

DATE: June 21, 2018

THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA BOARD MET ON THURSDAY, June 21, 2018 AT THE HOUR OF 10:30 A.M. AT THE SHERIFF'S OFFICE BUILDING, 3365 SOUTH 900 WEST ROOM 115B, SALT LAKE CITY, UTAH.

TRUSTEES PRESENT:

COUNCILMAN JIM BRADLEY, CHAIR

COUNCILMAN ALAN PETERSON,
KEARNS

COUNCILMAN APPOLLO PAZELL,
COPPERTON

COUNCILWOMAN JENNY WILSON, SALT
LAKE COUNTY

COUNCILMAN DAVID BREMS, EMIGRATION CANYON

COUNCILMAN CODY CUTLER, WHITE CITY

EXCUSED:

COUNCILMAN MAX BURDICK, SALT
LAKE COUNTY

COUNCILMAN STEVE PROKOPIS,
MAGNA

ALSO PRESENT:

SCOTT JURGES, TREASURER

KARL HENDRICKSON, SLVLESA LEGAL COUNSEL

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Chairman Bradley called the meeting to order.

Item #1 – Public Comment:

Chairman Bradley 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:

Chairman Bradley asked if there were any conflicts of interest. None were identified. Councilwoman Wilson clarified what would constitute a “conflict”. Examples were given of financial interest in an agenda item, or a family member being spoken about on the agenda, etc.

**Item # 3 – Motion: Appointment of SLVLESA Administrator, Scott Carver
Action Requested: Adopt**

Discussion: Legal Counsel Karl Hendrickson clarified that in adopting the resolution to appoint Scott Carver as the SLVLESA Administrator, Item 4 is also covered, as the Administrator also serves as the Clerk, and Records Officer. The resolution also indicates Amanda Watrous be appointed as the Deputy Clerk for SLVLESA.

Councilman Pazell moved to adopt.

Councilwoman Wilson Seconded.

All voted in favor; none opposed.

Resolution passed.

**Item #4- Motion: Appointment of SLVLESA Clerk, Deputy Clerk(s) and Records Officer
Action Requested: Adopt**

Discussion: Covered in the Item 3 resolution vote.

**Item # 5 – Motion: PTIF Resolution
Action Requested: Adopt**

Discussion: Chairman Bradley clarified that this is the Utah Public Treasurer’s Investment Fund (PTIF) that was explained and voted on in the earlier UPD meeting that same day.

Councilman Pazell moved to approve.

Councilman Cutler Seconded.

All voted in favor; none opposed.

Motion Passed.

**Item #6- Public Hearing: 2018 Budget Amendment
Action Requested: Conduct Hearing**

Discussion: Chairman Bradley opened the Public Hearing for any member of the public to address any item on the 2018 Budget Amendment. No members of the public came forward, and the Public Hearing was closed.

Item #7- Resolution: 2018 Budget Amendment and Tax Rate Adoption. Adopting an ad valorem tax rate of .002139 on the taxable property in the service area of calendar year 2018.

Action Requested: Adopt

Discussion: Mr. Scott Jurges stated that the removal of Herriman, Riverton and Millcreek from SLVLESA is represented in the new tax base. He stated that the new tax base calculation came in at \$147,623,000. He reported that the request from staff was for an increase of just less than 5%, for \$702,000. There was new growth of \$744,000. There was a judgement levy from last year for \$529,000, as well as fees in lieu, prior year property tax collections and other minor calculations.

He reported as a result of all of these things, SLVLESA is seeing significantly more revenue than anticipated—nearly \$700,000 more in new growth than anticipated. There is also an increase in interest rates. Mr. Jurges stated that as a result, SLVLESA will have to use less of their fund balance than anticipated. The base contract with UPD was also less than anticipated as a result of some costs being shifted in pooled services as a result of population growth and shifts in cases assigned in different communities, as well as some overall decreases in other areas.

Mr. Jurges highlighted another change to the budget was the cost of hiring a full-time administrator.

Mr. Jurges highlighted the payback of the tax anticipation notes will cost slightly more in interest this year.

Mr. Jurges stated that the fund balance will be higher than anticipated. He also reported to the Board that the Magna precinct building lease agreement has an option for a lease-to-own. He recommended that instead of increasing fund balance even further, to look at purchasing that building with fund balance (roughly \$309,000), which would save about \$36,000/year in operating costs by eliminating the lease/rental costs. He also stated that the building in the Kearns area is falling apart and has many issues. He reported that something needs to be done in that area to lease or purchase another building for the Kearns precinct.

Mr. Jurges reviewed the certified tax rates with the Board.

Chairman Bradley asked Mr. Jurges if he had any comments on the projected ending fund balance.

Mr. Jurges stated that the fund balance is very healthy, and that there is room to pull out the cost of the precinct building, and still fall in the 20% fund balance range. He stated that keeping a healthy fund balance gives SLVLESA more options for future purchasing of property in terms of bonds, etc.

Councilman Pazell reported that Copperton is looking at possible space that could be donated for UPD use for free.

Councilwoman Wilson asked how fund balance increases and decreases have worked historically. Mr. Jurges explained that the fund balance used to be much higher because Riverton, Herriman and Millcreek used to be part of SLVLESA, and when they left, SLVLESA had to pay out nearly \$5 million of the fund balance to the departing entities. He further explained that the SLVLESA Board voted to set the goal of fund balance at 15%. He stated that having a higher fund balance at 20-22% is helpful at this time, because it is anticipated that building purchase or leasing will be needed. Higher fund balance also allows SLVLESA to go longer periods of time without bonds, which is associated with fees.

Councilwoman Wilson asked if the forecasting for the next 5 years is that the fund balance will stabilize. Mr. Jurges stated that there hasn't been a lot of forecasting up to this point, but committed to have some forecasting put together within the next month or two. He reported that the each of the townships and county is approached before a tax increase is implemented, and that a majority approval is needed before a tax increase is implemented. Councilwoman Wilson thanked Mr. Jurges for the background.

Councilman Brems moved to approve.
Councilwoman Wilson Seconded.
All voted in favor; none opposed.
Motion Passed.

**Item #8- Schedule for December Meeting- Public Hearing for possible tax increase
Action Requested: Change Meeting Schedule**

Discussion: Mr. Jurges stated that a Public Hearing is needed for any potential tax increase. He suggested that since the December 13th meeting is already set, that same day at 6 p.m. be utilized as the Public Hearing meeting, in the event that a tax increase is proposed.

Councilwoman Wilson moved to approve.
Councilman Pazell seconded.
All voted in favor; none opposed.
Motion Passed.

**Item #9- Tax Anticipation Note Update
Action Requested: Informational**

Discussion: Mr. Jurges reported that the anticipated need was \$2-2.5 million, and it now looks like SLVLESA will only need \$1.8-2 million. That number will be finalized based on cash flow within the next week or so. The anticipated close date is July 11th, which carries SLVLESA through until November, when tax revenues start coming in.

Item #10- Approval of minutes from May 17, 2018 Board Meeting

Discussion: None

Councilman Cutler moved to approve.
Councilman Peterson seconded.
All voted in favor; none opposed.
Motion Passed.

Item #11- Other Business

Chairman Bradley announced that Karl Hendrickson submitted a resignation effective July 1. Mr. Hendrickson stated that he is willing to be flexible on his final date, until a new person is in and ready to take over.

Mr. Bradley thanked Mr. Hendrickson for his service. Mr. Hendrickson stated that he was happy to be working with SLVLESA, and that he feels this is a strong model.

Meeting was adjourned at 10:40 A.M.

Next meeting: August 16, 2018 at 10:00 AM or immediately following UPD Board Meeting.

MINUTES APPROVED:

By _____
CHAIR, SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA

CLERK

BOARD APPROVED: _____