



**SPECIAL CLINTON CITY COUNCIL MEETING MINUTES  
CITY HALL  
2267 North 1500 W Clinton UT 84015**

**MAYOR  
Brandon Stanger**

**CITY COUNCIL MEMBERS  
Anna Stanton  
Dane Searle  
Marie Dougherty  
Gary Tyler  
J. Stark**

<b>Date of Meeting</b>	<b>August 9, 2023</b>	<b>Called to Order: 7:00 PM</b>
<b>Staff Present</b>	City Manager Dennis Cluff and Lisa Titensor recorded the minutes.	
<b>Attendees</b>	Recreation Director Brooke Mitchell, Fire Chief Dave Olsen, Police Chief Shawn Stoker, Engineer Bryce Wilcox, Eric Holzinger, Scott Parke, Christopher Danson, Chris Wilkinson, Patrick Szymanski, Marvin Brummett, Patrick Szymanski	
<b>Invocation Pledge of Allegiance</b>	Councilmember Tyler	
<b>Roll Call &amp; Attendance</b>	<b><i>Councilmember Dougherty, Councilmember Searle, Councilmember Stanton, Councilmember Stark, Councilmember Tyler</i></b>	
	<p>Mayor Stanger explained the tax process. The annual tax bill includes a tax line for Clinton City. The number is based on a tax rate. The rate is adjusted to reflect the previous year's tax rate unless an adjustment is made. Clinton is very fiscally responsible but because of the recession and inflation; costs for the City have significantly increased. The two main revenue sources for the City come through property taxes and sales tax.</p> <p>Until recently growth in the City has helped the City offset increases in fees. The growth has now started to decline. With the decline of the growth and the economy the City needs to make some changes. This is an ongoing problem; the City has subsidized increases in enterprise fund costs for many years through reserve funds.</p>	
<b>Public Input</b>	<p>Christopher Danson expressed appreciation for the City Council's willingness to serve. He does not agree that taxes need to be increased based on a deficit. The City does have surplus in all their budgets for the past 10 years. He understands there may be a need for an increase but would prefer for it to occur next year when there is a better picture of the actual impact of inflation.</p> <p>Patrick Szymanski expressed concern over a 40% tax increase in FY 2021-22. From business activities there appears to be a \$20,000 difference in expenses and revenues in 2021-22.</p> <p>Scott Parke stated he prefers smaller tax increases incrementally. He appreciates the efforts of the Council. He feels it is important to keep up on deferred maintenance.</p> <p>Mayor Stanger explained the tax increase in 2021-22 was due to the City starting a paramedic program. Davis County dissolved their program and in order to maintain this important service in the community, the City Fire Department established their own program. The increase previous to that in 2014 was strictly for road improvement projects.</p>	

	<p>Mr. Cluff explained the City has master plans for street projects. In conjunction with UDOT 1800 N and 2000 W will be widened over the next few years. The City has put money aside for projects but the costs continue to increase substantially and their will not be sufficient funds unless some changes are made.</p> <p>Utah State allows the City to maintain a maximum reserve fund up to 35% of the general fund and requires a minimum of 5%. These funds are for emergencies and special needs which are used strictly on an as need basis. The fiscal year is July 1 to June 30. Each year the City goes through a budget process and passes a final budget. Normally this occurs in June unless like in this case, the City goes through a tax increase process (Truth in Taxation, TNT). Clinton City has been in good financial shape for the past 29 years. The growth of the City and sales tax income from the commercial base has helped significantly. Other sources of revenue are limited. The main sources of revenue for the City are sales tax, property tax and franchise tax. Each year the budget has been established very conservatively. Growth and commercial sales tax have helped the City offset some of the tremendous costs it takes to run the City. Recently, inflation has required the City to use some of the reserve funds to help offset expenses. Due to inflation the City is not able to set aside funds in the reserve accounts as it has in the past to fund upcoming projects and/or to prepare for possible emergencies.</p>
<p><b>A. 7 PM PUBLIC HEARING - TRUTH IN TAXATION HEARING PERTAINING TO PROPOSED CITY PROPERTY TAX INCREASE FOR FISCAL YEAR 2023-24</b></p>	
<p><b>Petitioner</b></p>	<p>Dennis Cluff</p>
<p><b>Discussion</b></p>	<p>Mayor Stanger opened the public hearing a 7:31 pm.</p> <p>He explained the City is proposing to increase the City Property Tax rate by 0.000078, which will generate approximately \$142,785 in new property tax revenue starting this tax year. This increase will amount to \$18.57 per year (\$1.55 per month) for a residence currently valued at \$433,000 and \$33.78 per year for a business valued at \$433,000. This City property tax increase amounts to a 5% increase.</p> <p>Although this is a rather small increase as compared to the current inflationary cost of providing city services to the public, it will assist in decreasing the impact of inflation.</p> <p>With no additional public comment, the public hearing was closed at 7:34 pm.</p> <p>Councilmember Stark stated he is a new member of the Council. This is a difficult decision. The needs and wants of the City need to be evaluated based on both the citizen’s needs and the City’s needs. He has been very impressed with the commitment of the Council to make decisions based on what is in the best interest of the City as a whole.</p> <p>He has been very impressed with the fiscal conservancy of the budget. While the budget is balanced, it is very tight. Decisions are made from a very fiscally conservative perspective. Some needs have been postponed. It is time that some of those needs be addressed.</p> <p>Councilmember Dougherty agreed that budget and revenue issues need to be faced. Since being a member of the City Council she has been impressed with staff and the City Manager managing the City funds in a very conservative way.</p> <p>In regards to the public comments, she clarified there is no surplus, the budget is balanced and certain funds are restricted for specific uses.</p>

She acknowledged that the State allowing a 35% of the general fund reserve balance is a benefit. She appreciates the fact that the City currently has approximately 25%. The city also has no debt which is a huge benefit.

Inflation needs to be a consideration as well as needed projects. She would like to remain clear eyed going forward to accomplish revenue goals for the City. She agrees there needs to be a tax increase but does not think it should be this year. There will be changes coming in the next year that will require an increase. The City will need to hire more police officers. In addition, a new city manager will be hired which will cause some reorganization and adjustments within personnel.

She is not in favor of small incremental tax increases; she prefers the mentality of building the budget and being conservative.

Enterprise funds are a different issue; they are run as a business. Small incremental increases are necessary for these funds in order to cover the operational costs.

Due to the fact that Clinton has a balanced budget and maintains a healthy fund balance in addition to the city having no debt, she cannot support a tax increase at this time. Based on her analysis of the budget for FY 2023-24, raising fees for the enterprise funds is necessary however she does not feel it is appropriate to also raise taxes this year.

Councilmember Searle expressed appreciation for the public comments. He feels it is important to separate his opinion as a citizen from that as a member of the City Council.

As a CFO he reviews budgets regularly. He feels that overestimating expenses and underestimating income is a good way to budget. In his review of the budget, he estimates a 39% increase in costs to the City over the past three years and a decrease of approximately 10% in revenue.

Fees for enterprise funds did need to be raised because the City has been subsidizing these funds for many years. He also feels that a larger tax increase is necessary. It is the City Council's responsibility to maintain the positive fiscal trend of the City.

Councilmember Stanton stated she has served on the Council for the past 20 years. The economy has changed significantly over the years. There are needs and wants to consider but she feels that more research into these individual accounts needs to be done to determine how much is actually needed.

She feels that planning is important and specific projects should be identified before increasing taxing. She is in support of holding off on a tax increase until next year. She feels raising the enterprise fund fees is enough for this year.

Councilmember Tyler explained there is so much that goes into a city budget; public health, welfare, safety, roads, etc. The City is very fiscally responsible and does live within their budget, but unfortunately costs have increased so significantly; the City spends within their budget but can only do a portion of what they used to could do with funds they have available. The number and scope of projects cannot be kept up on with current budgets. Without an increase, the services provided by the City will need to decrease in order to maintain a balanced budget. The current standard of living and maintenance need to be maintained and can only be done by increasing revenue.

	<p>Mayor Stanger stated he does not feel that taking from reserve funds to cover expenses is a balanced budget. The cost of living increases for employees and substantial increases in costs for projects, equipment and services need to be addressed. It is important for the enterprise funds to support themselves and those fees have now been addressed. He feels it is necessary for the City to have reserve funds to prepare for the future and a tax increase is also necessary. He feels that incremental increases are easier for the citizens to adjust to. He would have preferred to see the taxes and fees addressed incrementally over the years.</p> <p>Councilmember Stanton said there is something to say about the great fiscal condition the City is currently in. The City Departments are fiscally conservative and they balance their needs and wants. Preventative maintenance practices have been and continue to be implemented.</p> <p>Councilmember Dougherty said she agrees this is a complex issue. She clarified that regarding the Police and Fire Departments, the Police have been fortunate to maintain their personnel over the last two years, however the Fire Department has struggled due to a state wide issue in that industry. The City has been able to address this and is working to implement programs to keep them competitive.</p> <p>She does not feel that tonight’s increase will mean that an increase won’t be needed next year. She feels that due to the administrative changes coming up with hiring a new City Manager, it may need to be a substantial increase.</p> <p>She referred to a recent increase from \$21 to \$26 in fees from the Davis and Weber Counties Canal Company and pointed out that it calculates out that increasing the fee by \$5 at once actually costs the residents less than they would have paid if the fee had been increased incrementally.</p> <p>She pointed out that it is a common practice for cities to use reserve funds when needed. She agrees with Councilmember Stanton that the City should seriously consider specific needs for a future tax increase.</p> <p>Mayor Stanger explained that budget amendments occur regularly. Although the City does have reserve funds, they have been being depleted over the past several years. He feels that increasing taxes is the responsible thing to do.</p>
<p><b>CONCLUSION</b></p>	<p><i>Councilmember Tyler moved to approve the 0.000078 increase in the City Property Tax Rate which sets the new Tax Rate at 0.001632. Councilmember Searle seconded the motion. Voting by roll call is as follows: Councilmember Dougherty, no; Councilmember Searle, aye; Councilmember Stanton, no; Councilmember Stark, aye; Councilmember Tyler, aye. The motion passed 3 to 2.</i></p>
<p><b>B. 7 PM PUBLIC HEARING - RESOLUTION 13-23, CERTIFICATION OF TAX RATE AND ADOPTION OF FINAL BUDGET FOR FISCAL YEAR 2023-24</b></p>	
<p><b>Petitioner</b></p>	<p>Dennis Cluff</p>
<p><b>Discussion</b></p>	<p>The FY23-24 Final Budget is very similar to the Tentative Budget except for the inclusion of the \$142,785 increase in Property Tax funding. The sales tax total will be offset by the Property Tax increase to maintain fund equity.</p> <p>The Resolution provides for the approval of the Final FY 23-24 budget and the new Tax Rate certification.</p> <p>Mayor Stanger opened the public hearing at 8:17 pm.</p> <p>Marvin Brummett stated he has lived in Clinton for a very long time. He is on a fixed income; he appreciates the service of the City Council but he cannot afford</p>

	<p>higher taxes.</p> <p>With no further public comment, Mayor Stanger closed the public hearing.</p> <p>Councilmember Dougherty explained Davis County has programs in place to assist citizens with tax issues.</p>
<b>CONCLUSION</b>	<p><i>Councilmember Searle moved to adopt Resolution 13-23, Certifying a Tax Rate of .001632 for Fiscal Year 2023-24, and Adopt the Final Budget for Fiscal Year 2023-24. Councilmember Stark seconded the motion. Voting by roll call is as follows: Councilmember Dougherty, aye; Councilmember Searle, aye; Councilmember Stanton, aye; Councilmember Stark, aye; Councilmember Tyler, aye.</i></p>
<b>ADJOURNMENT</b>	<p><i>Councilmember Stanton moved to adjourn. Councilmember Tyler seconded the motion. Councilmembers Searle, Stanton and Tyler voted in favor of the motion. The meeting adjourned at 8:22 pm.</i></p>

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**Lisa Titensor, Clinton City Recorder**