

Date: June 16, 2022

THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA BOARD OF TRUSTEES (“BOARD”) MET ON THURSDAY, JUNE 16, 2022, AT 10:00 AM. THE PUBLIC WAS NOTIFIED THAT THEY MAY JOIN THE OPEN PORTIONS OF THE MEETING BY CALLING 1-669 900-9128 AND ENTERING MEETING ID 92301763844# AND PASSWORD 259919#. THE PUBLIC WAS ALLOWED TO LISTEN TO ALL OPEN PORTIONS OF THE MEETING. BOARD MEMBERS AND PERSONS PARTICIPATING BY PHONE OR ELECTRONICALLY WERE ABLE TO HEAR ALL DISCUSSIONS.

<u>Present:</u>	<u>Excused:</u>	<u>Attended Via Zoom:</u>
TRUSTEE JIM BRADLEY, SALT LAKE COUNTY	TRUSTEE PAULINA FLINT, WHITE CITY	TRUSTEE DAVID OLSEN, COPPERTON
TRUSTEE DAVID BREMS, EMIGRATION CANYON		TRUSTEE CHRIS STAVROS, SALT LAKE COUNTY
TRUSTEE ALAN PETERSON, KEARNS		TRUSTEE STEVE PROKOPIS, MAGNA
TRUSTEE CAROLYN KEIGLEY, BRIGHTON		
TRUSTEE DEA THEODORE, SALT LAKE COUNTY		

ALSO ATTENDED:

UNDERSHERIFF JAKE PETERSEN, SALT LAKE COUNTY UNDERSHERIFF

CHIEF OF POLICE JASON MAZURAN, UPD CHIEF OF POLICE

FRANK NAKAMURA, SLVLESA DISTRICT ADMINISTRATOR/SLVLESA LEGAL COUNSEL

LISA DUDLEY, SLVLESA CHIEF FINANCIAL OFFICER

RICHARD MOON, SLVLESA TREASURER

Item #1-Call to Order.

Trustee Bradley called the meeting to order. A roll call vote for attendance was then conducted.

Item #2- Conflict of interest disclosure.

Action Requested: Identify Conflicts; if any

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

Item #3-Public Comment

Action Requested: None

Discussion: Trustee Bradley asked if there were any members of the public who wished to address the Board. There were none.

Item #4- Expenditures for the Month of May 2022 and Other Financial Information.

Action Requested: None

Discussion: Richard Moon said they only had two checks for the month of May. He asked if there were any questions. There were none.

Item #5- Discuss July 14, 2022, Workshop.

Action Requested: None

Discussion: Frank Nakamura asked everyone to notify Marcie Kay, SLVLESA clerk, if they would be attending the July 14th SLVLESA Workshop. He said he encouraged the Board members to bring other members from their councils to the workshop.

Item #6- Discussion on Fiscal Year 2022-2023 Unified Police Department (UPD) Final Budget.

Action Requested: None

Discussion: Lisa Dudley said she would like to report to the SLVLESA Board that the UPD Board passed the fiscal year 2023 final budget. There were only a handful of changes to shared services. There was a total \$41,000 increase to shared services and that would be spread across to their members based on the sharing formula. At the precinct level, Midvale will increase its budgetary use of fund balance from \$300,000 to \$435,000. She said they will have that out and posted online as soon as possible.

Item #7-Report by Under-Sheriff Jacob Petersen

Action Requested: None

Discussion: Undersheriff Petersen said that last week they hosted their annual awards banquet for UPD, for the year 2021. He said they are very grateful for the participation of everyone who came out to show their support. Thurl Bailey came out and emceed the event. He said it is a time of year where they look back and honor the people in their organization who went above and beyond. The heroism, ingenuity, and selflessness and the desire of their team to roll up their sleeves and serve the public has been something that continually amazes everyone. He wanted to also thank the Honorary Colonels for donating funds to make the awards ceremony possible.

Trustee Peterson asked who the Honorary Colonels are.

Undersheriff Petersen said they are a nonprofit organization that works with the Office of the Sheriff. Their mission is to support law enforcement, the Sheriff's Office and Unified Police Department in recruiting, training, and supporting officers. They also help support the Cadet program.

Item #8-Consider RESOLUTION NO. 22616-1 OF THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA) ADOPTING AN AD VALOREM RATE OF TAX LEVY FOR CALENDAR YEAR 2022 ON PROPERTY MADE TAXABLE BY LAW IN SLVLESA BASED ON SLVLESA'S BUDGETED PROPERTY TAX REVENUE FOR CALENDAR YEAR 2022.

Action Requested: Motion, Second and Vote.

Discussion: Lisa Dudley said that last fall they held meetings with each of SLVLESA's entities, to address whether the Board wanted to increase property taxes. The decision was made, truth in taxation was held, the post cards went out to all the properties within SLVLESA's boundaries. The decision by the Board was to increase property taxes by 16.5%. At the time, they had to think ahead to 2022 but basing it on 2021 numbers because they are a calendar year entity. Based on the 2021 assessed valuations, 16.5% increase in property tax would generate \$2,903,624. That revenue was what the maximum amount they could increase taxes for 2022. If the assessed valuations go up, the tax rate will fall. Assessed valuations go down, the tax rate would rise. With that in mind, our tax rate had been .001973 for 2021. Because of the increase in taxable valuation and the increase of the \$2.9 million of revenue, that then brings their budgeted revenue up to \$22,971,049 and generates a tax levy of .001984 which is lower than they had anticipated based on old data.

She said today, they need to have the Board approve tax revenue and tax rate that is shown in the resolution. Then they will have to look at SLVLESA's budget and present that to the Board for any necessary budget amendments to match the current information. Lisa Dudley asked if there were any questions on this.

Trustee Bradley said there will be a question on fund balance, but they can get into that when they have their policy discussion.

Trustee Olsen asked if Lisa Dudley could repeat what it is they are approving for today.

Lisa Dudley said they are adopting the ad valorem, or property tax rate of .001984 and included in that resolution is also the property tax revenue associated with that rate which would be the \$22,971,049.

Trustee Olsen asked if that is number that was generated by truth in taxation that was already approved last fall.

Lisa Dudley said that was correct.

Frank Nakamura said they are doing it now because valuations came in from the County this month.

Trustee Bradley asked if there were any other questions.

Trustee Stavros said that one thing to keep in mind, is how the system works in general is when values go up, the rates come down accordingly but there are still tax increases for people because there are a lot of entities that are trying to get tax increases this year. He said he knows of at least seven or eight already that are starting the truth in taxation process. So, it is probably good they did it last year because there are going to be a lot of entities going through it this year.

Frank Nakamura said at the SLVLESA Workshop they will discuss this more.

Trustee Bradley entertained a motion to adopt the Resolution.

Trustee Brems motioned to approve.

Trustee Keigley seconded the motion.

Marcie Kay conducted a roll call vote.

Trustee Bradley voted aye.

Trustee Brems voted aye.

Trustee Theodore voted aye.

Trustee Olsen voted aye.

Trustee Peterson voted aye.

Trustee Prokopolis voted aye.

Trustee Stavros voted aye.

Trustee Keigley voted aye.

All voted in favor; none opposed.

The Resolution was passed.

Item #9-Consider RESOLUTION NO. 22616-2 OF THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA) ACCEPTING THE INDEPENDENT AUDIT OF SLVLESA FOR CALENDAR YEAR 2021 AND ORDERING THAT IT BE FILED WITH THE UTAH STATE AUDITOR.

Action Requested: Motion, Second and Vote.

Discussion: Lisa Dudley said they completed the SLVLESA audit. They are allowed six months from the time of year end to finalize the audit and file with the appropriate places. Their auditors were HBME and two of them are online. They are Todd Sullivan and Aaron Hixson. She said there isn't really anything out of the norm with this audit. The only thing that really is a different presentation from in the past is that the proceeds from the TRAns are now presented on the base of the financial statement, whereas in the past because they had borrowed this amount in the same year they had paid this amount, it has net to zero. This year both the proceeds from the financing and the expenditure for debt services are both presented in the statements. She said she would like to thank Richard Moon for his work on this, he virtually does all the preparation for the SLVLESA audit and works closely with Aaron to complete this. She said her role is mostly in reviewing the final report and working with the auditors on any differences they noticed. She wanted to thank the auditors as well, they are a great firm to work with because they are conscientious and thorough.

Todd Sullivan referenced page one of the audit report, which is their opinion. They issued an unmodified opinion, also known as a clean opinion. This means they did not notice any issues or have anything to report. Lisa and Rick have done a great job accounting for SLVLESA. He said it is a very small entity with a small number of transactions. As Lisa said, they added presentation for the TRAns to be on the statement of revenues, expenditures and change of fund balance statement. They felt that was a more transparent way of reporting and leaves no questions to be asked. He then directed them to page 26 of the audit report. He said they do some procedures required by the Utah State Auditors office to access the compliance with the state laws, they've tested budgetary compliance, fund balance, restricted taxes and related restricted revenue, fraud risk assessment, etc. In the testing of those areas, they noted no issues, a clean opinion on the compliance of state laws. He said as far as the financials go, there is nothing out of the ordinary, the property taxes are reliable. On page 16, the budgets to actual, SLVLESA came in under budget. He asked if Lisa Dudley or Aaron Hixson had anything to add. Aaron Hixson said he did not have anything else to add. He said an unmodified opinion, which SLVLESA received, is the highest opinion they can give as independent auditors. He said he does feel like the finances, recording of transactions, safeguarding of assets, etc. is done very well with competent people.

Trustee Bradley asked if there were any questions about the audit and there were none.

Trustee Bradley entertained a motion to accept the audit and pass the Resolution.

Trustee Brems motioned to approve the Resolution.

Trustee Keigley seconded the motion.

All voted in favor; none opposed.

The Resolution passed.

Item #10- Consider RESOLUTION NO. 22616-3 OF THE BOARD OF TRUSTEES (BOARD) OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA (SLVLESA) AMENDING SLVLESA POLICY 2021-1— GENERAL FUND BALANCE POLICY.

Action Requested: Motion, Second and Vote.

Discussion: Frank Nakamura said he does not want to confuse the general fund balance, which is the subject of the policy, with the precinct fund balances. This is their general fund balance. He said in 2021 they passed a policy that they wanted a target fund balance of 17 percent. He said this Resolution is about wanting to provide more flexibility to the Board, rather than having a specific target amount. They want to give the Board the opportunity to change the use of fund balance without having the specific target amount, other than they do have to maintain a statutory 5 percent minimum.

Lisa Dudley said at the end of 2021, for the audit presentation, the fund balance wound up at 4.8. In December 2021, the fund balance was 25.5 percent of 2021's revenues. She said one thing that changes in this fund balance is that when the Board determines there is a reason for the fund balance to drop below, the Board may request a method or plan to get it back up. Also, because on the UPD budget side, SLVLESA has a precinct fund balance from the under expend of wages, that has allowed the SLVLESA precincts to utilize \$1,550,00 from the UPD precinct fund balance which would otherwise have had to come from SLVLESA's general fund. That will directly benefit SLVLESA's assessments to the Unified Police Department.

Trustee Bradley asked if there were any questions regarding this and there were not.

Trustee Bradley entertained a motion to approve the Resolution.

Trustee Keigley motioned to approve the Resolution.

Trustee Peterson seconded the motion.

All voted in favor; none opposed.

The Resolution passed.

Item #11-Approve Minutes for the May 19, 2022, Board Meeting.

Action Requested: Motion, Second and Vote.

Discussion: Trustee Bradley entertained a motion to approve the minutes from the May 19, 2022, Board meeting.

Trustee Brems motioned to approve the minutes.

Trustee Theodore seconded the motion.

All voted in favor; none opposed.

The minutes were approved.

Item#12- Adjourn

Trustee Bradley adjourned the meeting.