

Date: May 16, 2019

THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA BOARD OF TRUSTEES MET ON THURSDAY, MAY 16, 2019 AT THE HOUR OF 10:30 A.M. AT THE SHERIFF'S OFFICE BUILDING, 3365 SOUTH 900 WEST ROOM 115, SALT LAKE CITY, UTAH

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

ALSO PRESENT:

FRANK NAKAMURA, SLVLESA DISTRICT ADMINISTRATOR/SLVLESA LEGAL COUNSEL

RICHARD MOON, SLVLESA TREASURER

LISA DUDLEY, SLVLESA CHIEF FINANCIAL OFFICER

SHERIFF ROSIE RIVERA, SHERIFF SALT LAKE COUNTY/UPD

CHIEF JASON MAZURAN, CHIEF OF POLICE SALT LAKE COUNTY/UPD

UNDERSHERIFF JAKE PETERSEN, UNDERSHERIFF SALT LAKE COUNTY/UPD

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-Public Comment:

Trustee Bradley asked if anyone was present who wished to give public comment to the Board. Trustee Pazell said, in response to a comment made in the UPD meeting, that he would like to make a statement concerning subsidies and how much the municipalities are being subsidized. He said White City is being subsidized in the amount of \$81,688.00, Magna is \$1,473,236.00, Kearns is approximately \$2 million and Copperton is \$46,000. He said the only communities that are not subsidized are Salt Lake County and Emigration Canyon. Emigration Canyon has a surplus. Every member of SLVLESA except Emigration Canyon is subsidized.

Trustee Bradley said he appreciated the information.

Item #4-Introduction of Shireen Ghorbani as a Newly Appointed Trustee to the Board.

Action Requested: None

Discussion: Trustee Bradley said Shireen Ghorbani is a new member of the SLVLESA Board of Trustees and also a new member of the Salt Lake County Council.

Item #5-Discussion on the Agreement with Econowest to Develop a Financial Model.

Action Requested: None

Discussion: Frank Nakamura said he thought it was important to look at revenues not only for this year but to project revenues for the next five years. We have a five year strategic plan. We are in our fifth year but, before we make decisions for the next budget year, he thought we should do another five year projection. Salt Lake County has an agreement where they went through an RFP process and selected consultants to do tax revenue analysis. According to procurement laws, we are allowed to use contracts that Salt Lake County has, if they have followed the RFP process. Econowest was selected by Salt Lake County to do their revenue analysis, so we are going to use Econowest to do a financial model for SLVLESA that would project revenue and expenses. The model would give the Board the opportunity to then make different assumptions and change variables in the model and see the numbers depending on the different assumptions.

Frank Nakamura introduced Doug McDonald and Lance Brown from Econowest. He said SLVLESA does have money in the budget for those professional services and will be entering into an agreement for a fee not to exceed \$5,000. He said Econowest has an advantage because they are already doing Salt Lake County's tax revenue projections and have an insight into the numbers.

Doug McDonald from Econowest said they have been working with Salt Lake County for about 12 years. They project sales taxes primarily, as well as "boutique" taxes, which consist mainly of room, restaurant and car rental taxes but they also get into property taxes.

Lance Brown from Econowest said he worked as the budget director for Salt Lake County and was heavily involved in long range financial planning. He said they have been asked by SLVLESA to create a financial model that would project revenues and expenditures as well as fund balances. They want to make sure that the Board is able to see the consequences of various financial decisions. They want to make the model user friendly.

Frank Nakamura said that he is interested in looking at new growth and how that will impact the financial model numbers. He would like to get them working on this financial model as soon as possible.

Trustee Peterson asked if on tax revenue, is SLVLESA limited to property taxes and can the tax levy rate be divided differently to give SLVLESA more revenue? If there is another County department that has a surplus can they have the County adjust and put more into SLVLESA?

Frank Nakamura said that statutorily SLVLESA's sole revenue source is property taxes. He said unless there are some legislative changes, he does not think there are other alternatives.

Trustee Peterson asked if that is something we can request or if the auditors will do it on their own.

Frank Nakamura said we can always request that and discuss that with the Board.

Trustee Bradley said he believes that creating the financial model will be very positive for SLVLESA.

Item #6-Discussion on the Sheriff's Unified Police Department Tentative Budget as it relates to SLVLESA and other Financial Information.

Action Requested: None

Discussion: Frank Nakamura said that Lisa Dudley and Richard Moon have been working tirelessly to develop the UPD budget. He said that the decisions they are making on the budget are the central components to SLVLESA even though SLVLESA will be making its budgetary decisions at the end of the year.

Lisa said that the UPD budget was presented to the UPD Board in their meeting prior to this one. She said they have done their best to separate each of the SLVLESA townships or district areas into their own precinct component.

Lisa referred to the budget document that was included in the budget packet given to each SLVLESA Trustee and discussed how the numbers would impact SLVLESA.

Frank asked Richard if he could address the fund balance in regard to SLVLESA. Frank said they do not have a policy yet for a minimum fund balance.

Richard Moon said in the latest budget SLVLESA adopted, in the end of December, they were going to add another \$800,000 to the fund balance this year.

Frank Nakamura said he believes that SLVLESA is at 24% fund balance. He said they would like to be between 15% and 20% but they purposely did that based on the five year strategic plan. As part of the financial model they will have projections for the fund balance to see how that looks for the future.

Trustee Burdick asked if they had thought about having populations for each area listed on the budget documents. He also asked for an explanation of the Salt Lake County fully funded portion of the budget document.

Lisa Dudley said there are certain functions that by Utah law the County is required to perform as far as law enforcement goes; civil processing being one. The County pays UPD directly for 100 percent of those costs. These also include direct court administration and the canyon patrol. In the investigations department it would include MIU, cold case, and warrants, pawns and extraditions and also Metro Gangs.

Trustee Bradley said that it is unique in the sense that SLVLESA as one entity pays the bill for all members collectively in terms of the UPD budget. Each of the Trustees will have a vote on the UPD budget exclusively. He asked if SLVLESA as a group wanted to collectively decide on what they think about the UPD budget.

Frank Nakamura said that the UPD budget is a decision for the UPD Board, however, the Trustees will have input as members of the UPD Board and for those that do not sit on the UPD Board, they can provide their input to the representatives. Salt Lake County has representatives on the UPD Board. County SLVLESA Trustees can provide their input and thoughts to these representatives.

Trustee Prokopis said that SLVLESA is facing a 9 percent increase but SLVLESA can handle that. He said there is new growth and fund balance.

Frank Nakamura said he needed to clarify the 9 percent because SLVLESA has amended the budget twice since the original budget was adopted, so SLVLESA is really only looking at a 6 percent increase.

Trustee Bradley said the question is can they afford that; is the fund balance healthy enough and he believes it is.

Richard Moon said they budgeted a 5 percent increase, so it would be.

Trustee Prokopis said if they budgeted for 5 percent and they are actually closer to 6 percent, he would like to come to a collective decision about choosing an option for their employees above the 2 percent market adjustment.

Trustee Ghorbani said that it is her understanding that many jobs sit open and we have a hard time recruiting people to come in and a 2 percent COLA from what she has been hearing in the community is insufficient.

Richard Moon said there is a 2 percent market adjustment, a 2 percent COLA and then a 2.75 percent step which does not apply to all of the sworn because they might already be fully stepped out. It is 40 percent on the Officers and 20 percent on the Sergeants.

Trustee Prokopolis said he believes the UPD Board is committed to the 2 percent COLA, the 2.75 percent increase for those Officers in their first twelve years, and then the Board asked them to give the numbers for 2, 4 and 6 percent market adjustments. The Officers are about 10 percent out of market in comparison to officers in other police departments in the valley. He said he would like to talk about getting to the 6 percent on top of the COLA and merit.

Richard Moon said it would result in an increase of about \$400,000 to SLVLESA, if the UPD Board approved the 6 percent increase.

Trustee Prokopolis said he thinks that is feasible. He does realize they have other partners here.

Frank Nakamura suggests delaying a collective message until they get more numbers in and there will be more discussions on the UPD budget.

Trustee Bradley said it might be helpful to have a narrative from the financial team showing what the impact of the SLVLESA budget over time would be at 2, 4 and 6 percent.

Lisa said she believes that this budget information is being presented to the SLVLESA Board just for information because ultimately this decision does rest with the UPD Board.

Trustee Prokopolis said he wanted to clarify that to go from the 2 percent market adjustment to the 6 percent market adjustment, for us as SLVLESA, would be a difference of \$400,000 on our \$17 million budget and we are comfortable with that.

Richard Moon said when looking at the check register, they cut three checks in the month of April. The top two were both for the TRAns and the third was the Unified Police Department member fees.

Item #7-Report by Sheriff Rosie Rivera, Chief Executive Officer.

Action Requested: None

Discussion: The Sheriff said that her report for the SLVLESA Board is the same as the one she gave at the UPD Board meeting. She thanked those who rode with the Police Unity ride to Washington, D.C. She wanted to mention that for the members of SLVLESA who did not get a UPD budget book, she will get them the entire book. She also thanked them for coming to the awards banquet.

Item #8-Approval of Minutes for the April 18, 2019 meeting.

Action Required: Motion and Vote

Discussion: Trustee Brems motioned to approve the minutes for April 18, 2019. Trustee Prokopolis seconded. All voted in favor; none opposed. Motion passed.

Item #9-Adjourn.

Action Required: Motion and Vote

Discussion: Trustee Burdick motioned to adjourn. Trustee Brems seconded. All voted in favor; none opposed. Meeting was adjourned.