

Minutes of the  
BOUNTIFUL CITY COUNCIL

August 11, 2021 – 6:00 p.m.

Present:	Mayor	Randy Lewis
	Councilmembers	Millie Segura Bahr, Kate Bradshaw, Kendalyn Harris, Richard Higginson, Chris R. Simonsen
	City Manager	Gary Hill
	Asst. City Manager	Galen Rasmussen
	City Attorney	Clinton Drake
	City Engineer	Lloyd Cheney
	Finance Director	Tyson Beck
	Streets Director	Charles Benson
	Recording Secretary	Maranda Hilton

Official notice of the City Council Truth-In-Taxation Meeting was given by posting an Agenda at City Hall and on the Bountiful City Website and the Utah Public Notice Website and by providing copies to the following newspapers of general circulation: Davis County Journal and Standard Examiner. It was also noticed in a display advertisement in the local paper, on Bountiful City social media and all other ways prescribed in Utah Code Annotated §59-2-919.

**Regular Meeting – 6:00 p.m.**  
**City Council Chambers**

Mayor Lewis called the meeting to order at 6:00 p.m. and welcomed those in attendance. Dr. Robert Wing led the Pledge of Allegiance and Mrs. Kami Calder, Relief Society President of the Bountiful Utah South Stake, offered a prayer.

**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**

Mr. Gary Hill gave a presentation about how property taxes work and why they are so complex at times. He explained that State law requires taxing entities to go through a Truth in Taxation process in order to raise taxes, which is what this meeting is for.

Mr. Galen Rasmussen gave a presentation about the proposed tax increase for FY2022. Bountiful City is proposing a \$950,000 increase. For the average home valued at \$434,000, it would increase taxes by \$62 annually. This would increase Bountiful City’s rate by 36.7%, and the average tax bill would increase 2.2%. He explained that in 2020 Bountiful had the lowest property tax rate in Davis County. After the proposed increase the City will be the third lowest in the County with all other taxing entities factored in.

Mr. Tyson Beck gave a presentation about why the City is proposing the tax increase this year. The three main reasons are to hire three new full-time employees, to regain some of the lost buying power from 20+ years of inflation, and to remain a pay-as-you-go entity. He explained that

1 the City would like to hire two new full-time Parks employees and one full-time IT employee, due to  
2 increased need in both departments. He also explained that Bountiful has lost 33.5% of its buying  
3 power due to inflation since 2001. This resulted in a total loss of \$885,314 in buying power, and the  
4 City has not had a tax increase since at least 2001 for the purpose of recovering that loss. Finally, he  
5 explained that Bountiful has operated under a pay-as-you-go policy for many years, and it has been a  
6 benefit to the City. Being a pay-as-you-go entity allows the City to save for large projects, avoid debt  
7 financing and associated costs, and allows the City to do interfund transfers which saves both the City  
8 and taxpayers money.

9 Mr. Beck lastly presented the results from the Utah Taxpayers Association “2021 Cost of City  
10 Government” report which shows that out of the 50 largest cities in Utah, Bountiful is 3<sup>rd</sup> best in  
11 “revenue from taxes and fees per capita”, and 3<sup>rd</sup> best in “taxes and fees per \$1,000 of citizen  
12 income.”. He explained that Bountiful is a well-managed City and that outside entities have  
13 confirmed that. He hopes that residents will be able to see that the City does its best to use taxpayer  
14 money in prudent ways.

15 The Mayor commented on how proud he is of the new parks that have been built, which were  
16 the combined vision and efforts of the staff and the City Council. He believes that these projects were  
17 all very valuable to the future of Bountiful, which is why they had the full and unanimous support of  
18 the Council. He also reported that he has advised the Recreation District Board to wait to bond for the  
19 expansion of the recreation center and its planned improvements. So that will be one less expense  
20 taxpayers have to worry about this year.

21 Mr. Rasmussen explained that tonight a public hearing will be held as the culmination of  
22 several months of budget preparation. After the public hearing the Council will have the opportunity  
23 to adopt Ordinance 2021-09 which approves the tax rate 0.000967, which includes the proposed  
24 increase, and the final budget.

25  
26 **A. PUBLIC HEARING**

27 The Public Hearing was opened at 6:52 p.m.

28  
29 Mr. Earl Thomas (1287 N. East Hills Dr.) – thanked the Council for the considerations they  
30 give to expenditures but asked them to please think about how each expense impacts the many  
31 senior citizens who are on fixed incomes in this community.

32  
33 Mr. Jeremy Barlow (851 Canyon Crest Dr.) – thanked the Council for their efforts and the  
34 staff for their presentations, and said he was excited the Parks Department will be receiving  
35 much-needed help. He asked how the proposed tax increase is different than the general  
36 election bond that was recently passed.

37  
38 Mr. Tom Hardy (3290 S. Sunset Hollow Dr.) – said that while he was City Manager of  
39 Bountiful, they did not raise property taxes because other revenue sources were growing  
40 enough to cover the rising costs of operations. He feels the City should not need a tax increase  
41 now due to the fact that sales revenue has grown 67% in the last eight years. He also said that  
42 the tentative budget in June included the three new full-time employees and was a balanced  
43 budget, showing that a tax increase is not needed to fund those positions. He said the City will  
44 have sufficient Capital Project Fund reserves without the tax increase. He said with the tax  
45 rate increase in 2018, the bond that was recently passed and this new proposed increase are

1 added together, it will be a 70% increase in the past five years. He also mentioned how the  
2 Fire District's tax rate increases affect our bills.  
3  
4

5 Ms. Stephanie Humphry (847 Chelsea Dr.) – asked why the City did not adjust for the cost of  
6 inflation for 23 years. She said she does not understand why the City would go more than five  
7 years without evaluating it and making adjustments instead of proposing such a large jump  
8 now.  
9

10 Mr. Sergay Liston - said that his income went up only 1.6% last year, and he is wondering  
11 how he is supposed to pay for this increase.  
12

13 Mr. Jeremy Jeppson (1343 S. 425 West) – said that he believes that once elected officials take  
14 office they often stop listening to the will of the people, and that results in taxation without  
15 representation. He mentioned the remodeling of City Hall as an example of this. He spoke  
16 about how inflation has affected his ability to provide for his family and how the proposed  
17 increases from the Fire District, the School District, the Sewer District and the City will end  
18 up costing him \$412 a year. He stated that taxes are regressive, and it makes paying them  
19 harder for someone in his situation. He asked the Council to not raise taxes. He cautioned the  
20 City that if they buy more than they can afford, they need to liquidate something.  
21

22 Mr. Ted Woolley (1750 S. 1300 East) – spoke about the additional payments and fees that are  
23 not taxes, but that residents are paying to the City; the streetlight charge, the customer charge  
24 on the power bill and a portion of the Dominion Gas bill. He wonders if they are all added up  
25 if the City's rates really are the lowest. He feels that the costs of remodeling City Hall and of  
26 building Town Square were excessive and now the residents will have to pay for that. He  
27 suggested the Parks Department should hire seasonal employees instead of hiring more full-  
28 timers. He mentioned the pandemic and how many people have lost jobs and that it will be  
29 very hard for a lot of people who are on fixed incomes. He said his taxes will go up \$520 a  
30 year.  
31

32 Mr. David Taylor (861 E Fairway Dr.) – asked why there was no discussion about the  
33 depletion of reserves while the City chose to bond for the purchase of Washington  
34 Elementary. He said the City should be ashamed of watching this “trend” and doing nothing  
35 about it.  
36

37 Mr. Kurt Kost (1144 Sunset Hollow Dr.) – asked why the need to increase taxes for inflation  
38 when sales taxes should be increasing to match inflation. He suggested the City have an  
39 outside consultant come in to look at where the City could be more efficient in its operations  
40 and where it could save money. He also echoed Mr. Hardy's comments.  
41

42 Ms. Carrie Callister (2175 S. Carolyn Way) – mentioned her 90-year-old neighbor who is on a  
43 fixed income and said that property taxes are immoral. She said that when inflation hits her  
44 budget, she has to find ways to cut her expenditures. She suggested the City get creative in  
45 cutting costs and said that they could use volunteers for many things. She said the people of  
46 Bountiful would rather give their time than the money they do not have.

1  
2 Mr. Seth Wright (3413 S. 100 East) – said that at a public meeting in 2019 it seemed like the  
3 Council had reached a consensus to hold public meetings about taxes annually, and he asked  
4 if they would consider doing that. He hopes there will be a continuation of this type of tax  
5 transparency and engagement with residents.  
6

7 Mr. Alex Densley (443 Jeri Dr.) – quoted C.S. Lewis, “you can’t go back and change the  
8 beginning, but you can start where you are and change the ending.” He explained that he met  
9 with Mr. Beck earlier that week to gain a better understanding of the finances of the City and  
10 learned that the Washington Park/Trails bond has not been issued yet. He suggested, because  
11 the Council wants to remain a pay-as-you-go entity, the bond not be issued and simply use  
12 City funds to complete that property instead. He believes the City should pay-as-we-go with  
13 all future projects as well.  
14

15 Mr. Shehan Jaro (1029 Beverly Way) – said he also met with Mr. Beck to look at the models  
16 that are being used to inform the tax increase decision. He said he feels it is all a matter of  
17 interpretation. He said that the \$4.5M projected average yearly spending is derived from  
18 outlier years where a lot more than usual is spent. He asked why the Council approved a  
19 tentative budget that shows a certain amount of spending from the Capital Projects Fund, but  
20 then the projections show that the City will be \$6M over our budget. He commented on the  
21 comparative city analysis for reserves and pointed out that Lehi has a much smaller  
22 percentage of reserves compared to their General Fund balance, which tells him that the City  
23 should not be afraid to wait and see what trend line it is really on and if an increase is really  
24 needed.  
25

26 Mr. Steve Hadden (1821 S. Oakmont Dr.) – thanked staff for the open house that was held to  
27 explain the tax increase. He suggested hiring seasonal employees for the Parks Department  
28 instead of full-time employees. He suggested outsourcing IT projects instead of hiring another  
29 IT employee. He suggested the City adopt the slogan “Slow the Go” and stop making big  
30 capital expenditures until they have saved the money for them. He pointed out that in the May  
31 11 staff report about the proposed increase it was stated that incremental tax increases are  
32 better than one large increase and proposed three different models. He suggested more  
33 meetings like this be held earlier in the budgetary process so staff can get input from the  
34 stakeholders.  
35

36 Ms. Deborah Brown (33 E. 2750 South) – explained that she was expecting to retire this year,  
37 but now she is thinking she will have to continue to supplement their income due to her  
38 husband’s high health costs. She feels the percentage of senior citizens in the City should  
39 have a strong bearing on the Council’s decision. She also supported the idea of using more  
40 volunteers to save money.  
41

42 Mr. Mark Callister (2175 S. Carolyn Way) – said that he has not heard a list of other revenue  
43 sources that the City has looked at instead of property taxes. He asked staff to please tell  
44 more about other revenue streams considered and if all possibilities were exhausted.  
45

1 Ms. Lauren Carlson (1163 E. 1900 South) – said that she works with many low-income  
2 families, and she sees their struggle to pay rent. This tax increase will force landlords to raise  
3 rent and it will hurt those who cannot afford it.  
4

5 Mr. Scott Freckleton (510 E. 2050 South) – asked about the disparity in “Unrestricted Fund  
6 Balance” amounts between the management report and the budget. One shows around \$30M  
7 and the other shows \$87M. He asked about the \$3.2M in CARES Act money and how it was  
8 spent. He said he is not sure, due to the pandemic and the hardships people have endured this  
9 past year, that this is the right time to have a tax increase.  
10

11 Mr. Kort Delost (310 S. 750 East) – asked that the Council please be cognizant of how much  
12 this hurts our senior citizens and realize that this is not the right year to increase taxes. He  
13 feels a lot of people have had their taxes spent on projects that they will never use. He  
14 suggested we put more money into the Police Department.  
15

16 Mr. Bob Lindsay (3187 S. 200 East) – spoke about the heritage of hard work and frugality he  
17 was left from his father. He said that his professional career with the Department of Defense  
18 required them to play a zero-sum game. He said they would regularly do a 10% cut exercise  
19 and go through the process of deciding what would be cut if needed. He believes the City has  
20 not done a good job on this. He asked the staff to please comment on the relationship of the  
21 RDA Fund and the Capital Project Fund and explain fund transfers. He suggested that less  
22 could be spent on the Washington Elementary project to save money.  
23

24 Mr. Ron Brown (33 E. 2750 South) – suggested that the City devote more of the budget to the  
25 Police Department instead of people pulling weeds. He commented that there are only three-  
26 five guys on a graveyard shift at any given time and there was a shooting by my house. He  
27 wants to see the law enforcement budget increased.  
28

29 Ms. Claudia Lindeburg (2057 S. Penman Lane) – said the City should consider not purchasing  
30 Washington Elementary and commented on the high salaries of the City Manager and the  
31 Assistant City Manager.  
32

33 The Public Hearing was closed at 7:52 p.m.  
34

35 **B. ACTION**

36 The Mayor suggested a short break for everyone at 7:53 p.m.

37 The meeting was resumed at 8:00 p.m.

38 Mr. Hill, Mr. Beck and Mr. Rasmussen answered some of the public comment questions that  
39 were asked and then turned the time over for the Council discussion.

40 Councilman Higginson said that the \$4.5M amount used in the projections was derived from  
41 looking back at capital expenditures, and while he sincerely hopes it will not be that much, it is a  
42 more accurate prediction. He said that they have not raised taxes in 18 years partly because these  
43 meetings are painful, but also because the Council and staff do not want tax increases, just like you.  
44 He said he believes the reserves policy will save money in many different ways, and that they are not  
45 trying to tax the residents just to tax the residents.

1 Councilwoman Harris thanked the finance and management team for their hard work and said  
2 that she respects what they do but explained that reasonable people may disagree on the best course  
3 of action. She spoke about needs versus wants, saying that Bountiful is good at this in a lot of ways, it  
4 makes do with what it has, and the budget is combed through each year and is not taken lightly. She  
5 agrees that the City needs more Parks employees and another IT employee, but she disagrees that the  
6 reserves need to be replenished at this moment. She proposed a 11.25% increase to cover the cost of  
7 new employees and a 3.75% increase to cover the cost of inflation. She explained that because the  
8 trajectory line is only a guess and because future spending is somewhat in the City's control, that it  
9 should be analyzed annually but a large tax increase is not needed this year. She said she believes the  
10 City should focus on the current needs and then look at it annually to stay accurate.

11 Councilman Simonsen spoke about his grandfather, who was the Mayor of Brigham City,  
12 Utah, and who wrote in his journal about the difficulty of having to raise taxes. Councilman  
13 Simonsen agrees that it is a difficult thing to do but explained that they have spent time on the budget  
14 and that he knows it is the right thing to do for the well-being of the City.

15 Councilwoman Bradshaw recounted what happened during their last volunteer trails project,  
16 and explained that even with enthusiastic volunteers, at the end of the day the only people who do not  
17 get to go home when it gets hot and dirty are the staff. She explained that every single one of the  
18 Council has spent a lot of time in service to this City and on the budget. Most of the work done is not  
19 seen by the public. She said that she met with Mr. Tom Hardy last night to hear about his concerns, as  
20 did many other Councilmembers. She quoted Edmond Burke, "Your representative owes you, not his  
21 industry only, but his judgment." She said that after her hours spent on behalf of the residents in  
22 budget hearings, at the end of the day she has to apply her own judgement. She explained that this  
23 issue comes down to being a pay-as-you-go entity and keeping healthy reserves. She believes in the  
24 reserve fund and having planned capital improvements, but that one never knows what is coming and  
25 she is glad to have those reserves just in case.

26 Councilwoman Bahr said she is grateful that so many people are taking an active interest in  
27 City government. She said that she has learned a lot over the past year about the City's budget, and  
28 she knows that everything is analyzed line-by-line. She wishes that the budget meetings, which are  
29 open to the public, were this well-attended and that residents made a point of being more involved  
30 from the beginning. She responded to Councilwoman Harris' comments on "needs versus wants" by  
31 saying that those big projects were voted on and approved by every member of the Council, and it's  
32 unfortunate that when the time comes to pay for them the proven policies are discarded. She spoke  
33 about using volunteers, explaining that she managed volunteer programs in her professional career  
34 for many institutions, and said that it is really difficult to get even the most committed volunteers to  
35 stick to a schedule. She ended by saying that she knows this will be a burden on residents, and that is  
36 has been a hard decision, but she feels keeping the City in a good financial position is the responsible  
37 thing to do and she is going to trust the data and the experts.

38 Mayor Lewis wanted it to be known that he supports the increase and has no doubt that the  
39 City is doing the right thing with its reserve funds.

40 Councilman Higginson made a motion to approve Ordinance 2021-09 setting the property tax  
41 rate at the proposed 0.000967% and adopting the FY2021-2022 budget and Councilman Simonsen  
42 seconded the motion.

43 Councilwoman Harris said she would support a 15% tax increase but feels time is on the  
44 City's side and that we should not be afraid to wait and see if more is needed. Councilman Higginson  
45 said he did not want to push this decision off onto someone else down the road.


46 The motion passed with the following roll call vote:

1           Bahr           Aye  
2           Harris          Nay  
3           Simonsen       Aye  
4           Bradshaw       Aye  
5           Higginson      Aye  
6  
7

8    **ADJOURN**

9           Councilwoman Harris made a motion to adjourn the meeting and Councilman Higginson  
10          seconded the motion. The motion passed with Councilmembers Bahr, Bradshaw, Harris, Higginson  
11          and Simonsen voting “aye”.

12  
13           The regular session was adjourned at 9:03 p.m.  
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\_\_\_\_\_  
Mayor Pro Tem Chris R. Simonsen

  
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City Recorder