



UNIFIED FIRE SERVICE AREA

TO: UFA Board of Trustees
FROM: Tony Hill, CFO
SUBJECT: 2023 Budget Message
DATE: December 13, 2022

I am pleased to present the Unified Fire Service Area (UFA) 2023 Budget for your review and approval. Staff has prepared the budget in accordance with Fiscal Procedures for Local Districts (UCA 17B-6).

2023 Budget Highlights

Below are some of the highlights of the 2023 budget:

- 3.5% new growth property tax estimate
- UFA member fee increase
 - 6.92% increase - January – June (already approved in FY22/23 UFA budget)
 - 5.00% increase – Normal operating adjustment, placeholder July – December
 - 2.60% increase – 4-Handed Staffing at Stations 108 (BCC), 113 (LCC), and 251 (Eagle Mountain)
 - 8.53% total increase - \$3,856,722 total estimated increase for 2023
- 2021 Bond
 - Debt service payments begin in 2023 - \$2,375,625 increase to the budget
- Sandy contract (85% of property taxes collected to Sandy, 15% stays with UFA)
 - Because of the property value growth for areas inside of Sandy City, contract amount continues to grow
 - \$945,556 in 2021, \$994,000 in 2022, \$1,050,000 in 2023 budget
- Seismic retrofits
 - Part of 2022 budget, will need to carry forward to 2023
 - Performance period ends September 2023
 - \$1,100,000 carry forward to 2023
 - \$275,000 UFA 25% match
- Capital maintenance at fire station's (more detail in packet)
 - \$863,435 in 2023
 - \$525,000 for renovation of temporary station. \$300,000 in 2022 budget
- UFA Administration Fee (more detail in packet)
 - \$489,432 in 2022
 - \$511,601 in 2023

Fund Balance Impact

A \$4.9M draw of fund balance in the 2023 budget is clearly not sustainable. The 5.0% UFA member fee increase is a placeholder with the information we have currently. It will be finalized as decisions are made during UFA's FY23/24 budget process. Any variation from 5.0% will impact the fund balance. Currently, the ending fund balance percentage for 2023 is still above the 15% Board approved minimum. As previously discussed, the projected amount of fund balance will not be sufficient beginning in 2024. UFA will need to consider expenditure reductions or a property tax increase in order to maintain its minimum ending fund balance.

UNIFIED FIRE SERVICE AREA	ENDING FUND BALANCE	FUND BALANCE %
2021 ACTUAL	\$14,308,692	29.0%
2022 PROJECTION	\$15,057,826	28.0%
2023 PROJECTION	\$10,546,634	19.1%
2024 PROJECTION	\$5,532,819	9.8%
2025 PROJECTION	-\$317,006	-0.5%

Future Budget Needs

- Staffing
 - 107 (Kearns) Staffing
 - 253 (Eagle Mountain) Staffing: Plan to open new station with an ambulance crew
 - 4-Handed crews at stations 115 (Copperton) and 119 (Emigration Canyon)
- Station 112 rebuild

**UNIFIED FIRE SERVICE AREA
TENTATIVE BUDGET
For the Year Ended December 31, 2023**

	GENERAL FUND			CAPITAL PROJECTS FUND (LOCAL BLDG AUTHORITY)			DEBT SERVICE FUND (LOCAL BLDG AUTHORITY)		
	PRIOR YR	CURRENT YR	BUDGET	PRIOR YR	CURRENT YR	BUDGET	PRIOR YR	CURRENT YR	BUDGET
	2021	ESTIMATE	2023	2021	ESTIMATE	2023	2021	ESTIMATE	2023
REVENUES									
Taxes: Property	40,632,114	42,835,888	44,335,000						
Taxes: Property - Pass Thru	2,248,519	3,500,000	3,850,000						
Taxes: Judgement Levy	51,474	46,440	28,739						
Taxes: Delinquent	904,136	750,000	772,500						
Fee-in-Lieu of Taxes	2,232,805	2,400,000	2,400,000						
Impact Fees	2,150,204	2,000,000	2,000,000						
Grant Revenue	172,908	1,125,637	825,000						
Intergovernmental Revenue	759,111	982,581	761,615						
Interest Income	106,272	150,000	200,000	84,380	100,000	100,000	4,205	1,000	1,000
Miscellaneous	13,034	21,394	21,736						
<i>Other Financing Sources:</i>									
Transfer In from Capital Projects Fund	732,691								
Transfer In from Debt Service Fund				5,764					
Proceeds from Bond Issuance				37,000,000			2,212,329		
Lease Revenue							2,576,173	2,577,750	4,960,875
Use of Fund Balance			4,943,394		32,739,195	18,974,079		1,200,750	
TOTAL REVENUES	50,003,268	53,811,940	60,137,984	37,090,144	32,839,195	19,074,079	4,792,708	3,779,500	4,961,875
EXPENSES									
<i>Administrative & Overhead:</i>									
Outside Auditor	10,381	10,000	10,000						
Bank Fees	1,551	11,200	11,200						
Supplies	380	2,000	2,000						
*Professional Fees	127,312	197,500	151,500						
*UFA Admin Fee	370,750	489,432	511,601						
Memberships (UASD)	14,229	15,000	16,000						
Fund Balance Payments to Herriman/Riverton	101,773	101,773	101,773						
Capital Maintenance - Seismic Retrofits	473,693	1,234,199	1,100,000						
*Capital Maintenance	185,144	395,505	327,642						
<i>Capital Outlay:</i>									
Station 112 Temporary Housing	8,650	0	525,000						
Station 112 Land		2,207	10,793						
Construction Costs - Station 102				478,602	2,431,526	3,600,000			
Construction Costs - Station 112				161,206	180,848	0			
Construction Costs - Station 125				3,094,647	4,512,042	1,000,000			
Construction Costs - Station 251				1,072,642	3,577,287	4,500,000			
Construction Costs - Station 253				123,541	3,063,413	8,000,000			
Capital Lease	2,576,173	2,577,750	4,960,875						
Sandy Contract	945,556	994,000	1,050,000						
Interest Expense	40,625	113,000	250,000				1,580,460	2,128,500	2,030,875
Note/Bond Issuance Costs	20,300	25,000	25,000				406,622		
Tax Payments to RDA/CDA/CRA	2,248,519	3,500,000	3,850,000						
Impact Fee Refunds	1,296	4,000	5,000						
UFA Contract Fees	41,312,116	43,518,810	47,229,600						
Principle Payment on Long-Term Debt							1,600,000	1,650,000	2,930,000
<i>Other Financing Uses:</i>									
Transfer Out to Capital Projects Fund							5,764		
Transfer Out to General Fund				732,691					
Contribution to Fund Balance						1,974,079			1,000
TOTAL EXPENSES	48,438,447	53,191,376	60,137,984	5,663,330	13,765,116	19,074,079	3,592,847	3,778,500	4,961,875

*Additional Documentation

Professional Fees

	<u>2020 Actual</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2023 Budget</u>
Road Easement - Station 111	4,137	1,344	4,500	4,500
Legal Services/Administrator	88,715	120,379	125,000	125,000
District Administrator	18,400	0	0	0
Newspaper Ads	2,515	900	3,000	1,500
Website Restoration/Hosting/Maintenance	190	143	1,000	500
Truth in Taxation - Postcard Mailings	0	0	40,000	0
Trust Management, Continuing Disclosure, Impact Fee	15,388	4,500	9,000	5,000
Station Architectural Design and Rendering	15,125	0	0	0
Grant Writer for PDM Grant for Seismic Retrofits	4,100	0	0	0
Predictive Modeling for Station/Apparatus Locations	50,000	0	0	0
Other	870	46	15,000	15,000
	199,439	127,312	197,500	151,500

Exhibit A for Calendar Year 2023

Position	Jan-22		Jan-23		Responsibilities
	<u>% of Time Worked</u>	<u>Salary & Benefits</u>	<u>% of Time Worked</u>	<u>Salary & Benefits</u>	
Logistics Facilities Manager	80%	\$105,533	80%	\$120,376	Specifications/RFP/Bids/Management/ for capital improvement projects; compiling operational and maintenance documents; works through any warranty items on newer projects. Seismic evaluations and retrofit assessments. Station architectural design, rendering, and construction.
Logistics Facilities Specialist	5%	\$4,521	5%	\$4,314	Assists Facilities Manager when needed; provides information for Capital Improvement needs; Meets with contractors.
Logistics Facilities Specialist	5%	\$3,859	2%	\$1,399	Assists Facilities Manager when needed; provides information for Capital Improvement needs; Meets with contractors.
Logistics Purchasing Coordinator	2%	\$1,929	2%	\$2,029	Assists with the processing of MR's and invoices for capital projects.
Logistics Data Administrator	1%	\$760	1%	\$851	Researches information for Logistics as requested.
Logistics Division Chief	40%	\$67,278	40%	\$70,336	Develops, manages, and administers capital improvements budgets; Provides overall direction and management to UFGA facility management. Leads and guides discussions for future fire station designs. Researches optional uses and associated fees of portions of fire stations, such as office space leasing. Co-coordinates seismic evaluations and seismic upgrades projects. Provides project-specific content for use in presentations to the UFGA Board of Directors and communities/members, in preparation for station construction.
Support Services Assistant Chief	40%	\$89,199	35%	\$85,124	Researches property descriptions/locations for fire station rebuilds and new construction. Captures and records the details of properties for fire station constructions. Leads and guides discussions for future fire station design and construction. Researches optional uses and associated fees of portions of fire stations, such as office space leasing. Co-coordinates seismic evaluations and seismic upgrades projects. Provides project-specific content for use in presentations to the UFGA Board of Directors and communities/members, for bonding and bond elections. Meets with individual board members to discuss property and fire station construction issues and strategies.
Finance Purchasing Agent/Contracts	60%	\$67,290	60%	\$74,621	RFP/RFQ/Purchasing processing. Contract coordination and tracking.
Finance Senior Accountant	9%	\$11,010	9%	\$11,283	AR, AP review, bond requisitions, cash receipting review/close, bank reconciliations, capital assets, state transparency, external audit
Finance Senior Accountant	4%	\$4,802	4%	\$4,686	AP entry, cash receipting entry, online payment reporting, impact fee reporting, external audit
Finance Accounting Specialist	2%	\$1,493	2%	\$1,645	UFGA Desktop Deposits
Finance Assistant Finance Director	7%	\$12,103	7%	\$12,974	External audit, financial statements, accounting oversight, online payment admin
CFO	15%	\$35,824	15%	\$38,886	Financial Management, Treasurer
Records Coordinator	6%	\$4,905	1%	\$749	Managing UFGA record requests. Retention schedule and archives
ECC Receptionist	3%	\$1,636	3%	\$1,753	Impact fee collection/receipts, phone calls
UFGA Clerk	10%	\$9,977	10%	\$10,979	Time needed to fully meet the responsibilities of the Clerk
Director of Communications	1%	\$1,645	1%	\$1,882	Community Outreach
Community Outreach Specialist	1%	\$585	1%	\$983	Community Outreach/Construction Projects/Website Maintenance
Public Information Officer	1%	\$1,244		\$0	Website Maintenance
Overhead Charge		\$425,593		\$444,871	
	15%	\$63,839	15%	\$66,731	Office Space, IT, supplies, etc.
TOTAL		\$489,432		\$511,601	
	Logs	211,462	Logs	229,203	
	Fin	152,400	Fin	165,708	
	Admin	119,693	Admin	111,379	
	IO	3,995	IO	3,295	
	EM	1,881	EM	2,016	
		489,432		511,601	

UFSA Capital Projects 2023

11/15/22

Site	Project	Notes	Cost	Running Total
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Capital Outlay - Buildings

Temp 112	Garage addition (rebudget)	Includes new high wall garage, driveway, paint to entire structure, and landscaping. ***\$300,000 is already allocated in FY22	\$525,000	\$525,000
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Capital Outlay - Land

112	Land Purchase (rebudget)		\$10,793	\$535,793
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Capital Maintenance

All	Heating/AC/Hot Water/Appliances		\$40,000	\$575,793
252	Concrete aprons replaced	The concrete is badly cracked, separating and causing trip hazards	\$100,000	\$675,793
115	Upgrade bath/shower room	Old and not working properly	\$45,000	\$720,793
101	Front concrete spaling	Maybe repair now would save money in the long run	\$50,000	\$770,793
109	New carpet/tile	Very old carpet	\$25,000	\$795,793
All	8.5% Contingency		\$67,642	\$863,435

Future Year Projects (Sorted by Station)

101	Add weed barrier and replace rock on station border	Unable to control weeds due to no weed barrier under rock	\$15,000	\$810,793
101	Fan and lighting upgrades in bedrooms and day room	Fans and lights in rooms are no longer controlled by single remote	\$5,000	\$815,793
101	Wired speakers for dispatch in out building	Improve response while maintaining physical fitness and stress reduction	\$5,000	\$820,793
101	Replace carpet in bedrooms, BC office and dayroom	Carpet 12 years old and worn out	\$10,000	\$830,793
106	Zeroscape all park strips	Water usage/restrictions and dead landscape	\$5,000	\$835,793
106	Zeroscape station grounds	Water usage/restrictions	\$20,000	\$855,793
109	Kitchen Remodel	Broken cupboards, cracked counter, can't open fridge doors completely	\$50,000	\$905,793
109	Fans and/or AC placed in bay	The bay gets extremely hot	\$10,000	\$915,793
109	Base boards	Baseboards are old, out of date, and stained.	\$5,000	\$920,793
109	Paint apparatus bay	Apparatus bay is stained with exhaust on walls, ceiling, bay doors	\$10,000	\$930,793
109	Drain Pipes-Basement	Basement drain pipes are routinely failing and needing repair	\$10,000	\$940,793
112	Kitchen Remodel	Counters/cabinets are not holding up wel- need commercial grade	\$25,000	\$965,793
112	New Carpet	Hasn't been done in over 10 years	\$5,000	\$970,793
112	Interior Paint	Hasn't been done in over 10 years	\$5,000	\$975,793
112	Bathroom Countertops/ Cabinets	Counters are warped and water damaged	\$10,000	\$985,793
112	Gear Racks	Currents gear racks are broken and being held up by cinder blocks	\$5,000	\$990,793
113	Screens for bedroom windows/door	Screens for bedroom windows/door	\$5,000	\$995,793
113	Ceiling fans for bedrooms	Ceiling fans for bedrooms	\$5,000	\$1,000,793
113	Additional lockers/cabinets for bedrooms	Additional lockers/cabinets for bedrooms	\$6,500	\$1,007,293

113	Gas fireplace in day room	Gas fireplace in day room	\$10,000	\$1,017,293
113	Concrete repair on balcony/walkway/patio	Concrete repair on balcony/walkway/patio	\$15,000	\$1,032,293
113	Upgrade lighting for interior stairwell	Upgrade lighting for interior stairwell	\$5,000	\$1,037,293
113	Concrete pony wall for patio BBQ	Concrete pony wall for patio BBQ	\$35,000	\$1,072,293
113	Fix bay floor drains	Fix bay floor drains	\$75,000	\$1,147,293
115	Apron/sidewalks/gutter	Cracking, chipping, broken	\$30,000	\$1,177,293
115	Landscaping/xeriscaping	Wasting water, water damage to building	\$10,000	\$1,187,293
115	Bedroom enclosure & lighting	Open rooms with rigged lighting	\$20,000	\$1,207,293
115	Floors/carpeting	Old carpet	\$5,000	\$1,212,293
117	Replacement of fans in apparatus bay	The fans are not large enough to move air to make a difference in the summer	\$8,000	\$1,220,293
117	Replacement of broken concrete	Multiple sections of concrete in the driveway and parking lot that are cracked	\$15,000	\$1,235,293
118	Kitchen remodel with appliances	Entire kitchen is old, formica cracking, damaged tile floors	\$40,000	\$1,275,293
118	Bathroom remodel	Bathroom floors damaged (grout missing), formica cracking, plumbing issues	\$20,000	\$1,295,293
118	Replace all tile in station	All floors damaged, outdated, old. Unable to clean them	\$20,000	\$1,315,293
118	Repair bay coolers	Bay coolers still not keeping the bay cool enough during summer months	\$5,000	\$1,320,293
118	Patio cover, patio set, outdoor patio lighting	Our patio space isn't very usable as is	\$20,000	\$1,340,293
126	Landscaping	Updated to reflect current water usage restrictions	\$25,000	\$1,365,293
126	Kitchen/floor remodel	Kitchen is original to the station build. Outdated	\$85,000	\$1,450,293
126	Station flooring.Tile/Carpet	Carpet is dirty and stained. Tile is outdated and original.	\$10,000	\$1,460,293
126	Bathroom remodel	Plumbing and shower system are in need of updating.	\$55,000	\$1,515,293
126	Paint for bay		\$15,000	\$1,530,293
126	Repair/Replace sanitary sewer line to road		\$100,000	\$1,630,293
251	Fix drain issues in the Bay		\$75,000	\$1,705,293
252	Garage doors- damaged sections replaced		\$15,000	\$1,720,293

UNIFIED FIRE SERVICE AREA	Actual		Projection		Projection		Projection		Projection
LONG RANGE PLAN	2021	%	2022	%	2023	%	2024	%	2025
BEGINNING FUND BALANCE	12,622,454	13.36%	14,308,692	5.24%	15,057,826	-29.96%	10,546,634	-47.54%	5,532,819
PRINCIPAL PAYMENTS RECEIVED FROM RELATED PARTY	121,416	4.07%	126,363	4.07%	131,512	4.07%	136,870	4.07%	142,446
TRANSFER TO/FROM CAPITAL PROJECTS FUND	732,691								
UNRESTRICTED FUND BALANCE:	13,476,561	7.11%	14,435,055	5.23%	15,189,338	-29.66%	10,683,504	-46.88%	5,675,265
PROPERTY TAXES	40,632,114	5.42%	42,835,888	3.50%	44,335,000	3.50%	45,886,725	3.50%	47,492,760
PROPERTY TAXES - PASS THRU	2,248,519	55.66%	3,500,000	10.00%	3,850,000	10.00%	4,235,000	10.00%	4,658,500
JUDGEMENT LEVY	51,474	-9.78%	46,440	-38.12%	28,739	0.00%	28,739	0.00%	28,739
PROPERTY TAXES - DELINQUENT	904,136	-17.05%	750,000	3.00%	772,500	3.00%	795,675	3.00%	819,545
FEE-IN-LIEU	2,232,805	7.49%	2,400,000	0.00%	2,400,000	2.50%	2,460,000	2.50%	2,521,500
IMPACT FEES	2,150,204	-6.99%	2,000,000	0.00%	2,000,000	3.00%	2,060,000	3.00%	2,121,800
INTEREST INCOME	106,272	41.15%	150,000	33.33%	200,000	3.00%	206,000	3.00%	212,180
INTERGOVERNMENTAL REVENUE	759,111	29.44%	982,581	-22.49%	761,615	0.17%	762,941	0.06%	763,382
GRANT REVENUE	172,908	551.00%	1,125,637	-26.71%	825,000	-100.00%	0	-100.00%	0
MISCELLANEOUS REVENUE	13,034	64.14%	21,394	1.60%	21,736	0.00%	21,736	0.00%	21,736
CURRENT REVENUE:	49,270,578	9.22%	53,811,940	2.57%	55,194,590	2.29%	56,456,816	3.87%	58,640,143
UFA CONTRACT FEES	41,312,116	5.34%	43,518,810	8.53%	47,229,600	5.00%	49,591,080	5.00%	52,070,634
SANDY CONTRACT	945,556	5.12%	994,000	5.63%	1,050,000	4.50%	1,097,250	4.50%	1,146,626
TAX PAYMENTS TO RDA/CDA	2,248,519	55.66%	3,500,000	10.00%	3,850,000	10.00%	4,235,000	10.00%	4,658,500
ADMINISTRATIVE/OPERATIONS	661,832	13.95%	754,132	-2.89%	732,301	3.00%	754,270	3.00%	776,898
FUND BALANCE DISTRIBUTION TO HERRIMAN/RIVERTON	101,773	0.00%	101,773	0.00%	101,773	0.00%	101,773	0.00%	101,773
DEBT SERVICE PAYMENT (2016 BOND)	2,576,173	0.06%	2,577,750	0.29%	2,585,250	0.17%	2,589,750	0.06%	2,591,250
DEBT SERVICE PAYMENT (2021 BOND)	0		0		2,375,625	0.34%	2,383,625	0.39%	2,393,000
CAPITAL MAINTENANCE/OUTLAY	193,794	104.09%	395,505	118.31%	863,435	3.00%	889,338	3.00%	916,018
CAPITAL MAINTENANCE - SEISMIC RETROFIT	358,060	244.69%	1,234,199	-10.87%	1,100,000				
INTEREST EXPENSE	40,625	178.15%	113,000	121.24%	250,000	10.00%	275,000	10.00%	302,500
TOTAL BUDGET:	48,438,447	9.81%	53,189,169	13.06%	60,137,984	2.96%	61,917,086	4.91%	64,957,199
RESERVE (MINIMUM) 15% OF CURRENT REVENUE	7,390,587		8,071,791		8,279,189		8,468,522		8,796,021
ENDING SURPLUS (PROBLEM):	6,918,105		6,986,035		1,966,756		-3,245,289		-9,437,813
TOTAL BUDGETED FUND BALANCE:	14,308,692		15,057,826		10,245,944		5,223,234		-641,792
PROJECTED UNDER EXPEND/OVER REVENUE	0	0.00%	0	0.50%	300,690	0.50%	309,585	0.50%	324,786
PROJECTED UNASSIGNED FUND BALANCE	14,308,692		15,057,826		10,546,634		5,532,819		-317,006
	29.0%		28.0%		19.1%		9.8%		-0.5%