

Date: December 19, 2019

THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA BOARD MET ON THURSDAY, DECEMBER 19TH AT THE HOUR OF 6:00 P.M. AT THE SHERIFF'S OFFICE BUILDING, 3365 SOUTH 900 WEST ROOM 115B, SALT LAKE CITY, UTAH.

<u>Present:</u>	<u>Excused:</u>	<u>Attended Via Phone:</u>
TRUSTEE JIM BRADLEY, SALT LAKE COUNTY	NONE	NONE
TRUSTEE DAVID BREMS, EMIGRATION CANYON		
TRUSTEE CODY CUTLER, WHITE CITY		
TRUSTEE APOLLO PAZELL, COPPERTON		
TRUSTEE ALAN PETERSON, KEARNS		
TRUSTEE STEVE PROKOPIS, MAGNA		
TRUSTEE SHIREEN GHORBANI, SALT LAKE COUNTY		
TRUSTEE MAX BURDICK, SALT LAKE COUNTY		

ALSO PRESENT:

SHERIFF ROSIE RIVERA, SALT LAKE COUNTY SHERIFF AND SLVLESA CHIEF EXECUTIVE OFFICER

FRANK NAKAMURA, SLVLESA DISTRICT ADMINISTRATOR/SLVLESA LEGAL COUNSEL

LISA DUDLEY, SLVLESA CHIEF FINANCIAL OFFICER

CHIEF JASON MAZURAN, UPD CHIEF OF POLICE

RICHARD MOON, SLVLESA TREASURER

CHIEF BRIAN LOHRKE, KEARNS PRECINCT CHIEF

CHIEF RANDY THOMAS, MIDVALE PRECINCT CHIEF

MARCIE KAY, SLVLESA CLERK

Item #1-Call to Order.

Jim Bradley called the meeting to order.

Item #2-Disclosure of Conflicts of Interest

Action Requested: Identify Conflicts, if any

Discussion: Trustee Bradley asked if there were any conflicts of interest. None were identified.

Item #3-Consider A RESOLUTION OF APPRECIATION BY THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA BOARD) TO CODY CUTLER FOR HIS YEARS OF DEDICATED PUBLIC SERVICE AS A SLVLESA BOARD MEMBER.

Action Requested: Motion, Second and Vote

Discussion: Trustee Bradley said that Trustee Cutler has been a representative from White City and has served on the Board for over three years and will be leaving the Board at the end of this year. He said that during Trustee Cutler's tenure, he has been a very regular participant in important issues involving SLVLESA and he will be missed. Trustee Bradley said he would like to thank Cody Cutler for his active participation and for moving this organization forward for the benefit of the people.

Trustee Bradley entertained a motion to pass the Resolution.

Trustee Burdick motioned to approve.

Trustee Ghorbani seconded.

All voted in favor; none opposed.

Resolution passed.

Item #4-Consider A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA) ADOPTING INTERNAL OPERATING POLICIES FOR SLVLESA.

Action Requested: Motion, Second and Vote

Discussion: Frank Nakamura said that the independent audit made a recommendation to adopt certain financial policies for SLVLESA. Staff has drafted four new policies. He said the Ethics policy and the Procurement policy follow the template provided by the Utah State Auditor. Lisa Dudley said she is presenting finance policies which refer to UPD policies. She said there are some policies which have not been finalized yet, which will be brought before the UPD Board in the future.

Trustee Bradley asked if there were any Board members who had questions about the policies. Trustee Burdick asked if they had just a memo or if they had the actual policies. Frank Nakamura said he added the memorandum as a cover letter and then behind them are the actual policies.

Trustee Bradley entertained a motion to adopt the Resolution.

Trustee Prokopis motioned.

Trustee Cutler seconded the motion.

All voted in favor; none opposed.

Resolution passed.

Item #5-Consider A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA) APPROVING ITS ANNUAL REGULAR MEETING SCHEDULE FOR CALENDAR YEAR 2020 SUBJECT TO CHANGE CONSISTENT WITH THE UTAH OPEN AND PUBLIC MEETINGS ACT.

Action Requested: Motion, Second and Vote

Discussion: Frank Nakamura said according to the Utah Open and Public Meetings Act, they must adopt a regular meeting schedule for the upcoming year and then post that schedule. They do have the right to change the meeting or cancel the meeting, in compliance with Utah law.

Trustee Bradley entertained a motion to adopt the Resolution.

Trustee Ghorbani motioned.

Trustee Burdick seconded.

All voted in favor; none opposed.

Resolution passed.

Item #6-Approval of Minutes for the November 21, 2019 meeting.

Action Requested: Motion, Second and Vote

Discussion: Trustee Bradley entertained a motion to approve the minutes.

Trustee Peterson motioned.

Trustee Ghorbani seconded.

All voted in favor; none opposed.

Minutes approved.

Item #7-Public Hearing: Consider A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA) LEVYING A TAX RATE, WHICH EXCEEDS THE CERTIFIED TAX RATE, THAT WOULD INCREASE SLVLESA BUDGETED PROPERTY TAX REVENUE FOR

CALENDAR YEAR 2020 BY THREE PERCENT (3%) OVER THE PRIOR YEAR'S BUDGETED PROPERTY TAX REVENUE.

Action Requested: Motion, Second and Vote to Open Public Meeting. Public comment from interested persons in attendance. After receiving public comment from interested persons in attendance, Motion, Second and Vote to close public hearing. Board discussion. Motion, Second and Vote on Resolution.

Discussion: Trustee Bradley said he wanted to thank all the members of the public who came out to provide their input. He said that the Board wants to hear from the public and consider the public input. The Board is not here to debate.

Trustee Pazell entered the meeting.

Frank Nakamura said the Resolution specifies the Truth-in Taxation processes followed and that SLVLESA complied with all the notices and other steps required by law. He said the process began in September when the Board referenced the five-year strategic plan. Also, during that time, SLVLESA hired an independent consultant to look at that plan and provide SLVLESA with another financial model which was then presented to the Board. He said that SLVLESA has followed the five-year strategic plan to date. He said the basis of the five-year strategic plan was that they would implement smaller, more frequent increases rather than infrequent large ones. According to the financial model that was done, if SLVLESA did not do a tax increase now then in 2-3 years they would have to do a larger increase to get their reserves where they need to be.

He said that UPD passed their budget in June and most of the increases were personnel costs. The reason costs increased is primarily due to compensation increases so that the UPD can remain competitive in hiring and retaining qualified personnel. The UPD also need some additional officers in Magna and Kearns.

Lisa Dudley said that because UPD is on a fiscal year and SLVLESA is on a calendar year, SLVLESA needs enough reserves to meet UPD's wage increases or additions to the budget for the second half of SLVLESA's calendar year budget.

Frank Nakamura said that the tax increase does not consider inflation, which is about 1-2% per year. Also, a new precinct building is needed in Kearns.

Trustee Prokopolis said he was not with SLVLESA back in 2016. He came onto the Board in 2017 but it was his understanding that the reason they did a strategic plan was because if SLVLESA did nothing they would be forced to dip into their reserves every year and by 2023 they would have to do a 22-25% tax increase. There was a discussion at that time whether they should keep going the way they were or to do smaller, more frequent tax increases.

Frank Nakamura said the average home price within SLVLESA is \$277,000 making the average tax increase about \$10 a year.

Trustee Pazell said it is like death by a thousand cuts, instead of one quick death. He said that he believes they should let the public speak now.

Trustee Bradley said that the communities that are represented by SLVLESA are all members of the Unified Police Department but the UPD has four more entities. It is SLVLESA's job to pay for the services which UPD provides the communities that are a part of SLVLESA.

Trustee Bradley entertained a motion to open the public hearing.

Trustee Pazell motioned.

Trustee Burdick seconded.

All voted in favor; none opposed.

Frank Nakamura said he included in the SLVLESA meeting packet a list of names, with their comments, of members of the public who had contacted him regarding the proposed increase.

Trustee Bradley said they were not there to debate the issues with the public but if the public did have any questions or needed further clarification the Board would be happy to assist in that.

A member of the public, Maurice Wells, addressed the Board. He said he lived in White City and he wanted to represent the senior citizens who live in the area. He said everyday in the United States 10,000 people turn 65. He acknowledges that there are more people moving into the area and so they need more services. However, he said that those people live on properties that are paying taxes as well, so there should be more tax money coming in even if the rate does not go up. He said it may be \$10 a year but when does that stop. He thanked the Board for their time.

A member of the public, Corrie Southworth, addressed the Board. He stated that he has owned a home in the Magna area since 1981. He said he understands the need for property taxes, and he is very appreciative of the services that they receive. He said he lives on a fixed income and although social security went up about 2% this year, there was about a 7% increase in Medicare at the same time. He said he does not have a problem paying taxes for the services he receives but he does have a problem with the fact that his property taxes have increased 107% since 2013. He said he attended the UPD Citizens Academy, which was very informative, and he has a long military background. He said he did some research and found that there was an issue with SLVLESA, the CFO and the finances and that there was a lot of money that was mismanaged over a period of time. He also pointed out that there were two communities that left SLVLESA this year. He said he believes there is no excuse for mismanaging money and then having the taxpayers' shoulder that burden. He asked that the Board to be considerate of the citizens who pay the taxes. He said he received four postcards in the mail about meetings to address tax increases, but they were on the same night and he could not attend both. He thanked the Board for their time.

Trustee Bradley said that the issue of missing money was discussed with the UPD Board. He thinks it is important to clear the record that there was no missing money.

Lisa Dudley said as they were preparing for fiscal improvements and going back through historical budget processes, they found a budget process that was not as prudent as it should have been. For instance, when the SLVLESA Board was given the budget to approve for the prior fiscal year, they were given a document that included historical budgetary data instead of historical actual data. Due to this, it made it seem as though that money which was historically there would continue, which was not the case. The State auditor requires that your budget document be presented to the Board in the form of a

three-column format including the prior year actual, the current year projected and the budget as it will be approved by the Board. When it was given to the State auditor's office, it was given in the correct format. The Sheriff called the State auditor's office herself to have the State auditor come and review the budget process. After he came, he submitted a report which can be found online which concluded there was never any missing money. What happened is that it was not evident to the Board that that revenue should not be counted on to meet expenditures and obligations for that year. The other thing that was included in the report was that the document the Board had seen was not the same as what had been submitted to the State auditor, this included information about the rainy-day fund. The State auditor concluded that UPD had improved its processes and commended them for doing such and said there was no reason for them to look deeper because we had found the problem, presented it to both the Board and the State auditor's office and had worked to improve it and they were satisfied with the response. So, the mismanagement was poor budgeting and not missing money.

A member of the public, Griffin Bonacci, addressed the Board. He wanted to know when the Board was provided the information packets about the budget.

Frank Nakamura said in accordance with the truth in taxation process, they were provided the information regarding the proposed increase back in September 19th of 2019. There were more budget discussions in October and parcel notices went out on October 29th. In those notices, they identified what the taxes would be for this year, what the increase would be and what the rate would be.

Griffin Bonacci again asked when the members of the SLVLESA Board received the budget packets they have now.

Trustee Prokopolis said that the budget has evolved over a few months, since they first received it. He said they had a finance meeting on Tuesday, and they changed two line items.

Frank Nakamura said on November 21st, the Board passed the tentative budget.

Trustee Pazell said that the incident that the member of the public, Mr. Bonacci, is talking about occurred last year when there was a change made that same day.

Frank Nakamura said to clarify, it was last year, not this year.

Griffin Bonacci said they have had small increases year after year, with a couple larger ones as well. He said he does not understand why it seems to be such a problem for entities to be able to balance their budgets. He said they cannot expect to increase taxes every year and have the citizens be able to come up with the money, especially when people live on fixed incomes like social security and disability and their wages do not increase. He says it is hard to handle that and he comes in here every year and explains this to the Board but every year the vote, except for one, is unanimous for the tax increase. He said that last year, after the meeting, Trustee Prokopolis had some serious concerns about the budget and said that this year he would not be voting for the increase if these concerns were not addressed. He asked Trustee Prokopolis if he feels like those concerns have been addressed and corrected.

Trustee Prokopolis said that he does feel they were corrected. He said he has not been on the Board that long but in his three years on the Board, they have lost a Sheriff, Undersheriff, the CFO, two cities, a district administrator, and it has been a tumultuous time within the organization. He said when he first got on the Board, the budget they were presented was 3.5 pages on a \$75 million budget and this year it

was an entire book. He said he believes they have made progress and are not completely there yet but will be. He said he would not vote for the increase if he did not think they needed it. He said SLVLESA had no tax increases from 2010 to 2016.

A member of the public said he disagreed with the accuracy of that statement.

Trustee Pazell said this is why he believes they cannot address the public's comments, because it becomes a back and forth exchange.

A member of the public, Doug Crookston, addressed the Board and said he has lived in Magna for over 50 years. He and his wife are retired and living on a fixed income. He said with his state retirement he has not received a raise in six years and he and his wife have had to find jobs. He said between the County and SLVLESA, his property taxes are increasing over 13% and he wants to know where it is going to end.

Trustee Bradley said that their budget does explain where the increase is going to.

Trustee Pazell said that they are not there to persuade the public, they are just trying to hear them.

Mr. Crookston asked if this tax increase was for just Magna or for all the entities.

Trustee Bradley said it was only for the members of SLVLESA and that it all goes to the Unified Police Department. He said SLVLESA is just a group that gets together to pay their share of the dues to the Unified Police Department.

A member of the public, Ranleigh Johnson, addressed the Board. He said he is a resident of Kearns and has worked in the Granite School District for 40 years. He said that he appreciates the work the Board does because it puts them in an unpopular position. He spoke about some of his experiences working in the public-school system.

A member of the public, Christopher Jolles, addressed the Board. He said he was a resident of unincorporated Salt Lake County. He said he is retired and has had a long-standing interest in what is happening in law enforcement. He said SLVLESA is served by a state-of-the-art law enforcement organization. He said the Unified Police Department has the best training, excellent continuing education for law enforcement officers, best equipment, excellent forensic labs and critical services for law enforcement. He said there are a lot of agencies that are competing for the best recruits in law enforcement and that the UPD needs to be competitive. He said the tax increase is modest but the UPD administrators believe it is adequate to retain staff. He thinks the three percent is appropriate and it is needed.

Member of the public, Griffin Bonacci, asked what the purpose of the "rainy day fund" was and why SLVLESA is not dipping into that instead of raising the tax rate. He asked if there were state laws saying how much must be in the fund.

Lisa Dudley said the fund balance for the general fund has a minimum requirement which is five percent. There is also a maximum amount which can be held in there, which is twenty five percent. The purpose of the "rainy day fund" is if something unexpected happened, she is sure this Board would dip into the reserves.

Trustee Bradley entertained a motion to close the public hearing.

Trustee Burdick motioned.

Trustee Cutler seconded.

All voted in favor; none opposed.

The public hearing was closed.

Trustee Bradley asked if there was any further discussion by the Board. Trustee Pazell said that they knew where he stands because they have discussed it meeting after meeting and he did not think they needed to go any further into it.

Trustee Bradley said that as Board members they take direction from the municipalities that they represent and therefore they may be bound by what their community councils directed them to do.

Trustee Bradley asked for a roll call vote.

Trustee Burdick voted aye.

Trustee Cutler voted aye.

Trustee Ghorbani voted aye.

Trustee Prokopis voted aye.

Trustee Bradley voted aye.

Trustee Peterson voted no.

Trustee Brems voted aye.

Trustee Pazell voted no.

The Resolution passed.

Item #8-Public Hearing: Consider A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA) ADOPTING THE CALENDAR YEAR 2020 FINAL BUDGET FOR SLVLESA.

Action Requested: Motion, Second and Vote to Open Public Hearing

Public comment from interested persons in attendance.

After receiving public comment from interested persons, Motion, Second and Vote to Close Public Hearing

Board Discussion

Motion, Second and Vote on Resolution.

Discussion: Richard Moon referenced the budget document included in the packet for SLVLESA. He said he wanted to go over property taxes. He said their base was \$16,400,00, the property tax increase that was just passed is the \$502,500, property tax new growth was \$200,000, personal property taxes were

\$350,000 which comes to a total of \$17,452,250. Total taxes including delinquents and in lieu of taxes will be \$18,307,00.

Trustee Bradley entertained motion to open the public hearing.

Trustee Pazell motioned.

Trustee Prokopis seconded.

All voted in favor; none opposed.

The public hearing was opened.

Trustee Bradley asked if there was anyone present who wished to address the Board concerning the budget.

There were none.

Trustee Bradley entertained motion to close the public hearing.

Trustee Brems motioned.

Trustee Pazell seconded.

All vote favor; none opposed.

The public hearing was closed.

Trustee Bradley entertained a motion to approve the Resolution.

Trustee Cutler motioned.

Trustee Prokopis seconded.

Trustee Bradley asked for a roll call vote.

Trustee Burdick voted aye.

Trustee Cutler voted aye.

Trustee Ghorbani voted aye.

Trustee Prokopis voted aye.

Trustee Bradley voted aye.

Trustee Peterson voted aye.

Trustee Brems voted aye.

Trustee Pazell voted no.

The Resolution passed.

Item# 9-Adjourn

Trustee Bradley adjourned the meeting.