

Date: March 18, 2021

THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA BOARD OF TRUSTEES (“BOARD”) MET ON THURSDAY, MARCH 18, 2021 AT 10:00 AM. AS PROVIDED IN AN EXECUTIVE ORDERS ISSUED BY THE UTAH GOVERNOR AND A WRITTEN DETERMINATION BY THE CHAIR OF THE BOARD, THE BOARD HELD THE MEETING AS AN ELECTRONIC MEETING WITHOUT AN ANCHOR LOCATION. 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. USING ZOOM TECHNOLOGY, BOARD MEMBERS AND PERSONS PARTICIPATING BY PHONE 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 ALAN PETERSON, KEARNS
		TRUSTEE STEVE PROKOPIS, MAGNA
		TRUSTEE DAVID BREMS, EMIGRATION CANYON
		TRUSTEE CAROLYN KEIGLEY, BRIGHTON
		TRUSTEE DAVID OLSEN, COPPERTON
		TRUSTEE DEA THEODORE, SALT LAKE COUNTY
		TRUSTEE CHRIS STAVROS, SALT LAKE COUNTY

ALSO ATTENDED VIA ZOOM:

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

UNDERSHERIFF JACOB 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

MARCIE KAY, SLVLESA CLERK

Item #1-Call to Order.

Jim Bradley called the meeting to order.

Item #2-Determination of need for electronic meeting due to public health emergency. Frank Nakamura stated that Trustee Bradley signed a written determination that due to the public health risks and the continuing state of emergency as a result of the pandemic, the meeting on March 18, 2021 should be an electronic meeting without an anchor location so that Board members, staff and members of public will not attend in person.

Item #3- 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 #4-Public Comment.

Trustee Bradley asked if anyone was calling in to the meeting who wished to give public comment to the Board. Marcie Kay, SLVLESA Clerk, stated that there were no calls from the public. Public comment was closed.

Item #5-Present expenditures for the month of February 2021 and other financial information.

Action Requested: None

Discussion: Richard Moon said that they only had two expenditures. He said the AMTEC expenditure is the arbitrage analysis for the TRAns last year. He asked if there were any questions; there were none.

Item #6-Summary on Utah Legislative Session 2021 relative to SLVLESA.

Action Requested: None

Discussion: Undersheriff Jake Petersen said there were many law enforcement-related bills this year. He said there were several bills that were relating to local districts. He said HB243 is the privacy protections amendment bill that creates personal information privacy oversight commission. This commission and its Officer look at information and how it is kept private and safe for government entities including local districts and if they maintain a personal information database. He said HB293 is an open meetings amendment that would apply to local districts. He said SB258 is not specific to local districts but does affect some of our members in metro townships, to impose municipal energy sales and municipal communications license tax, after holding a public hearing. SB125 Open Public Meetings allows the convenience of an electronic meeting when an anchor location is closed due to public health emergencies. SB201 is a public notice amendment that removes the requirement to post public notices in newspapers, as most newspapers have moved to electronic form and most people are looking for information through electronic means.

He said during the legislative session they have had their government relations teams working for the SLVLESA tax rate increase. They are trying to get their cap increase bill next year and try to work it into the interim. They have been working with the special districts group and they have been fantastic. He said they are working behind the scenes to create a strategic plan on how they are going to get the cap increase.

Frank Nakamura said Undersheriff Petersen has put in a lot of hard work in covering the legislative session and he appreciates it. He asked if the sunset clauses on the mountainous planning zone and recreational areas were still in place.

Trustee Keigley said she had been following that and yes, it is no longer enforce but the mountainous planning district is still in operation for the lower part of the canyon, outside of the Brighton jurisdiction and Little Cottonwood Canyon. She said Brighton will have its own land use authority but there is still the agreement with the County to cover some of the Canyon patrol costs within the town of Brighton.

Item #7-Discuss development of a policy providing for a target fund balance and the accounting and use of fund balances for member entities.

Action Requested: None

Discussion: Trustee Bradley asked Lisa Dudley if she would explain the difference between the precinct fund balance and the SLVLESA fund balance.

Lisa Dudley said the UPD draft budget was presented to the UPD Board this morning. She said the department has been restructured because of Taylorsville's departure and the Sheriff was given direction to cut \$4.1 million from shared services. She said that was achieved and in doing so there were 16.7 positions eliminated. They have their assessment from VECC at \$2,176,443 which is nearly half of what it was four fiscal years ago. Also included in the draft budget are the 2.75% merit increases for

those employees who are still part of the merit scale. This budget also includes the market increases for Officers, Sergeants, Lieutenants, Deputy Chiefs and Chief of Police.

Lisa Dudley then discussed her spreadsheet concerning how the Taylorsville departure affects the sharing formula for fiscal year 2021. The current year, SLVLESA is picking up 22.52% but with the omission of Taylorsville, SLVLESA's percentage would increase to 28.47%.

In discussing how the change in taxable valuation affects the shared services formula, Lisa Dudley said for the fiscal year 2022 SLVLESA's share would increase by 0.14 of 1%.

Because there was a decrease in taxable valuation in SLVLESA, it dropped SLVLESA's overall taxable value from \$8 billion to \$7.7 billion. This means SLVLESA's portion of the sharing formula decreases by 0.10%.

Lisa Dudley said they do not have a draft policy to bring to the Board yet, but she wanted to show the best practices and components of a fund balance policy. It comes from the GFOA. The term "fund balance" is intended to be a measure of financial resources available. It is in essence our rainy-day fund to use how SLVLESA sees fit. It is important to have an adequate fund balance because there are unexpected events that happen. It is also important because having an adequate fund balance will mitigate current and future risks and will ensure stable tax rates.

There is a current cap on property tax rates and hopefully, in working with the lobbyists, that rate can be adjusted as costs continue to go up and that is important to SLVLESA.

Lisa Dudley then showed some fund balance policy considerations taken from the GFOA. The policy should be set by the governing body. There should be a framework and process for increasing/decreasing the level of available fund balance. The policy should articulate how resources will be directed to replenish the fund balance if it drops below the target level.

SLVLESA has one fund--the general fund and needs to maintain minimum balance. In setting a goal fund balance, the Board needs to consider financial planning and economic forecasts.

Lisa said the Board should consider a target level of fund balance. SLVLESA is unique in that it only has one source of revenue. It is vulnerable to natural disasters and has centrally assessed properties. SLVLESA also must consider UPD's budget.

Lisa Dudley then showed a presentation about how the upcoming budget would impact SLVLESA and its members. She said SLVLESA, as a whole, had \$613,698 available. She said the SLVLESA Board needs to determine how to utilize that amount of money to best keep SLVLESA's increase for law enforcement at a level that the Board is comfortable with. She said she created another assumption that the Board can consider. She took the fiscal year 2021-22-member assessment and calculated the percentage of the total expenditures that the draft budget has for each of the SLVLESA member cities/townships. She asked if there were any questions.

Frank Nakamura asked if these decisions needed to be made by the next meeting.

Lisa Dudley said what does not need to be determined by the next meeting is having a fund balance policy drafted and approved. What does need to be considered is how much of an increase does SLVLESA want.

Trustee Bradley said he has asked Chris Stavros and Carolyn Keigley if they would consider being the subcommittee to look at the fund balance policy for SLVLESA.

Frank Nakamura said he thinks their focus should be on, for budgetary purposes, what kind of use of the fund balance do they want to use regarding their assessment.

Trustee Bradley asked if there were any other Board members who would like to join that subcommittee.

Trustee Prokopis said they are up against the cap, which tells him there is zero room for the cap to absorb any of this increase this year. He asked if that was correct.

Frank Nakamura said yes, they are up against the cap, they have about 2% and they do not know what will happen with centrally assessed values. He said that is why it is important to determine what their target fund balance percentage will be as well. He thinks they will still be in that target next year, depending on the percentage that the Board members decide upon. The financial model has been using 15%. He asked if Lisa Dudley had anything to add to that.

Lisa Dudley said it is important to note that they do not have infrastructure, so she would not support going to a 25% max. She said SLVLESA as a district is up against the cap, which is unnerving when they have unexpected events like the earthquake or Covid, so there needs to be some planning for other unknowns.

Trustee Flint said as they see how tight this budget is and as they make decisions, she thinks simultaneously they need to know exactly how much money it is going to take for the next 5 to 10 years to keep them solvent because if they're going to the ledge they need to already have a plan and they need to be talking to the legislators and senators and educating them to this process so that the cap increase can pass next year.

Frank Nakamura said they have done a financial model to determine what cap they wanted.

Trustee Flint asked if they are creating a committee to make sure the bill passes next year.

Trustee Bradley said yes, it is critical that they have that cap raised and they will have a strategy in place. They have Undersheriff Petersen, as well as their lobbyists like Rob Behunin, joining them next month for the Board meeting to present a strategy.

Trustee Flint asked if they would allow outside lobbyists besides the County, to join in the efforts because this is going to be a big one.

Trustee Bradley said he believes it would be coordinated with the SLVLESA lobbyists but of course the more, the merrier on this.

Sheriff Rivera said that their UPD lobbyists that represent SLVLESA as well, have been working with other lobbyists on this issue and they will continue to do that. She said that they did reach out to a senator to see if she would run that legislation; she was not willing to last time, but she is open to this next session. She said that there is a perception that UPD is too expensive and that is why people have left but that is not true. They have found that the reason cities have left is because they want local control, so if they can have the Board members out there explaining that to the public, it would help.

Trustee Bradley said he appreciated Lisa Dudley's presentation and it was excellent.

He said the conclusion of this agenda item is that they have asked Trustee Stavros and Trustee Keigley to get together with their financial people and Frank Nakamura to discuss moving forward.

Item #8-Discuss UPD compensation proposals and their impact on SLVLESA.

Action Requested: None

Discussion: Sheriff Rivera said she can do the compensation piece for those Board members that did not attend the UPD Board meeting. She said they did a surgical approach to their compensation, so they did not give everyone across the board the same compensation. They looked at who was further from the market and that is how they proceeded. It includes a 4.5% for Sergeants, 3.5% for Officers, 2.5% for Lieutenants, 0% for Captains, 2.5% for Deputy Chiefs, 2.5% for the Chief of Police. Also, a 2.75% merit increase for 40% of the Officers, 20% of the Sergeants, and the civilians.

Item #9-Report by Sheriff Rosie Rivera, SLVLESA Chief Executive Officer.

Action Requested: None

Discussion: Sheriff Rivera said the Magna precinct has a new Chief because their previous Chief has left to go to the HR department and Del Craig will be the new Magna Chief. She said the budget they are presenting this year is lean and mean, they have cut according to the Board. They wanted her to make all the adjustments so that shared services did not go over a 3.5% overall increase and that is what they have done. They cut out the \$4.1 million for the exit of Taylorsville and they have eliminated 16.7 positions. They are still working on the reorganization. She said they still have time because Taylorsville's exit will be July 1st. She said she wanted the Board to know that they have cut shared services every year that she has been Sheriff and that they cannot continue to cut shared services. The whole reason they have UPD is that everyone shares services. She said she hopes next year that the Board does not ask for more cuts. She said the precincts have taken some of the shared services, pulled it out of shared and created units in their own precincts, which ups the costs in the precincts. They are going to look at this year, possibly bringing some of that back. One issue that came up is their SWAT. It is a shared service but right now they are being required to go out on callouts about every other day. This is a secondary assignment, so it is taking a toll on the Officers and a toll on the overtime budget. She said in another police agency, they usually have 5 or 6 people working a specialized unit. In UPD, every single precinct has 5 or 6 people, so they are looking at 25 people daily, fighting street crimes. Their SWAT team is being tasked with a lot. They are going to look at maybe combining some of that back into the shared service. It would cut costs to the precincts but would increase shared services, so those are things they are working on this year.

She said that their body cam program began as a grant. The grant ran out but they approached the Board for more funding and they did approve to keep the cameras that they have going. They would like

to get all of patrol equipped with body cameras this year if possible. They are waiting for the federal government to see how much money they are going to put into that. If there are grants available, they will seek those out. She said with Taylorsville leaving, the body cams they use will come back to UPD. She wanted to thank the Board members for their continued support through a rough year with Covid and civil unrest, etc.

Item #10-Consider RESOLUTION NO 21318-1 OF THE BOARD OF TRUSTEES OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$9,000,000 OF TAX AND REVENUE ANTICIPATION NOTES, SERIES 2021, IN ONE OR MORE SERIES, OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA, 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 THIS RESOLUTION; APPROVING A FORM OF NOTE PURCHASE AGREEMENT AND THE FORM OF NOTES; AND RELATED MATTERS.

Action Requested: Motion, Second and Vote.

Discussion: Lisa Dudley said SLVLESA relies on property tax as their revenue. Property tax is collected at the end of the calendar year and requires a financing method to generate the revenue needed to meet SLVLESA's obligations until the property taxes are collected. So, every year SLVESA issues a TRAns which is a tax and revenue anticipation note that gets paid off when their property taxes are received. In order to meet the timing of the transaction, typically the Board is asked to approve the Resolution prior to the closing of the TRAns. Yesterday, they received an offer for an incredible rate of 0.3%.

Trustee Bradley said in the Resolution they are looking at a maximum of 9 million, but the expectation is they would need less than that.

Trustee Bradley entertained a motion to approve the Resolution.

Trustee Brems motioned to approve.

Trustee Keigley seconded.

Frank Nakamura conducted a roll call vote.

Trustee Bradley voted aye.

Trustee Prokopolis voted aye.

Trustee Petersen voted aye.

Trustee Brems voted aye.

Trustee Keigley voted aye.

Trustee Flint voted aye.

Trustee Theodore voted aye.

Trustee Stavros voted aye.

Trustee Olsen voted aye.

All voted in favor; none opposed.

The Resolution passed.

Trustee Bradley said Trustee Theodore told him she would like to join the subcommittee looking at SLVLESA's fund balance.

Trustee Prokopis said he would like to thank Sheriff Rivera and Lisa Dudley for their work on the budget and the transparency. He asked what the dollar amount was to give raises to the employees.

Richard Moon said it was just under \$650,000.

Item #11- Approve Minutes for the February 18, 2021 meeting.

Action Requested: Motion and Vote

Discussion: Trustee Bradley entertained a motion to vote.

Trustee Keigley motioned to approve.

Trustee Flint seconded.

All voted in favor; none opposed.

Item 12- Adjourn.

Trustee Bradley adjourned the meeting.