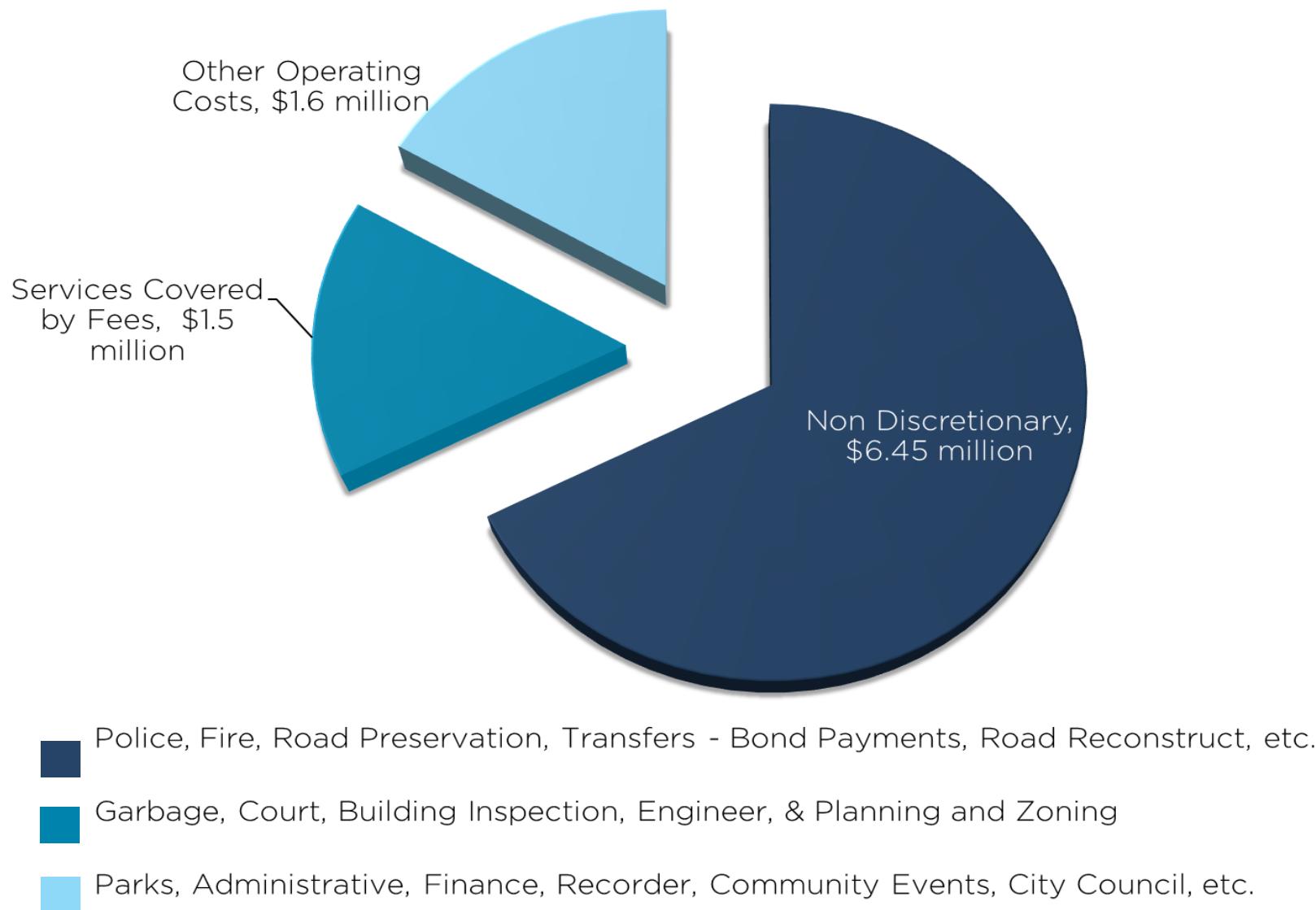
# OTHER CONSIDERATIONS

# Population, Revenue & Expense Changes for Highland

General fund figures are adjusted for inflation. Base year is 2009



# FY2020 Proposed General Fund Allocations



# Why not...find it in existing funds?

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- Unfunded Needs
  - Park Open Space Maintenance/Improvements
  - Playground Replacement
  - Fleet Replacement
  - Cemetery Fence
  - General Plan Update
  - Maintenance Equipment Replacement

# Why not....use reserves?

## Fund Balance by Year\*

<b>Budget Year</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Total General Fund Revenues</b>	\$8,602,022	\$8,603,274	\$8,865,649	\$9,135,524	\$9,389,633
<b>O &amp; M Expenses</b>	\$8,658,507	\$9,673,073	\$10,151,473	\$10,500,449	\$10,938,642
<b>Capital Improvement</b>	\$0	\$0	\$0	\$0	\$0
<b>Budget Surplus/ (Deficit)</b>	(\$56,484)	(\$1,069,799)	(\$1,285,824)	(\$1,364,925)	(\$1,549,009)
<b>Target Percent Fund Balance</b>	20%	20%	20%	20%	20%
<b>Fund Balance</b>	\$2,149,190	\$1,079,391	(\$206,433)	(\$1,571,357)	(\$3,120,367)
<b>Percent Fund Balance</b>	25%	13%	<b>-2%</b>	<b>-17%</b>	<b>-33%</b>

\*Updated April 16, 2019

# Next Steps

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- June 18 - Council Vote on Budget
  - Fee or Tax
- August 6 - Truth in Taxation Meeting
  - If property tax option is taken
- Share information with neighbors.