

DATE: April 21, 2016

THE SALT LAKE VALLEY LAW ENFORCEMENT BOARD MET ON THURSDAY, April 21st, 2016 AT THE HOUR OF 10:00 AM. AT THE SHERIFF'S OFFICE BUILDING, 3365 SOUTH 900 WEST ROOM 115B, SALT LAKE CITY, UTAH.

TRUSTEES PRESENT:

CHAIRMAN JIM BRADLEY

TRUSTEE CARMEN FREEMAN

TRUSTEE BEN MCADAMS

TRUSTEE TRENT STAGGS

ALSO PRESENT:

JIM WINDER, SHERIFF

SCOTT JURGES, SLVLESA TREASURER

KYLE GREEN, AUDITOR

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Chairman Bradley opened the meeting and welcomed everyone.

Item #1 – Public Comment:

Chairman Bradley asked if anyone was present who wished to address the Board. Seeing none, 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 from Trustees regarding any of the items on the agenda. There were none.

Item # 3 – Acceptance of 2015 Audited Financial Statements

Action Requested: Adoption of Financial Statements

Discussion:

Kyle Green states that on all three reports conducted by Squire, they gave a clean opinion. He stated that the fund balance amount is 6.8 million dollars.

Mayor Freeman asks Scott Jurges about the future of SLVLESA and the drawdown of the fund balance, and where SLVLESA becomes insolvent.

Scott Jurges responds that in the 2016 budget there is a projection of a 1.2 million dollar drawdown and the proposed insolvency in 2018 is still a relevant projection.

Mayor Freeman asks Kyle Green in regards to internal control audit, and asks what the differences and benefits of this type of audit are.

Kyle Green responds that the internal control audit is more extensive and more time consuming to do, as Squire must be there while these Financial Statements are being created.

Scott Jurges states that due to the fact that time must be scheduled specifically to accomplish this audit, it becomes more expensive and more time consuming. He then states that the only issues in which he sees are the lack of employees in SLVLESA as Andrew Keddington and himself are doing all the daily tasks of SLVLESA.

Karl Hendrickson says that there is very low risk due to the fact that all the money is spent through contracts and other low risk transactions.

Action: Chairman Bradley called for a vote to accept the Audited Financial Statements. All Present voted Aye. Audited Financial Statements are adopted.

Item # 4 –SLVLESA Budget and Decision Making Timeline

Action Requested: None

Discussion:

Scott Jurges states that silo model approach is very close to being completed, and is waiting on the new 2016 current year tax evaluations. He states that there will be personalized independent meetings with each municipality, in regards to the silo method and decisions made within each entity. Scott says that on May 19th the plan for the long term tax increase will be discussed. He then states that on the June 16th board meeting, the SLVLESA budget will be updated based on the UPD budget. If taxes will be raised, in August, the tax increase must be published. By September 1st, SLVLESA must notify the treasurer of tax increase. He then says that by October 20th the tax increase details must be placed on SLVLESA board meeting agenda. On December 8th and 15th Newspaper ads will be created notifying of tax increase.

Item # 5 – Other Business – Next meeting May 19, 2016

Chairman Bradley asked if there was other business that needed to come before the Board. There was none.

Mayor Freeman moved to adjourn meeting. All voted aye.

Meeting Adjourned at 10:28 A.M

MINUTES APPROVED:

By _____
CHAIR, SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA

CLERK

BOARD APPROVED: _____

DATE: May 19, 2016

THE SALT LAKE VALLEY LAW ENFORCEMENT BOARD MET ON THURSDAY, May 19th, 2016 AT THE HOUR OF 10:00 AM. AT THE SHERIFF'S OFFICE BUILDING, 3365 SOUTH 900 WEST ROOM 115B, SALT LAKE CITY, UTAH.

TRUSTEES PRESENT:

CHAIRMAN JIM BRADLEY

TRUSTEE CARMEN FREEMAN

TRUSTEE BEN MCADAMS

TRUSTEE TRENT STAGGS

TRUSTEE MICHAEL JENSEN

ALSO PRESENT:

JIM WINDER, SHERIFF

SCOTT JURGES, SLVLESA TREASURER

ANDREW KEDDINGTON, SLVLESA ADMINSTRATOR

ZACHARY YOUNG

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Chairman Bradley opened the meeting and welcomed everyone.

Item #1 – Public Comment:

Chairman Bradley asked if anyone was present who wished to address the Board. Seeing none, 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 from Trustees regarding any of the items on the agenda. There were none.

Item # 3 – Accept Quarterly Financial Report for the quarter ended March 31, 2016

Action Requested: Adoption of Financial Report

Discussion:

Scott Jurgens mentions that the recent budgets have prior year property tax collection budgeted in, which was not done in previous years. He then states that the fund balance equated to 6.8 million dollars, and that there is anticipated draw down of 1.2 million.

Action: Mayor Freeman called for a vote to adopt the Quarterly Financial Report. All present voted Aye. Quarterly Financial Report adopted.

Item # 4 – SLVLESA Strategic Plan and Tax Increase Intent

Action Requested: None

Discussion:

Andrew Keddington, asks the board to give the staff of SLVLESA guidance on the strategic plan, and the tax increase for the future year. He also asks the board on whether or not staff should continue down the path of the 5 year strategic plan planned out by Sorenson center, or the Silo model, where each entities revenues are put into siloes for their own area.

Councilman Jensen asks Andrew Keddington how was the 25% fund balance recommendation from Sorenson was derived?

Mr. Keddington responds, that due to TRANS borrowing, a 25% fund balance requirement helps with the borrowing of TRANS only one time a year.

Scott Jurgens states that TRANS must be spent in a 6 month window, so that if the fund balance isn't large enough to float the gap between, there must be 2 TRANS borrowed.

Mayor Freeman responds that this 25% fund balance only applies to SLVLESA's total fund balance in the 5 year plan approach and not the silo method.

Councilman Staggs states that he would feel more comfortable keeping the fund balance requirement lower than the 25% and keep it near where it currently has been in SLVLESA.

Mayor Freeman states that the board must decide what plan it want's in order to discuss these issues in a more detailed way. He then says that Herriman is inclined more with the silo approach because it gives more transparency to new growth and municipalities to manage their own precincts based off of fund balance.

Andrew Keddington states that the issue with the silo approach is that if the money in the municipality for new resources is not raised, then the resources will not be added even if the need is severe.

Councilman Bradley reminds the board that the philosophy of SLVLESA is to create one efficient district that provides a better level of service than individual municipalities.

Councilman Staggs states that the way in which centrally assessed is broken down, hurts Riverton, and Riverton hasn't seen any benefit from being in the district from a financial side. He then suggests that if the silo method is adopted, centrally assessed should be broken out throughout all of the municipalities.

Andrew Keddington responds that it is not possible for centrally assessed to be broken out through municipalities in the silo approach, and that the only way in which all of the partners of SLVLESA to receive centrally assessed revenue is to adopt the 5 year plan.

Sherriff Winder warns that there would be legislative problems in regards to splitting centrally assessed based on the silo method.

Councilman Staggs says that the silo method is just a paper representation, and even if this model is adopted they are still part of the district, therefor centrally assessed should be split between municipalities.

Sherriff Winder states that if the 5 year plan is adopted and resources are allocated based on need and not by revenue, then centrally assessed can be used by the entire district.

Councilman Staggs says that the funding mechanism of only property tax, is a flawed model, and for long term sustainability it must be changed.

Councilman Jensen states that the inefficiencies of SLVLESA are that the municipalities don't act as though they are in the district, but rather out for their own interests. He then says that certain areas pay for the services of others, such as commercial areas, paying for residential areas.

Mayor Freeman says that Herriman City council has doubts with the newly created resource allocation formula, and that this leads to Herriman City supporting the silo approach.

Councilman Jensen requests information on the resource allocation formula, and the way in which it allocates officers.

Andrew Keddington then discusses the reasoning and data behind the creation of the resource allocation formula.

Scott Juges voices his concerns regarding the silo method and the issues of covering inflationary costs with new growth revenue.

Mayor Freeman suggests that with the new board changes in the near future may shift the dynamics of SLVLESA, may change the way in which officers are allocated.

Sherriff Winder recommends that the board must first deal with the current issues, then deal with the new board dynamics at a later date.

Councilman Staggs says that with the silo method in place, it is easier to directly show constituents where the tax revenue goes.

Mayor Freeman states that there must be a tax increase for SLVLESA to survive, and agrees to a tax increase, but only under the silo method.

Councilman Bradley says that there is no way to effectively predict the political shifts and swings of the future, and that it is better to invest in a model that safeguards the future of the district. If the board looks at the district as a single entity, some days some municipalities will gain more than others, but overall it is in everyone's best interest to invest into the district.

Councilman Jensen states that he believes that a non-bordered district is the best way to operate as a police force, and that if the board continues to start fracturing into different models, and funding mechanisms, it will continue to fracture.

Councilman Staggs states that Riverton is in favor of a 3% and possibly up to a 6 % tax increase for the upcoming year, but would like to wait to for the new tax evaluations to be released.

Mayor Freeman states that for Herriman to be financially stable, there must be a first year increase of at least 8.25% and 3% increases for every year after.

Councilman Staggs suggests that fund balance requirement should be lower than 25% and Councilman Jensen agrees and suggests a fund balance percent around 15%.

Trent Staggs states that after running multiple scenarios through the SLVLESA created model, he states his reservations with the already discussed ways in which fund balance and centrally assessed is split between municipalities in silo method.

Scott Juges says that there is no way in which municipalities can use the silo method, and also gain the benefits from splitting centrally assessed when it returns to normal. He also states that dependent on what future assets municipalities want to add, 9% of a tax increase is the recommended amount of an increase.

Andrew Keddington states that the 11% initial recommendation was created around the 25% fund balance recommendation, and that if the fund balance requirement is lowered, 9% tax increase is sufficient.

Item # 5 –Set Date for a Budget Amendment Hearing June 16, 2016 at 10:00 a.m. and Setting of Final Tax Rates

Action Requested: Adopt

Action: Chairman Bradley called for a vote to set the date for the Budget Amendment Hearing. All present voted Aye. Date for Budget Amendment Hearing is set for June 16, 2016.

Item # 6 –Adoption of minutes from March

Action Requested: None

Discussion:

Action: Chairman Bradley called for a vote to Adopt the March minutes. All present voted Aye. March Minutes adopted.

Item #7: Other Business:

Next meeting June 16,2016

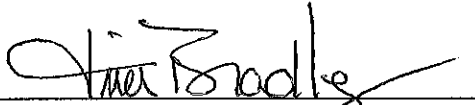
Discussion:

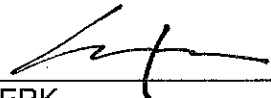
Chairman Bradley asked if there was other business that needed to come before the Board. There was none.

Councilman Jensen moved to adjourn meeting. All voted aye.

Meeting Adjourned at 10:52 A.M

MINUTES APPROVED:

By 
CHAIR, SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA


CLERK

BOARD APPROVED: 8-18-2016