

**ALPINE CITY
TRUTH IN TAXATION HEARING
August 16, 2011**

I. THE TRUTH IN TAXATION HEARING was called to order at 7:00 pm by Mayor Hunt Willoughby. The following Council members were present and constituted a quorum:

A. Roll Call

Mayor Hunt Willoughby

Council Members: Jim Tracy, Bradley Reneer, Kimberly Bryant, Kent Hastings, Troy Stout

Staff: Rich Nelson, Charmayne Warnock, Shane Sorensen, Annalisa Beck, Jay Healey, Jannicke Brewer, Fire/EMT Chief Brad Freeman, Police Chief Kip Botkin

Others: Fred Roberts, Mark Wilkinson, Richard James, Royce VanTassel, Newell Whitney, Suzanne H. Tyler, Steve Hansen, Kathleen M. Rasmussen, Ronald W. Rasmussen, Ken Potter, David Warwick, Doug & Kristin Malm, Mel Clement, Michael Porter, Will Jones, Dan Walters, Dustin David, Clark & Christy Parker, Chuck Castleton, Bret Skousen, Terry Pierce, Jennifer (illegible last name), Peyton Hathorne, Jason Kuhn, Denise Keller, Brandt Godwin, Stuart Nash, LaRue Nash, Ed Gord, Les Pardew, Stephanie Gunn, Gayle Palmer, John Winkler, Edward Ham, Lynn Justice, Kerry Smith, Dana Beck, Rebecca Peterson, Steve Swanson, Kay Lindow, Don Watkins, Jason Kuhn.

B. Prayer:

Bradley Reneer

C. Pledge of Allegiance:

Brad Freeman

Mayor Willoughby said the Council was looking at a property tax increase for Alpine City. Copies of the proposed budget were available on the table outside the door for those who wanted to review it. He said the City Administrator Rich Nelson would give a presentation and then they would hear briefly from Police Chief Kip Botkin and Fire Chief/EMS Director Brad Freeman. The Council would then take comments from the public. Mayor Willoughby asked the people to use the microphone and state their name for the record. At the close of the hearing, the Council would have a discussion. He said he was pleased to see so many people present and asked them to please be respectful of each other's comments.

II. PRESENTATION ON PROPOSED PROPERTY TAX INCREASE

Rich Nelson said the property tax increase would give Alpine City an additional \$232,433 in revenue which would be a 44.66% increase over the previous year. On a home valued at \$410,000 it would increase the property tax by \$133.50 a year or \$11.12 a month. Alpine City received 15% of the total property tax dollars the residents paid.

Mr. Nelson said the reasons for increasing taxes were:

1. **Lack of collection of late property taxes that were paid.** The state laws had changed and cities were required to hold a truth in taxation hearing in order to collect property taxes that were paid late (also called redemption taxes). Last year Alpine chose not hold a truth in taxation hearing to collect those late or redemption taxes which resulted in a loss of \$50,000.

2. **To add one police officer.** Alpine's share would \$28,546. That would increase the number of sworn officers from 18 to 19. Twenty officers would be needed if the citizens wanted to have two officers on duty 24 hours a day, seven days a week with one in Alpine and one in Highland.

3. **Termination of the SAFER Grant.** This was a federal grant that paid for additional safety personnel and it had expired. The City had signed on several years ago to hire nine new officers. The first year the grant paid 100%. The next year it paid 80%, then decreased annually by 20% each year. This year the grant paid zero. This was a revenue loss of \$43,000.

4. **Loss of transport revenue.** The Lone Peak Fire/EMT used to provide critical care transport for the American Fork Hospital. The hospital had chosen to go with the American Fork Fire Department which resulted in a revenue loss of \$96,000.

5. **To provide adequate coverage to the Lone Peak Public Safety District area.** Alpine's share would be \$116,000.

Rich Nelson then presented slides that showed the budget process that City Council went through and also showed graphically a comparison of Alpine's tax rate with other cities in Utah County. Alpine's tax rate for 2010 was 0.001226. For 2011 it would be 0.001870. Alpine would be the 8th lowest out of 23 cities with Genola having the lowest tax rate and Mapleton having the highest. The graph also showed the property tax for the average home in Alpine compared to the average homes in other cities in Utah County. The average home value in Alpine was higher than the average home values in other communities in Utah County with the exception of Vineyard.

Rich Nelson showed Alpine's share to fund the increased fire/EMT service which was \$220,266 and Alpine's share to fund extra police service which was \$28,541. There was a reduction of \$16,374 in the total cost which came from reduced dispatch fees when they changed the funding formula. It brought the total to \$232,433 to fund the Lone Peak PSD. The percent increase from the previous year was 44.66%.

Police Chief Kip Botkin explained the staffing in the police department. He said that 20 police officers would be the optimum number because it allowed them to schedule one officer in Alpine and one officer in Highland at all times. He reviewed in detail the difference between the staffing with 20 officers as opposed to 18 officers. In 2007 they had 20 sworn officers but with the economic downturn they were reduced to 18 officers. The proposed budget would provide for 19 officers with the possibility of 20 based on revenue from both cities. The schedule that provided for at least one officer in Alpine and one in Highland at all times did not include vacation or sick time for the officers.

Fire Chief Brad Freeman said that the fire/EMS department had decreases to their revenue that unfortunately hit all at the same time. They were: 1) the termination of the SAFER grant; 2) loss of the critical care transport revenue. He clarified that they didn't lose transport revenue simply because American Fork Hospital choose to start using the American Fork Fire Department. For eight years Lone Peak PSD was the only agency in North Utah County that had paramedics qualified for critical care transport but when American Fork Fire Department upgraded their qualifications, the hospital was bound by law to start using the closer service for transfers.

Chief Freeman said Alpine's share of their budget increased from \$466,314 to \$681,671 based on four issues: 1) loss of federal grant in the amount of \$43,000; 2) loss of transfer revenue in the amount of \$96,000; 3) fixed costs such as fuel and insurance increased in the amount of \$18,000; 4) providing adequate coverage for the district by putting paramedics in Cedar Hills and adding two officers to the Alpine fire station for a cost of \$116,000. The staff in Alpine consisted of one full-time firefighter aided by two part-time paramedics and one on-call firefighter. Mr. Freeman said reductions in cost had been made by cutting one person out of administration and giving no raises or COLA increases. He stressed that a quick response time was critical for success in medical calls because the brain began to die without oxygen in four to six minutes. That was why they needed to locate paramedics/firefighters in Cedar Hills.

Rich Nelson asked the Council if they had any questions for police or fire.

Kimberly Bryant asked about the house in Cedar Hills that was lost in a fire. She said she understood that, although a fire department was nearby, it was not adequately staffed and that was why they lost the house, but the new budget would provide adequate staffing in Cedar Hills as well as Highland.

Brad Freeman said they were trying to provide adequate staffing in each of the three fire stations so each station could handle a critical call. He said they had four fire calls the other night in their district, but American Fork and Lehi were both busy. The Lone Peak Safety District was on its own. With adequate staffing in all three stations, if one station was taking someone to the hospital, the other two stations could cover any calls.

Mayor Hunt Willoughby opened the hearing to public comment, asking that they use the microphone and state their name for the record.

III. PUBLIC COMMENT

Terry Pierce said he had been a volunteer on the Elkridge fire department which was backed up by Payson. Half the time Payson would beat them to the fire because they had firefighters stationed at the firehouse. It made a big difference to have a staffed fire station. He asked why there was such a big difference between the tax charged to Alpine and Cedar Hills and Highland as shown on page 6 because it cost about the same amount to fight a fire.

Annalisa Beck said page 6 compared the 2010 certified tax rate to the 2011. The shorter line was last year and the longer line was this year. The new tax rate would bring Alpine's rate closer to where Highland and Cedar Hill's tax rates already were. She directed him to page 9 which showed the average home value per city, and the total tax paid if the proposed tax rate was adopted. Alpine would pay \$433.57 on the average home in Alpine. Highland would pay \$414.67 and Cedar Hills would pay \$443.47, which was comparable. In addition, those cities had more sales tax revenue than Alpine. Alpine's valuation for the average home was higher than any of the cities except for Vineyard, but Alpine didn't pay the most property tax because the rate was lower. She explained that, in order to keep revenue even, when property valuations went down the tax rate went up, and when property valuations went up the tax rate went down.

Brad Freeman explained how the cities were assessed their share of the budget. Each city's share of the fire budget was based on property values and Cedar Hills' property values were lower than either Alpine or Highland so their share was less. The EMS budget was based on population. Highland paid the most because they had the highest population. He said the Lone Peak Public Safety Board was looking at different ways to assess the cities.

Rich Nelson said that Cedar Hills didn't raise taxes because they chose to put a fee on services and collect revenue that way. Highland decreased services in areas like road maintenance in order to fund increased costs in the PSD.

In response to a question from Terry Pierce about whether Highland was the only city that had a full four-man crew in the fire station, Brad Freeman said that after July 1st, the District had implemented the proposed budget and all three cities had four men in their fire station.

Kimberly Bryant pointed out that some people may not want to help fund a full crew in another city, but even if you lived in Alpine, you could be in an accident in Cedar Hills and would want to have them to be staffed with qualified people.

Steve Swanson said he was grateful for the work the public safety department did and they did have a very good response time as he'd learned when he had an incident at his home. And \$11 a month wasn't much more than what he paid for garbage service. However, he was concerned about how Alpine's fees were assessed. It should be based on the service, not the value of the home. By using home values to assess each city's share, Alpine could conceivably become a grantor of services in the whole district since Alpine's home values were higher. And yet it cost the same amount to fight a fire in one city as in another.

Rich Nelson said the Board was looking at how the assessments were made and whether there was a more fair way to do it.

Suzanne Tyler said she wondered how the costs would escalate in coming years. Older citizens on a fixed income could be taxed out of Alpine. She asked if it was not time to stop being so exclusive so Alpine was not just for the wealthy. Could they have some business and commercial? They needed to consider the lower income people in the community.

Denise Keller said she had lived in Alpine for five years and hadn't been as involved as she should have been, but had been very involved in her previous community. She said she was concerned because the property taxes increased every year and yet the property values went down. In reference to Kent Hastings' article in the *Newsline* where he said that Alpine paid \$270, Highland paid \$256, and Cedar Hills paid \$195. The per capita cost was \$71 for Alpine, Highland paid \$61 and Cedar Hills paid \$49, she wanted to know where those figures came from and what they meant because it was a significant difference.

Kent Hastings said those figures came from the Lone Peak PSD. They took the total budget that the city paid and divided it by the number of households in the city. Then to get the per capita amount, they divided it by the population. Rich Nelson said it was also based on property values and Alpine had more expensive house.

Mayor Willoughby clarified that the fire assessment was based on property values. The EMS assessment was based on population. The assessments would be discussed at the next board meeting to decide if that was fair. That's the way it was calculated when the district was formed but since that time there had been a boom in population. At present the PSD Board consisted of two representatives from Alpine, two from Highland, and one from Cedar Hills. The representation would also be considered. The meeting was on August 25th at 7 am in Highland.

Kent Hastings said that when there was a fire, all the units responded. It cost the same to fight a fire in a big home in Alpine or in Cedar Hills because all the units responded.

Annalisa Beck said Brad Freeman had handed her some information that said Alpine paid 35.28% of the fire budget, Highland paid 44.95%, and Cedar Hills paid 19.77%. It was based on property values. For EMS, Alpine paid 27.4%, Highland paid 44.51%, Cedar Hills paid 28.09%, and that was based on population.

Lynn Justice said she had lived in Alpine for 20 years and she was confused about some of the graphs and information. Annalisa Beck explained how they arrived at the numbers. Lynn Justice said she had done her own calculations and wondered why her numbers didn't correspond with Alpine's numbers. There was a lengthy discussion about the numbers and the methods by which they were obtained. Rich Nelson suggested that Ms. Justice come into Alpine City Hall the next day when they had more time and they could review it in detail.

Ms. Justice said she would do that. She went on to ask about salaries, noting that the city administrator made a handsome salary. She asked if Alpine employees made more money because they were in Alpine. Kimberly Bryant said no.

Mayor Willoughby said that when they hired someone they did market comparison for cities of comparable size and tried to pay a competitive wage. It was neither way above or below. Alpine didn't pay more because they were Alpine. It had been three years since the employees had even a cost-of-living increase (COLA).

Lynn Justice said that according to her calculations, Alpine was shooting beyond what they would actually need. Annalisa Beck said the county projected revenue based on past trends. The City tried to budget realistically.

Rich Nelson said Alpine's share of the total property tax that was paid was about 15%. Alpine School District got about 70%. Ms. Justice asked if they were voting on the budget that night and was told that they were.

Kimberly Bryant said she appreciated the people coming to the hearing. It was exciting to see a roomful of people. She said that she lived in a modest home and her mother lived in Alpine on a fixed income. Raising taxes was one of the things that haunted them. They didn't want to tax anyone out of the city. But if someone had a stroke or an accident at the intersection, they wouldn't want the EMTs to say they couldn't come because they were on another call. The tax increase was not to fund a park. The increase was so that they could have more than one officer on duty at night. She said the Council had gone over the budget and over the budget, cutting every possible thing. They even cut the Christmas party. They were only raising taxes for basic services. They wanted the firefighters and EMTs and police to come to the people's homes if they needed them. The park was funded by other sources and did not take away from services. Later in the meeting Shane Sorensen explained that the new park was funded by impact fees that by law could only be used for parks.

Richard James said he lived on Ranch Drive. He complimented the fire and police on their presentation and said he was thankful for the people that came to their aid. In life-threatening situations, minutes counted. He recounted a story in another community where a woman called 911 but the officers were on another call. When they got there, the woman was dead. In another case in the bay area the paramedics didn't have proper training to save someone in the water and everyone watched a man drown. He said he wanted the paramedics to be at his home when he needed them. People in a neighborhood had recently attended a meeting complaining that the police were too busy to investigate theft from their garages. That was not acceptable. The method historically used to pay for public safety was taxation based on property values. It was an attempt to try and make the cost of the services fair for people who

were not as well off. However the method they used was up to the city. Mr. James said that it was not about money. It was about service and the best way to pay for it. He asked how they could not give the safety personnel a salary increase in three years. Those people deserved better. They would be the ones that saved your life.

Referring to the theft from garages, Mayor Willoughby said that later information revealed that the people had not actually reported the crimes to the police until well after the fact. Nevertheless, the police had investigated and he said they had recently solved crimes related to two major theft rings.

Don Watkins said he wanted to look at both sides of the issues. On the one side he loved the public safety and would pay every dime he had for them to help his children. On the other hand, he was looking at the people who couldn't pay the taxes and had to move out. Historically the Alpine City Council had been extremely conservative. The taxes hadn't been increased in years. He noted that Highland had a higher tax rate even with their commercial. That was probably because the level of services in the two cities were different except in the area of public safety, and they wouldn't compromise on that. He recalled an instance when he first moved to Alpine and waited with a neighbor for 20 minutes for the volunteer EMTs to get there. That was an agonizing and unacceptable wait. Mr. Watkins said that he was sorry for the tax increase especially for those on fixed incomes. He suggested they look at the Highland Taj Mahal public safety building which Alpine was subsidizing. He said the problem was when they were subsidized five years ago by the grant, and that went away. In spite of that, Alpine still had one of the lowest tax rates in the county.

Chuck Castleton complimented the Council on keeping the tax rates low. The citizens received excellent service for the taxes they paid. He'd had a medical emergency at his home; the safety district responded very quickly and were very professional. He said he appreciated it and didn't mind paying for it. He had a question about process. Was the budget for the 2012 fiscal year that began July 1st already in place?

Rich Nelson said it was. He explained that the Council had passed the tentative budget but it did not have the expenditures for this service in it. If the Council voted no, they would have to take money out of reserves or make cuts in service since the District had already implemented the program. The Truth in Taxation Hearing was to make sure the residents understood there was going to be a tax increase and they could come and see what was going on.

Annalisa Beck said it was also done that way so residents would get their tax notice before the hearing and know what was going on.

Mr. Castleton said it struck him as slightly odd that they were having the hearing when they were already living under the new budget.

Payton Hathorne said it frustrated her to hear people say the budget was being decided that evening because the Council had been working on it since February. She had tried really hard to get citizens to the hearings all during the process. She said Alpine's whole budget was nothing compared to what she had paid in California. Alpine had the lowest taxes of any of the places she had lived. She said people didn't realize how much the fire chief had already cut from the fire department budget. She'd told her husband she would quit diet Coke in order to pay the extra taxes. She said that two years ago they'd lost their home because of the economy; she had to shut down her daycare business and her husband closed his construction business and went back to school. And yet this was important to them. Her mother had a stroke and if the EMS hadn't gotten there in time she could have died. She appreciated the quick response. She said that fifteen years ago she had lived in Beverly Hills, California and had a tubal pregnancy. She hadn't known it at the time. She woke up at 4 am in immense pain and called 911. But they wouldn't be able to get there in time so she drove herself to the ER, having to pull over several times because of the pain. She said that was why she was passionate about adequate EMS service because she couldn't have children now. If she'd gotten to the hospital sooner, things might be different. She asked the Council to please pass the budget that night and do all they could do to protect themselves, their families, the firemen and policemen. They didn't know how much they might be risking for 8 to 12 dollar a month.

Bret Skousen said money was not the issue. He wanted to challenge everyone in the community to look at it as a business. He said the Council would all be fired if they were businessmen. Their answers were a little fuzzy. He said they needed really needed to push back. It was about fair share. If there wasn't the expertise in the city then they should get it. They should change the way they did things. They should fight back on paying the fair share. They

needed to run it like a business. The days of politics and public services were over. If they didn't run it as efficiently as they could, they would be in a world of hurt. The community was asleep at the wheel in his opinion. They would all be fired for not paying attention. Alpine's share was going up the most and something was wrong with that. He apologized for not being involved earlier on. If they didn't do something they would see those increases every year.

Troy Stout said some of Mr. Skousen's remarks bothered him and he would challenge him to be involved earlier in the process. He said he agreed with some of what he said but he wanted to defend the actions of this body and Alpine. The City had been extremely conservative in the past. They did not have extra money to put toward paying for expertise. A lot of the people were committed to the process and had committed a lot of personal time with almost no income. They had voted against an increase for themselves even though they hadn't had one in years, and were already paid less than any community in the surrounding area. They also paid their police and fire departments very conservatively. It was great for Mr. Skousen to call them on the carpet and that should happen because they served the people. At the same time, it would have been great to have more community involvement earlier on.

Mr. Skousen said that if they had really listened they would know he hadn't meant to criticize the Council. He took responsibility for not being involved later on. He also said that most of what he did, he did for free.

Kerry Smith said he'd heard a lot about getting involved earlier. He said he had tried to talk to a Council Member about safety issues in November, December, January and they had never responded to him or given him audience. He said that as he was reviewing the budget, he had a couple of concerns. One of the major goals was to keep the small town feel and maintain open space and have quality infrastructure. He said those were incongruent goals. They couldn't have the small town feel and quality infrastructure because they didn't have the taxes to support it. Also, he wanted to talk about the deficit in the past years. When the revenue decreased, they needed to decrease services. People needed to live within their means. He said he understood that questioning the need for safety was like questioning motherhood, but this was not the time to be increasing services. The city needed to live within its means and balance it with cost versus benefit.

Mr. Smith said he was also frustrated with the attitude and service of the policeman. He said he had hit a deer on Canyon Road and hauled it in. He waited 45 minutes and finally two policemen came and tried to decide what they could cite him for while he filled out the paperwork. Mayor Willoughby interjected and said the Lone Peak PSD didn't provide police service in Cedar Hills. That would be Pleasant Grove PD. Mr. Smith said he could give other examples in Alpine. On Saturday there were four police cars and an unmarked car that passed by him. There always seemed to be enough policemen around. He thought it was an attitude from the top down. He said in this environment a 44% tax increase was not responsible. People were losing jobs and homes, unable to pay utility bills. It was probably because they couldn't afford to pay the bill.

Mayor Willoughby apologized for whoever it was that didn't contact him. He said he had a phone, the people owned it, and told him to call him on it anytime.

Doug Malm said he had lived on Pfeifferhorn for a few years. He agreed that the timing of the tax increase wasn't good. He was a small business owner and had reduced his staff from five to two because the income wasn't coming in. He didn't go out and ask for more money from his clients. The government needed to learn that when things weren't all that great, you couldn't keep growing and adding services. He said it cost just as much to put out a fire in Cedar Hills as Alpine and Highland, granted a house in Alpine may be larger, but if everyone is going there it would be the same. Maybe they should revisit the formula used to calculate the costs. He asked how many officers they had in 2007 and what the budget was.

Chief Kip Botkin said they had 20 officers in 2007 and lost two officers and the police budget went down in those years. They were trying to get back to 20 by an incremental method.

Doug Malm said that from an emotional standpoint he could understand the increases. If he had a heart attack he'd like someone to be there. But from a business standpoint a 46% increase didn't make sense. He said he didn't think now was the time to be increasing services. He said he was new to the area and hadn't done his due diligence. Like most citizens he was lazy until he got irate enough to come and speak.

Mayor Willoughby said that to put things into perspective, Alpine's portion of the total property tax was 15 cents on a dollar. Alpine's 46% increase actually translated to a 6.9 cent increase on the dollar, not a 46 cent increase on the dollar.

Rebecca Peterson on Silver Lane said her husband had been unemployed for two years and underemployed before that because of the economic downturn. They were not in a position to increase taxes either, but they had a medically fragile person in their home. She said in February she was the second 911 call. Her son was not breathing. She did have some equipment in her home and some training and was able to start working on him. She said that when you're calling 911, you don't ever want to be told that the paramedics were on another call and you would have to wait. Fortunately there was another paramedic team in the area and they were able to work on her son. If you had a child that fell into a pool or someone had a heart attack, you probably wouldn't have the equipment or skills to help while you waited for the paramedics. You wouldn't want to wait for backup from Lehi. She said the people were the community's best resource and they deserved to have the help they needed.

Troy Stout said it had been mentioned that with foresight they could have avoided the tax increase of this size. Either they could have rejected the initial grant that allowed them to grow public safety in the first place, or recognizing that we were going to lose the grant, started tax increases earlier on. Ultimately they would have ended up in the same place.

Newell Whitney said he'd been in Alpine ten years. He asked about property tax comparison and if adding in the new tax wouldn't drop Alpine down by Mapleton. Annalisa Beck said Alpine was still ranked ninth in comparison to other cities when the proposed tax was added on. Mr. Whitby said that when the revenues went down, he understood that the county had the ability to raise taxes. He said he felt like it should be the reverse. When things were better economically should be the time to raise taxes.

Rich Nelson said Truth in Taxation worked both ways. It attempted to keep the revenue level. If you property valuation went down, the tax rate went up in order to keep the revenue level. If the property valuation went up, the tax rate went down.

Mr. Whitney said he had talked to people in Alpine who felt it was a bad time for a high increase in taxes. Businesses had to make reductions when the income went down. Government didn't seem to do that. He said he could afford the increase but some people couldn't. He said he also had a comment for the police chief. He said he didn't get stopped by the police very often and he appreciated them chasing the riffraff that came through town, but he didn't appreciate when they treated local people like criminals when they stopped them.

Royce VanTassle said he was the vice president of the Utah Taxpayers Association. He had worked with Rich Nelson when he was in Payson and appreciated his transparency. He said he'd been to a number of the Truth in Taxation hearings and Alpine was to be commended. They didn't have a rec center or a golf course. The public didn't need to be subsidized for their rounds of golf. However, a 46 percent tax increase was one of the largest increases in the state and they were very concerned. He said he appreciated that the Council had spent a great deal of time on the budget. He recommended that they be cognizant of unforeseen consequences. When they saw a large tax increase like this it was usually because there were budgeting problems in the past. Accepting the SAFER Grant without planning ahead would guarantee an evening like this. He said the Taxpayer Association worked closely with the state legislature to make sure they avoid this type of deficit.

Ken Potter said he had talked to Jim Tracy last year about why his taxes had gone up and was told that Alpine hadn't raised taxes but the county multiplier had gone up.

Kent Hastings said David Church had explained it by saying that the net tax revenue for the community remained neutral. But it may increase for some individuals and decrease for other depending on individual circumstances. So taxes may fluctuate individually but the tax revenue remained neutral overall.

Ken Potter said he was getting the feeling that the tax increase was a done deal. He said increased taxes would affect him on the business side as well as the property tax. They were in a cycle where property values were going down and yet taxes kept going up. He had been out of work for five months and in survival mode for the last two years. He said they needed to live within their means. If property values kept going down and the county multiplier kept going

up, they would end up taking their homes if they didn't pay the taxes. He asked if the city employees got a 5% salary increase. He didn't get a salary increase. It seemed like state and government employees had their benefits and got their increases.

Mayor Willoughby said city employees were evaluated each year. The state of Utah hadn't had a raise for five years.

Ken Potter said they were fortunate to stay on the same plain. He was bidding on jobs for only time and labor and still couldn't get a job. He was giving his equipment away. And it was getting worse. He asked how many more stations they would have to build or how many people they would hire if they wanted an ambulance at their place in two minutes or four minutes.

Troy Stout said he had struggled with this himself, but it seemed to him there was a big difference between garbage pickup and protection and safety. It had been implied that a quick response on fire and safety was an option, but to him it was not. He said there was a prioritized list of what was important for cities to provide.

Kay Lindow said he lived on 200 North. He said Rich Nelson had used the word "Reserves." He wanted to know how much money was in the city's reserve fund and if that could be used to soften the tax increase.

Annalisa Beck said they were using about \$10,000 from the reserve. That would leave them with \$120,000 in reserve which wouldn't be very much if something major came up. If they used all the reserve this year, when it was gone, it was gone.

In response to a question from Mr. Lindow about how money was put into the reserve fund, Mayor Willoughby said it went into the reserve fund if a project came in under budget.

Clark Parker said he lived at 1078 E. Round Mountain Drive. He asked if the whole rate increase was just for police and fire. The answer was yes. He asked why fire and police was always on the chopping block. He said there ought to be other areas to reduce. He asked where most of the calls happened, wondering if there were concentrated areas. He said he had no idea the fire and police were lacking because they did a great job.

Mel Clement said he lived on Sunset Drive. He appreciated the council and the mayor. He asked if there was an either/or. Could they adopt part of the budget increase? Was there any give in the budget?

Mayor Willoughby said they had the assessment from the Lone Peak Public Safety Board for police, fire and EMS. They needed to meet the assessment in whatever way they could and they chose to do it by raising taxes. They had gone through all the either/or to get to this point. They could look at cutting other services.

Kent Hastings said they could always go back to the board and say they couldn't afford this much.

Mel Clement said that some of the long time residents had been concerned as they saw the building going up in Highland, and saw our Alpine firehouse less active. Alpine seemed less in the loop. The mayor said that since July 1st it had been equally in the loop. They had the same staffing as the Highland station.

Troy Stout said that for the sake of argument, for a \$410,000 home, if they cut one of the firemen it would reduce the tax increase to \$85 a year.

Mayor Willoughby said he and Kent Hastings were looking at dropping the rent payments and having each city take care of their own building. Alpine's building was paid for.

Kent Hastings said Highland built what they wanted with no input from the board. They built a large complex but there weren't enough votes on the board to say they should limit their building size.

Brad Freeman said that when they brought their proposal to the board they cut \$325,000 off the budget by hiring interns and having a person on-call. Then they cut more by buying a used fire truck.

Newell Whitney asked how much the new park cost and where the funds came from.

Shane Sorensen said the park outside the cost of the land was 2.2 million dollars. A lot of it came from park impact fees which could only be used for parks. The land was paid for by park impact fees and the funds when Alpine's share of Schoolhouse Springs was sold to Lehi. Funds from impact fees could not be used for any other purpose.

Annalisa Beck said the only money from the general fund used in the park was the Class C road fund, and that could only be used on roads.

Ken Potter said that almost across the board there were increases in city salaries. Annalisa Beck said they had hired a new engineer and the increases he saw were not salary increases. Mr. Potter said that was his point. The government was hiring. Jim Tracy said it was a federal mandate. Mr. Potter said that was another thing that got him. They were growing the small governments just like the big one. Where did it end? The government or anyone that worked for the government, their job was protected. Their benefits and wages were going up. The wages of those who paid for it were not.

Dana Beck said he listened to a lot of neighbors and his heart went out to those who were struggling. He was in the same business as Ken Potter and it was just a little below terrible. He said he looked at page 6 and they were talking about the 46% tax increase. But it wasn't really 46%. You had to look at the red line and say thanks for where we've been for so long. You brought it up and Alpine was still lower compared to other towns. He said his second point was that a lot of it was based on property values which were higher in Alpine because Alpine was better than anywhere else. He said he had property in several towns and he got several tax notices and the property value of his farm was down from what it was last year. In order to maintain the revenue to pay for services, they had to increase the tax rate. He said that historically the property values went back up. He asked the Council to remember when they assessed the next tax levy to be careful when the land values went back up. He said they should vote for people who had a little bit of balance and common sense.

Kerry Smith said that he wanted to clarify for the record that the council member he was trying to contact that would not respond was not Kimberly Bryant.

Terry Pierce said they had five years of warning on the grant but how much warning did they have that the transport fees were going away. Brad Freeman said that in 2001 they were told they were going to take it away and then they didn't. They didn't know when it was going to happen.

Mayor Willoughby closed the hearing and called for a four-minute break in the meeting.

The meeting was resumed at 9:44 pm. Mayor Willoughby thanked the public for their civility in their comments. The Council would have a discussion and make a decision.

IV. COUNCIL DISCUSSION/FY2011-2011 BUDGET APPROVAL

Kent Hastings said he wanted to give some background on the public safety service. In the past they had four people at the Highland station 24/7 and two people at the Alpine station 24/7. Earlier in the year, Cedar Hill said they wanted to remodel their building and house fire and EMS in their building. So they added two people at the Cedar Hills station. With the addition of Cedar Hills, they could handle two EMS responses. Then when Brad Freeman came to the board meeting, his first proposal was to keep four people in Highland and keep two people in Alpine and add two more in Cedar Hills. In the current proposal they were looking having four people in each of the three stations. They were doubling the number of people they had last year. He said the Council's pivot point was at the meeting of March 22nd was when they heard they had to have four people in each station in order to meet OSHA regulations and enter a building if there was a fire. He said he did his own investigation and found that OSHA would not prevent someone from going into a building to rescue a child. Four people were required only when they were going in to fight a fire. He said he felt that was the reason the Council voted to go with Brad Freeman's proposal of placing four people in each station. He said he was surprised because with his 11 years on the PSD Board, he'd never heard anything but positive comments on the fire and EMS response. He hadn't thought they were inadequate. He said he was opposed to the new proposal, especially in the uncertain economy. He said he would like to go back and look at the initial proposal and see how much it could save them. Also, he said he would like to use more of the

money they had in reserve. He hoped that by changing the assessments to the different cities, that would help as well.

Brad Freeman said Utah adopted the OSHA policy in 1998. It said there had to be two officers on the outside if there were two officers on the inside fighting a fire. He said what Kent Hastings was talking about was partly true but it was to be the exception, not the practice. He said OSHA would not allow the standard of staffing with only two people. A rescue with two people was only allowed if the station was normally staffed with four people but someone was out sick or on leave. And they could only rescue a child with two people. They could not rescue an adult. He said there was no such thing as a two-man engine company. There was a three-man or a four-man. Two could run an ambulance. The important thing about fire was safety. They could not send people into a burning house without a proper hose line. He referred to a previous fire and said there were only two people there; they couldn't go in unless there were four.

Kent Hastings said he read it differently and had talked to other fire departments. He added that after he wrote the article in the Newline about the discrepancy, the fire department had a new policy a day later.

Troy Stout said he came into the hearing without any prepared remarks because he wanted to look at it as a citizen of Alpine and not as a council member. Raising taxes was a huge emotional issue. He didn't enjoy the responsibility of raising his own taxes. But coming into this as a citizen of Alpine, and what he would expect his community to provide for him, he leaned in the direction of the budget increase. He said that when his child or his home was at stake, he didn't want another 911 call to take priority. It could be argued that the third call was a problem, but if they could do something to make sure the second call was handled with the same priority as the first, they were fulfilling their charge to protect and to serve. He said he wished they could put aside some of the extreme accusations and statements. Approaching the tax increase as a citizen he saw it as a 6.6% increase on his property tax rather than a 46% increase. He didn't break it down in what was an increase to the school board and what went to Alpine because he liked to look at it in real numbers. With that in mind he felt it was a responsible thing to do to help protect the community. They had done their due diligence, stayed late going over the budget and made cuts to make the increase as small as possible. He said he was comfortable with moving forward. He did care about the safety of the fire fighters and the community.

Jim Tracy said the fire department was doubling in size from 6 to 12, but unlike the other agencies they were doing it with only a 56% increase. He said he wanted to thank the PSD for being so frugal with the money. Cedar Hills and Highland had similar hits but their budgets could absorb the impact. Alpine's budget was so tight because over the years they had already trimmed every bit of fat. They brought up everything, went line item by line item, looking at everything they could cut, Christmas parties and raises. There were no other options because there was nowhere to cut. Alpine had the fewest employees per capita of any other city. They did not have the luxury of laying off staff. They were at a barebones minimum. There was no fluff in the budget and that was because the Council had worked so hard to keep it trimmed.

Bradley Reneer said much had been discussed. One thing that clicked in his mind was the level of service. Alpine had moved from being rural to an urban or suburban community in terms of the level of service expectations. Fifty years ago they would say, "There went grandpa," and toss him in the back of the pickup. There was an attitude of when it's time to go, he goes. Now people expected to have EMT service in minutes. The transition could be painful. It included increased costs in moving from a rural to an urban mentality. He said his cousin was a paramedic in Arizona and they had a response time of 15 minutes. That was a rural response time. If someone's heart stopped beating, they were gone. He said he had struggled to decide what was the appropriate level of response in Alpine. Were citizens happy with the rural attitude of, "Let the house go. The barn is still standing." He said that initially he voted against the recommendation on the proposal to the PSD Board. There was some frustration on the City Council and with the citizens that the special districts had control over the budget but they are not the taxing entity. Legally Alpine could withdraw from the PSD with a year's notice. One citizen suggested they get out of the district and run it themselves but he worried that the economy of scale would make it more expensive to run their own public safety district. He felt they should renegotiate the allocations with the safety district. They had to find a balance in government. On one extreme each family could go hire their own protection. The other extreme was having a police and fire station on every block. They were trying to get the level of service the citizens wanted and they needed to pay for what they got. One of the first Council discussions they would have would be to look at the assessments. He said the benefits for employees were going up but as he understood it, it was a state requirement

because the city joined the state retirement agency and needed to pay what was required. There were parameters that limited them as a Council.

Kimberly Bryant said she agreed that they needed to renegotiate the assessments. She said she was a citizen here with family and friends and she knew it affected their pocketbooks. But on basic services, it needed to be done. It may not be a good time to increase taxes but accidents still happened in bad times. She said her husband was 30 years old when he got a blood clot in his lungs. The EMTs saved his life. She said she was passionate about public safety but she had to be logical too. They had cut every bit of fat and meat out of the budget. This was not being done frivolously. They did want to keep the small town feeling but she felt Alpine was unique. They had to have the fire and the police but she felt it was the people that lent the small town feeling. She said she appreciated everyone who came and spoke and those who volunteered.

MOTION: Jim Tracy moved to approve the fiscal year 2011-12 Budget as presented. Troy Stout seconded. Ayes: 4 Nays: 1. Troy Stout, Kimberly Bryant, Bradley Reneer and Jim Tracy voted aye. Kent Hastings voted nay. Motion passed.

Kent Hastings said he appreciated page 10 in Rich's presentation. It asked how much citizens were being asked to pay to run their city. Alpine was 6th highest. They may have a low tax rate but when it showed how much citizens paid, it was a lot.

Kimberly Bryant said it still cost to run the city. It would be easy to vote no with the citizens saying don't raise our taxes, but it still cost to run the city. They could pass it off to the next city council but then the increase would be that much more. She said people wanted the snowplow to come down their street. If it didn't, they got phone calls. Citizens wanted the services. The Council could vote no now but eventually they would have to pay for it.

The mayor asked Rich Nelson if they needed to include the tax rate in the motion. Mr. Nelson said it was included in the budget.

Bradley Reneer asked what it would mean if they didn't pass the budget. Rich Nelson said that if they didn't pass it they would have to provide staff with direction on what they wanted to do to bring it into balance. The PSD had to be paid so they would need to cut services elsewhere. Mr. Reneer questioned what options there might be such as firing staff or selling Lambert Park.

Kent Hastings said they could go back to the PSD and reconsider it. The mayor said they'd already had that debate.

Mayor Willoughby thanked the staff and the two chiefs and their crews and the Council for the work they'd done to get to that point. He noted that they had several of the six candidates present at the meeting. Kimberly Bryant, Will Jones, Mel Clement, Chuck Castleton and Jason Kuhn.

Rich Nelson said they would have a work session with the candidates before one of the next City Council meetings.

MOTION: Kent Hastings moved to adjourn. Kimberly Bryant seconded. Ayes: 5 Nays: 0. Motion passed unanimously.

The meeting was adjourned at 10:16 pm.