

DATE: February 15, 2018

THE SALT LAKE VALLEY LAW ENFORCEMENT BOARD MET ON THURSDAY, FEBRUARY 15, 2018 AT THE HOUR OF 11:00 A.M. AT THE SHERIFF'S OFFICE BUILDING, 3365 SOUTH 900 WEST ROOM 115B, SALT LAKE CITY, UTAH.

TRUSTEES PRESENT:

COUNCILMAN DAVID BREMS,  
EMIGRATION CANYON

COUNCILMAN STEVE PROKOPIS,  
MAGNA

COUNCILMAN ALAN PETERSON,  
KEARNS

COUNCILMAN MAX BURDICK, SALT  
LAKE COUNTY

ATTENDED VIA PHONE:

COUNCILMAN APPOLLO PAZELL,  
COPPERTON

EXCUSED:

COUNCILMAN JIM BRADLEY, CHAIR

MAYOR MCADAMS, SALT LAKE COUNTY

COUNCILMAN CODY CUTLER, WHITE  
CITY

ALSO PRESENT:

SCOTT JURGES, TREASURER

ANDREW KEDDINGTON, SLVLESA ADMINSTRATOR

KARL HENDRICKSON, SLVLESA LEGAL COUNSEL

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Councilman Prokopis, who was Acting Chair, called the meeting to order.

**Item #1 – Public Comment:**

Councilman Prokopis asked if anyone was present who wished to address the Board. No one came forward. Public Comment was closed.

**Item #2 – Disclosure of Conflicts of Interest**

**Action Requested: Identify Conflicts, if any**

**Discussion:** No conflicts were identified.

Chairman Bradley asked if there were any conflicts of interest. None were identified.

**Item # 3 – TRAN’s Resolution:** Consideration of a resolution authorizing the issuance and sale of up to \$11,000,000 Tax and Revenue Anticipation Notes, Series 2018, in one or more series, of the Salt Lake Valley Law Enforcement Service Area, Utah, and entering into certain covenants and making certain representations in connection therewith; giving authority to certain officers to approve the final terms and provisions and confirm the sale of the notes within the parameters set forth in the resolution; approving a form of note purchase agreement and the form of notes; and related matters.

**Action Requested: Adopt**

**Discussion:** Mr. Keddington reported that the tax anticipation note process is an annual process. The property taxes in the districts are not received until the Oct-Dec timeframe. As a result, SLVLESA needs more cash on hand around March each year for cash flow/timely payment purposes. He reported it is anticipated that this year SLVLESA will need approximately a \$9.75 million tax anticipation note. A Zions Bank Financial Advisor was present for further explanation.

The Financial Advisor reported that each year Zions Bank Financial Advisors get dozens of tax anticipation notes requests from cities and counties for cash flow needs, as this is a very common practice. He stated that the advisors then look at market rates for tax notes, and then evaluate costs for accessing where to sell the notes. This year, as well as last, Bank of Utah came in at 1.76% locked interest rate, and was decided to be the best option for SLVLESA’s tax anticipation note. He explained factors that increase interest rates for short term loans, such as tax anticipation notes. He stated that advisors believe that in a few weeks, by mid-March, these borrowing costs/interest rates will increase. Reports were provided showing rates for other buyers, and why Bank of Utah was chosen as the recommendation.

Councilman Burdick asked about fees vs interest rates. Advisor explained that there are fees on top of the interest rate to have an analyst evaluate and give a “rating” to the entity. If an entity has a rating, they can get a lower interest rate on the tax note. However, in SLVLESA’s cost-benefit analysis, it showed that a rating would save approximately \$10,000 in interest, but the fee to get the rating would be \$13,000—thus the fee to be rated for SLVLESA’s borrowing amount, would cost more than the savings benefit would be.

Mr. Keddington stated that the resolution approves up to \$11 million, if needed. It also grants authority to the Board Chair and Treasurer to accept the final terms, as opposed to coming back to the Board, so long as it is within that \$11 million amount.

Councilman Burdick moved to approve the resolution. Councilman Brems seconded.

All voted in favor; none opposed.

Resolution passed.

**Item #4- Information: 2017 4th Quarter Financial Report**  
**Action Requested: None**

**Discussion:** Mr. Jurges presented the financial report. He reported that SLVLESA had approximately \$34.7 million in expenditures, on a \$34.9 million budget. The main savings were realized in less than anticipated professional fees and less than anticipated interest rates. He reported that if market rates continue to increase, interest rates will continue to go up

Revenue realized was approximately \$35.8 million on a \$35.5 million budget. Primary areas of unanticipated revenue included approximately \$85k more than anticipated in property tax and \$144K more than anticipated in fees in lieu.

Mr. Jurges reported that SLVLESA began the year with \$6.6 million fund balance, and is ending the year with a \$7.2 million fund balance, representing about a 20% fund balance. He reported that because of Herriman, Riverton and Millcreek left SLVLESA, some of that fund balance will be distributed to them. He stated about \$4.9 million will be distributed to them (in total) in March of next year.

Councilman Peterson asked if, after the distribution, SLVLESA will still be in within the recommended fund balance. Mr. Jurges reported that 15% is a healthy fund balance, and it is anticipated that SLVLESA will still be at approximately 15%, despite the drastic membership changes.

**Item # 5 – Information: Job Description SLVLESA Administrator**  
**Action Requested: None**

Mr. Keddington presented the job description to the Board. He stated that he plans on sending it to multiple applicant pools. He reported that upon doing a market rate study for comparable positions, the range is anywhere from \$70k-\$90k salary, plus benefits. Total compensation then is \$107k-\$132k. He stated that the individual is appointed by this Board, and the day to day operational supervisor would be the CFO of UPD. He also invited members of the Board to sit in on the interviewing panel for the selection of the SLVLESA Administrator.

Councilman Prokopolis asked for a timeline. Mr. Keddington stated it will be posted within the next week and he will keep the Board informed on applicant response and scheduled interviews, etc. Mr. Jurges asked if there is any specific interest from Board members to sit on the interview panel. Councilman Prokopolis stated he thought it was important for the Board to be involved. He asked that once there are dates set, to reach out to the Board for availability.

Mr. Hendrickson stated that it is very important that it be very clear that although the day to day operations are done as a UPD employee, that the hiring/firing powers, ability to set policy, etc stay with the SLVLESA Board to establish and maintain that separation. Councilman Prokopolis asked if that MOU is clearly outlined. Mr. Hendrickson stated that it is being drafted.

**Item # 6– Other Business –**

None

Councilman Burdick moved to Adjourn.

Councilman Peterson seconded.

All voted in favor; none opposed.

Meeting was adjourned at 11:30 AM.

Next meeting: March 15, 2018 at 10:30 AM or immediately following UPD Board Meeting.

MINUTES APPROVED:

By \_\_\_\_\_  
CHAIR, SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA

\_\_\_\_\_  
CLERK

BOARD APPROVED: \_\_\_\_\_