



SPECIAL CITY COUNCIL AGENDA

Wednesday, October 29, 2014

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a Meeting in the City Council Chambers, located at 13011 South Pioneer Street (6000 West), Herriman, Utah.

5:00 PM - WORK MEETING: *(Front Conference Room)*

COUNCIL BUSINESS

- A. Review of this evening's agenda
- B. Administrative Reports
 - 1. Discussion pertaining to Message Board Communication – Destiny Skinner, Administrative Technician
 - 2. Deer Mitigation Update – Justun Edwards, Water Director
 - 3. City Manager Updates – Brett Wood, City Manager
 - 4. Other Updates
- C. Adjournment

6:00 PM - GENERAL MEETING:

1. CALL TO ORDER

- A. Invocation and Pledge**
- B. Approval of the Minutes**
- C. Mayor's Comments**
- D. Council Recognitions**

October 22, 2014

- 2. PUBLIC COMMENT:** *Audience members may bring any item to the Mayor and Council's attention. Comments will be limited to two or three minutes. State Law prohibits the Council from acting on items that do not appear on the agenda.*

3. DISCUSSION AND ACTION ITEMS

- A. Discussion and consideration of a resolution expressing support of the Salt Lake Valley Law Enforcement Service Area 2015 tentative budget and the Law Enforcement Service Plan – Dwayne Anjewierden, Chief of Police

4. MAYOR AND COUNCIL COMMENTS

5. CALENDAR

A. Meetings

- November 6 – Planning Commission 7:00 p.m.

THIS AGENDA IS SUBJECT TO CHANGE WITH MINIMUM 24-HOURS NOTICE

- ~~November 12 – City Council Work Meeting 5:00 p.m.; City Council Meeting 7:00 p.m.~~
Cancelled
- November 19 – Special City Council Work Meeting 5:00 p.m.; Special City Council Meeting 7:00 p.m.

B. Events

- October 31 – Halloween
- November 4 – Election Day
- November 12 – Veterans Day; City Offices Closed

6. ADJOURNMENT

7. RECOMMENCE TO WORK MEETING (IF NEEDED)

8. CLOSED SESSION (IF NEEDED)

A. *The Herriman City Council may convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205*

9. SOCIAL GATHERING (No Action will be taken on any items)

A. Social Gathering will take place at McDonald's 5108 West 13400 South, Herriman, UT

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. To request assistance, contact Herriman City at (801) 446-5323. Please Provide at least 48 hours advance notice of the meeting

ELECTRONIC PARTICIPATION

Members of the City Council may participate electronically via Telephone, Skype, or other electronic means during this meeting.

CITIZEN COMMENT POLICY AND PROCEDURE

During each regular Council meeting there will be a citizen comment time. The purpose of this time is to allow citizen's access to the Council. Citizens requesting to address the Council will be asked to complete a written comment form and present it to Jackie Nostrom, City Recorder. In general, the chair will allow an individual two minutes to address the Council. A spokesperson, recognized as representing a group in attendance, may be allowed up to five minutes. At the conclusion of the citizen comment time, the chair may direct staff to assist the citizen on the issue presented; direct the citizen to the proper administrative department(s); or take no action. This policy also applies to all public hearings. Citizens may also submit written requests (outlining their issue) for an item to be considered at a future council meeting. The chair may place the item on the agenda under citizen comments; direct staff to assist the citizen; direct the citizen to the proper administrative departments; or take no action.

Certificate of Posting

I, Jackie Nostrom, the duly appointed, qualified, and acting City Recorder of Herriman City, Utah, do hereby certify that the above and foregoing is a full, true and correct copy of the agenda; it was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body. The agenda was also posted at the principal office of the public body. Also posted on the Utah State Public Notice Website <http://www.utah.gov/pmn/index.html> and on Herriman City's website at www.herriman.org

Posted and Dated this 23rd day of October 2014

Jackie Nostrom, CMC
City Recorder

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CITY COUNCIL AGENDA

Wednesday, October 22, 2014
Amended October 21, 2014 @ 2:00 p.m.
Awaiting Formal Approval

The following are the minutes of the City Council Meeting of the Herriman City Council. The meeting was held on **Wednesday, October 22, 2014 at 5:00 p.m.** in the Herriman City Community Center Council Chambers, 13011 South Pioneer Street (6000 West), Herriman, Utah. Adequate notice of this meeting, as required by law, was posted in the Community Center, on the City's website, and delivered to members of the Council, media, and interested citizens.

Presiding:

Mayor Carmen Freeman

Council Members Present:

Mike Day, Craig B. Tischner and Coralee Wessman-Moser

Staff Present:

Brett geo. Wood, City Manager
Gordon M. Haight II, Assistant City Manager
Tami Moody, Director of Administration & Communications
Jackie Nostrom, City Recorder
John Brems, City Attorney
Alan Rae, Finance Director
Danie Bills, Events Manager
Blake Thomas, City Engineer
Dwayne Anjewierden, Chief of Police
Monte Johnson, Operations Director
Clint Smith, Unified Fire Authority Chief
Travis Dunn, Human Resource Manager
Justun Edwards, Water Director
Cathryn Nelson, Chief Building Official

Electronic Participation:

Councilmember Matt Robinson

5:00 PM - WORK MEETING: *(Front Conference Room)*

5:00:25 PM COUNCIL BUSINESS

Mayor Freeman called the meeting to order.

- A. Review of this evening's agenda**
- B. Administrative Reports**

1. [5:02:23 PM Water Conservancy Presentation](#) – Richard Bay, Jordan Valley Water Conservancy District General Manager
Jordan Valley Water Conservancy District General Manager Richard Bay introduced Public Information Officer Linda Townes, and Board Member Mayor Lynn Crane. He offered a quick overview of how Herriman City’s water supply is captured and pumped into the City. He displayed the contract wholesale rates for remediated water and conventional water for the fiscal year 2014-2015.

Public Information Manager Linda Townes displayed a projected growth chart within Jordan Valley Water that indicated that usage would dramatically increase. She suggested that Herriman City’s usage would quadruple by 2060. Manager Townes explained that water is necessary in order for a community to thrive, and reviewed the need of additional water resources as well as maintenance costs.

Manager Bay educated the Council on recently completed projects and future anticipated development, and compared it to their supply and demand projections. He expressed his appreciation for the great relationship Jordan Valley Water has with Herriman City, and thanked the Council for the opportunity to come and present.

2. **Discussion pertaining to Message Board Communication** – Destiny Skinner, Administrative Technician
This item was not discussed due to the lack of time.

3. **Operations Department Update** – Monte Johnson, Operations Director
This item was not discussed due to the lack of time.

4. **Deer Mitigation Update** – Justun Edwards, Water Director
This item was not discussed due to the lack of time.

C. [5:32:13 PM Adjournment](#)

COUNCILMEMBER DAY MOVED TO ADJOURN THE CITY COUNCIL MEETING TO CONVENE IN A CLOSED SESSION TO DISCUSS THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY, AS PROVIDED BY UTAH CODE ANNOTATED §52-4-205. COUNCILMEMBER MOSER SECONDED THE MOTION.

The vote is recorded as follows:

Councilmember Mike Day	Aye
Councilmember Matt Robinson	Aye
Councilmember Craig B. Tischner	Aye
Councilmember Coralee Wessman-Moser	Aye
Mayor Carmen Freeman	Aye

The motion passed unanimously.

7:00 PM - GENERAL MEETING:

1. **[7:03:06 PM CALL TO ORDER](#)**

Mayor Freeman called the meeting to order and welcomed everyone in attendance.

A. **[7:04:26 PM Invocation and Pledge](#)**

Nathan Hinton with Scout Troop #1530 offered the invocation. Mr. Hunter Davis, Mr. Landon Winzeler, and Mr. Jared Hendricks with Scout Troop #4021 led the audience in the pledge of allegiance,

October 8, 2014

B. [7:06:59 PM](#) Approval of the Minutes

COUNCILMEMBER MOSER MOVED TO APPROVE THE MINUTES OF OCTOBER 8, 2014 AS WRITTEN. COUNCILMEMBER DAY SECONDED THE MOTION, AND ALL PRESENT VOTED AYE.

C. [7:07:14 PM](#) Mayor's Comments

Mayor Freeman thanked Park Manager Wade Sharp for having the decoration removal signs installed. He indicated that these signs would help inform the patrons of when decorations are removed from the grounds.

D. Council Recognitions [7:07:47 PM](#)

Councilmember Moser expressed her appreciation to the Events Department for coordinating the successful Pumpkin Festival.

2. [7:08:07 PM](#) PUBLIC COMMENT:

Steve Garrett, 5443 West Genoa Court, thanked the Council for their service and dedication. He expressed his concern of the direction of the City, and suggested that economic development should be pursued. Mr. Garrett explained his frustrations with the Planning Commission's role, and indicated that residents should have influence in the development process.

Gary McDougal, 11723 South Highland Oaks Circle, indicated that he was representing a number of individuals who have protested the Special Assessment Area. He expressed the concern of the financial burden that the water assessment would impose on those families, and suggested that the City should reconsider the project.

3. CONSENT AGENDA

- A. [7:25:02 PM](#) Consideration of an Ordinance declaring certain excess telecommunication conduit located in various areas of the City, as surplus; establishing a minimum bid; and establishing a method to determine the highest and best economic return to the City – Blake Thomas, City Engineer

COUNCILMEMBER DAY MOVED TO APPROVE THE CONSENT AGENDA AS WRITTEN. COUNCILMEMBER MOSER SECONDED THE MOTION.

The vote is recorded as follows:

Councilmember Mike Day	Aye
Councilmember Matt Robinson	Aye
Councilmember Craig B. Tischner	Aye
Councilmember Coralee Wessman-Moser	Aye
Mayor Carmen Freeman	Aye

The motion passed unanimously.

4. PUBLIC HEARING AGENDA

- A. [7:26:16 PM](#) Public Hearing to discuss the Storm Drain Impact Fee Analysis – Blake Thomas, City Engineer

City Engineer Blake Thomas reviewed the storm drain impact fee analysis, and noted that the amendment would include the recently annexed property. He explained that calculated fees would only affect the West Herriman Service location. The development agreement associated with the property has an aggregate limit for impact fees, which could impact what other fees could be charged. Engineer Thomas asked if there were any questions. There were none.

Mayor Freeman opened the public hearing.

There was no public comment.

COUNCILMEMBER MOSER MOVED TO CLOSE THE PUBLIC HEARING. COUNCILMEMBER DAY SECONDED THE MOTION, AND ALL VOTED AYE.

B. [7:29:30 PM](#) **Public Hearing and consideration of a resolution to amend the Herriman City 2014-2015 budget** – Alan Rae, Finance Director

Finance Director Alan Rae turned the time over to City Engineer Blake Thomas to present the amendments. Engineer Thomas reviewed requested budget amendments including: 6600 West roadway project, 5600 West roadway project, Engineering Services Contract, Corridor Preservation Funds, Storage Containers, and the purchase of property for future water tank improvements. Finance Director Rae explained how each of these items would affect the budget.

Mayor Freeman opened the public hearing.

Councilmember Moser informed the audience of the procedures for a public hearing and indicated that the Council would like to hear any comments or concerns they may have regarding the budget amendment.

No Public Comment was offered.

COUNCILMEMBER MOSER MOVED TO CLOSE THE PUBLIC HEARING. COUNCILMEMBER DAY SECONDED THE MOTION, AND ALL VOTED AYE.

COUNCILMEMBER MOSER MOVED TO APPROVE **RESOLUTION NO. 14.28** APPROVING AN AMENDMENT TO THE HERRIMAN CITY 2014-2015 FISCAL YEAR BUDGET; INCLUDING THE STORAGE CONTAINER INCREASE REQUEST TO \$27,000. COUNCILMEMBER TISCHNER SECONDED THE MOTION.

The vote is recorded as follows:

Councilmember Mike Day	Aye
Councilmember Matt Robinson	Aye
Councilmember Craig B. Tischner	Aye
Councilmember Coralee Wessman-Moser	Aye
Mayor Carmen Freeman	Aye

The motion passed unanimously.

5. DISCUSSION AND ACTION ITEMS

A. [7:41:19 PM](#) *(Continued from September 24, 2014)* **Discussion and consideration of an Ordinance to rezone 5350 West Anthem Park Blvd from R-2-10 (Medium Density Residential) to R-M (Multi-Family Residential) (File No. 12Z14)** – Bryn McCarty, City Planner

City Planner Bryn McCarty asked the Council if there were any questions. Councilmember Moser indicated that the project should mature prior to approval of the rezone.

COUNCILMEMBER MOSER MOVED TO CONTINUE THE ORDINANCE TO REZONE 5350 WEST ANTHEM PARK BLVD FROM R-2-10 (MEDIUM DENSITY RESIDENTIAL) TO R-M (MULTI-FAMILY RESIDENTIAL). COUNCILMEMBER TISCHNER SECONDED THE MOTION.

The vote is recorded as follows:

Councilmember Mike Day	Aye
Councilmember Matt Robinson	Aye
Councilmember Craig B. Tischner	Aye
Councilmember Coralee Wessman-Moser	Aye
Mayor Carmen Freeman	nay

The motion passed with a vote of 4:1.

B. 7:42:42 PM Discussion and consideration of a resolution expressing support of the Salt Lake Valley Law Enforcement Service Area 2015 tentative budget and the Law Enforcement Service Plan – Dwayne Anjewierden, Chief of Police

Mayor Freeman informed the Council that the Salt Lake Valley Law Enforcement Service Area (SLVLESA) budget was discussed in a board meeting that included a five percent pay increase to the officers. SLVLESA has determined not to increase taxes this year; however, the increase will be inevitable in the future. Councilmember Craig B. Tischner questioned whether the raise was based on merit or cost of living. Officer Cody Stromberg responded that the raise is a cost of living based on merit.

Councilmember Tischner expressed his concern that he recently received the budget, and did not have adequate time to review in order to show support of the budget. Councilmember Moser asked if there was a timeline that this resolution needed to be approved. City Manager Brett Wood responded that the budget had to be approved by November 14, 2014.

Mayor Freeman explained that he had the opportunity to review the budget, and that it had been trimmed down. Councilmember Moser asked if the Mayor and City Manager would support the budget as presented. This was confirmed. Councilmember Tischner reiterated his concern that the budget should have been provided to the Council in advance.

COUNCILMEMBER TISCHNER MOVED TO CONTINUE THE RESOLUTION TO ACKNOWLEDGE RECEIPT AND APPROVAL OF THE 2015 TENTATIVE BUDGET OF THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA AND THE LAW ENFORCEMENT SERVICE PLAN FOR THE AREAS WITHIN THE SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA. COUNCILMEMBER MOSER SECONDED THE MOTION.

The vote is recorded as follows:

Councilmember Mike Day	Aye
Councilmember Matt Robinson	Aye
Councilmember Craig B. Tischner	Aye
Councilmember Coralee Wessman-Moser	Aye
Mayor Carmen Freeman	Nay

The motion passed with a vote of 4:1.

Councilmember Moser suggested an alternative Council Meeting should be conducted in order to approve the budget. Council consensus determined to meet October 29, 2014.

6. MAYOR AND COUNCIL COMMENTS

7. 7:54:41 PM CALENDAR

A. Meetings

- November 6 – Planning Commission 7:00 p.m.
- ~~November 12 – City Council Work Meeting 5:00 p.m.; City Council Meeting 7:00 p.m.~~
Cancelled

- November 19 – Special City Council Work Meeting 5:00 p.m.; Special City Council Meeting 7:00 p.m.

Mayor Freeman reviewed the calendar items and noted that a Special City Council Meeting would be conducted on October 29, 2014 in order to review and approve the Salt Lake Valley Law Enforcement Service Area 2015 tentative budget.

B. Events

- October 31 – Halloween
- November 4 – Election Day
- November 12 – Veterans Day; City Offices Closed

8. 7:55:11 PM ADJOURNMENT

COUNCILMEMBER DAY MOVED TO ADJOURN THE CITY COUNCIL MEETING AND RECONVENE IN THE WORK MEETING. COUNCILMEMBER MOSER SECONDED THE MOTION, AND ALL VOTED AYE.

9. RECOMMENCE TO WORK MEETING (IF NEEDED)

A. 8:26:32 PM Other Updates

City Attorney John Brems informed the Council that an initiative may be on the 2015 Municipal Election Ballot. He offered a brief summary of requirements associated with initiatives.

10. 8:35:07 PM CLOSED SESSION (IF NEEDED)

COUNCILMEMBER DAY MOVED TO ADJOURN THE CITY COUNCIL MEETING TO CONVENE IN A CLOSED SESSION TO DISCUSS PENDING OR REASONABLE IMMINENT LITIGATION, AND THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY, AS PROVIDED BY UTAH CODE ANNOTATED §52-4-205. COUNCILMEMBER MOSER SECONDED THE MOTION.

The vote is recorded as follows:

Councilmember Mike Day	Aye
Councilmember Matt Robinson	Absent
Councilmember Craig B. Tischner	Aye
Councilmember Coralee Wessman-Moser	Aye
Mayor Carmen Freeman	Aye

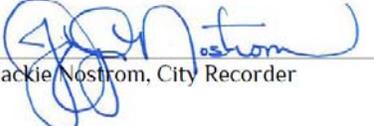
The motion passed unanimously with Councilmember Robinson being absent.

11. SOCIAL GATHERING (No Action will be taken on any items)

A. Social Gathering will take place at McDonald’s 5108 West 13400 South, Herriman, UT

This document constitutes the official minutes for the Herriman City Council Meeting held on Wednesday, October 22, 2014

I, Jackie Nostrom, do hereby certify that I am the duly appointed, qualified, and acting City Recorder for Herriman City, of Salt Lake County, State of Utah. I do hereby certify that the foregoing minutes represent a true and accurate, and complete record of this meeting held on Wednesday, October 22, 2014.


 Jackie Nostrom, City Recorder

HERRIMAN CITY, UTAH
RESOLUTION NO. 14.

**A RESOLUTION ACKNOWLEDGING RECEIPT AND EXPRESSING APPROVAL OF
THE 2015 TENTATIVE BUDGET OF THE SALT LAKE VALLEY LAW
ENFORCEMENT SERVICE AREA AND THE LAW ENFORCEMENT SERVICE PLAN
FOR THE AREAS WITHIN THE SALT LAKE VALLEY LAW ENFORCEMENT
SERVICE AREA**

WHEREAS, the Salt Lake Valley Law Enforcement Service Area (“SLVLESA”) has proposed a 2015 law enforcement budget to fund the acquisition of law enforcement services throughout the area within SLVLESA;

WHEREAS, the Board of Trustees desires that Salt Lake County, on behalf of the unincorporated areas of Salt Lake County, Riverton and Herriman provide input to the SLVLESA Board of Trustees regarding the proposed budget and the law enforcement service plan purchased from the Unified Police Department with the budgeted funds;

WHEREAS, the Mayor and Council of Herriman City have received and reviewed the proposed budget and law enforcement service plan for SLVLESA including the budgetary level, the allocation of resources, and the appropriation to ongoing fund balance proposed in the SLVLESA tentative budget; and

WHEREAS, the Herriman City Council desires to convey its support for the 2015 SLVLESA budget and law enforcement service plan for the SLVLESA area, including the areas within the boundaries of the City of HERRIMAN.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF HERRIMAN CITY AS FOLLOWS:

Section 1. The Herriman City Council hereby approves the 2015 SLVLESA budget and law enforcement service plan including the budgetary level, the allocation of resources, and the appropriation to ongoing fund balance proposed in the SLVLESA tentative budget

PASSED AND ADOPTED by the City Council of Herriman, Utah, this 29th day of October, 2014, by the following vote:

Councilmember Mike Day	_____ Aye	_____ Nay
Councilmember Matt Robinson	_____ Aye	_____ Nay
Councilmember Craig B. Tischner	_____ Aye	_____ Nay
Councilmember Coralee Wessman-Moser	_____ Aye	_____ Nay
Mayor Carmen Freeman	_____ Aye	_____ Nay

HERRIMAN CITY

Carmen Freeman, Mayor

ATTEST:

Jackie Nostrom, City Recorder



Board Meeting Date: October 16, 2014

**Agenda Items SLVLESA 3
Adoption of 2015 Tentative Budget**

Request

Adopt a motion approving a tentative budget for 2015.

2015 Tentative Budget

During the 2014 midyear budget adjustment, the SLVLESA Board added new positions to the Riverton and Herriman precincts and added funds to the Millcreek precinct to cover overtime for community events.

The 2015 Tentative Budget maintains funding for all of these and anticipates that the Millcreek precinct will keep one officer position from the three precinct-dedicated officers that normally would be shifted to Holladay City as a result of the Olympus Hills Annexation. The ongoing cost to SLVLESA to maintain this officer position is \$102,133.

With the inclusion of the midyear adjustment positions and the Millcreek position, the 2015 Tentative Budget maintains the existing funded staffing level for SLVLESA.

Staffing Level vs. Service Level

While the Tentative 2015 budget maintains the staffing level of SLVLESA, the Board will need to monitor the Service Area's overall service level. In 2014 and 2015, new growth revenues were used to maintain the existing staffing levels. Arguably the service levels will decrease overtime if new growth revenues are used to maintain existing staff rather than being allocated to maintain existing service levels. As the economy continues to recover and new growth is experienced throughout the service area, the Board should begin to earmark new growth revenues to maintain service levels rather than to simply maintain existing staffing levels. Absent a proactive approach regarding dedication of new growth revenues, the Service Area's staffing ratio will begin to decline over time.

2015 Tentative Revenue:

Source	Projected 2015 Revenue	Change from 2014 Adjusted
Property Tax	\$29,788,695	150,000
Judgment Levy	0	(\$137,722)
Fee in Lieu	1,450,000	0
TRANS	21,000,000	0
Interest	45,000	0
Contribution from fund balance	\$832,697	\$937,118*
Total	\$53,116,392	949,396

*in 2014 SLVLESA budgeted a \$104,421 contribution to fund balance. The 2015 budget anticipates no contribution and a drawdown of \$832,697.

Revenue Analysis

Property taxes are projected to remain relatively flat. While staff projected 2% new growth (\$600,000), much of the new growth is offset by the loss of revenue from 2014 annexations (\$450,000). In 2014, combined new growth (real property and centrally assessed) totaled \$1.3 million. Staff remains hopeful that 2015 new growth will mirror 2014, yet we are uncomfortable budgeting that level based on the proportion of 2014 new growth that was directly related to centrally assessed valuations.

The 2015 Tentative Budget does not include judgment levy revenue. If staff is notified that SLVLESA is entitled to judgment levy revenue, we will include the revenue in the final budget.

Finally, for the 2015 final budget, staff may recommend increasing the impact of annexations on Service Area property tax revenue if additional city-initiated annexations are filed.

2014 Expenses:

Item	Projected Expense	Change from 2013
2014-15 Contract Expenses	\$31,531,167	\$974,727
Professional Services	250,000	0
Precinct Lease Savings	(33,000)	(16,500)
Precinct Debt Service	85,225	(25,331)
TRANS	21,000,000	0
TRANS Interest	250,000	0
Contribution to Fund Balance	0	0
Total	\$53,116,392	932,896

Expense Analysis

UPD Contract Expenditures

The UPD Contract Expenses budgeted for SLVLESA for 2014-15 is \$31,531,167 and represent a \$974,727 (3.2%) increase over the 2014 expenditures. This increase is not the 4% projected as a result of the annexation of Olympus Hills to Holladay City and the related transfer of \$435,000 in expenses from SLVLESA to Holladay City. The budgeted increase includes the compensation package budgeted by the UPD and also includes full-year funding for the 2014 midyear staffing additions for the Riverton and Herriman precincts. Finally, the proposed increase includes 1.0 FTE Officer Position for the Millcreek precinct that was scheduled to transfer to Holladay City as a result of the Olympus Hills annexation. The Board approved this inclusion in the budget during its August meeting.

Professional Fees, Public Information, and Other Expenses

This budget will not change in 2015. The budget includes funding for two contract legislative lobbyists, legal counsel, service area administration, and the public relations contract.

TRANS and Related Interest

The budgeted TRANS borrowing in 2015 is \$21,000,000. Until the fund balance of SLVLESA builds, SLVLESA cannot decrease its reliance on TRANS to assist with cash flow. SLVLESA continues to benefit from historic low interest rates. TRANS interest is budgeted at \$250,000 for 2015. Our actual borrowing in 2014 was \$15,250,000 and, as a result, our actual interest expenditures will fall below the budgeted level.

Precinct Lease Savings and Precinct Debt Service

The 2015 expense budget includes full savings from the Riverton precinct lease because the current lease will be cancelled by the end of 2014. The debt service schedule approved by the Board anticipates payments of \$85,225 in 2015, 2016, and 2017. This is \$25,000 less than the \$110,000 paid in 2014. Beginning in 2018, the repayment schedule will increase to approximately \$148,000 per year.

Fund Balance

The 2015 Tentative Budget projects an \$832,697 draw down of fund balance. This draw down may be lessened if 2015 new growth and related property tax revenues exceed budgeted expectations. Future fund balance projections, based on 3% revenue and 4% expense growth projections are as follows:

Year	Fund Balance	% of UPD Dues Expenditures	UPD Expenses
2015 Beginning	\$ 5,359,886	17%	\$ 31,531,167
Ending	\$ 4,716,322	15%	
2016 Beginning	\$ 4,716,322	14%	\$ 32,792,414
Ending	\$ 3,687,262	11%	
2017 Beginning	\$ 3,687,262	11%	\$ 34,104,110
Ending	\$ 2,710,824	8%	
2018 Beginning	\$ 2,710,824	8%	\$ 35,468,275
Ending	\$ 1,383,551	4%	

Conclusion

The SLVLESA Board should adopt the 2015 Tentative Budget.

#

**Outline of SLVLESA Adopted Budget
October 16, 2014**

Budget Outline	No Tax Increase Adopted 2014 Budget	June Adjusted 2014 Budget	No Tax Increase Tentative 2015 Budget	Change 2014 June To 2015
Revenues				
Contribution by Salt Lake County MSF (Includes \$500k for Fee Reduction)				
Fund Balance Contributions (County MSF, Riverton, Herriman)				
Property Taxes (base)	28,269,245	28,269,245	29,638,695	-
Property Tax Increase				
Property Tax New Growth	300,000	1,369,450	600,000	600,000
Property Tax Reduction per Holladay Annexation			(450,000)	
Judgement Levy	92,555	137,722		(137,722)
Fee in Lieu of	1,450,000	1,450,000	1,450,000	-
TRANS Revenue	21,000,000	21,000,000	21,000,000	-
Interest	45,000	45,000	45,000	-
Contribution From Fund Balance	1,024,566		832,697	832,697
Total Revenues	52,181,366	52,271,417	53,116,392	1,294,975
Expenses				
Contract Base (Crossing Guards, Lobbyist, Balance of June changes)				
Precinct Lease Savings	(16,500)	-	(33,000)	33,000
Reduction per Holladay Annexation			(435,000)	
Addition per 1 Officer from Holladay Annexation			102,133	
Total Contract Costs	30,587,310	30,556,440	31,897,034	(1,340,594)
One Time Fund Balance Transfers				
Fee Collections & Related Costs				
Total Fee Collection & Related Costs				
Professional Fees				
External Auditor				
County Support				
UPD Support				
Legal Fees				
Total Professional Fees	250,000	250,000	250,000	-
Riverton Bond Payment	110,556	110,556	85,225	25,331
Other Bond Payments				
Other Expenses				
TRANS	21,000,000	21,000,000	21,000,000	-
TRANS Interest	250,000	250,000	250,000	-
Contribution to Fund Balance		104,421		104,421
Total Expenses	52,181,366	52,271,417	53,116,392	(1,177,842)
Fund Balance Projection				
Projected Beginning Fund Balance	5,255,465	5,255,465	5,359,886	104,421
Contribution to Fund Balance (Revenues greater than Expenses)	(1,024,566)	104,421	(832,697)	(937,118)
Projected Ending Fund Balance	4,230,899	5,359,886	4,527,189	(832,697)