

Special Herriman City Safety Enforcement Area Minutes

Wednesday, August 13, 2025 Approved October 1, 2025

The following are the minutes of the Herriman City Safety Enforcement Area meeting. The meeting was held on **Wednesday**, **August 13**, **2025**, **at 7:00 p.m.** in the Herriman City Council Chambers, 5355 West Herriman Main Street, Herriman, Utah. Adequate notice of this meeting, as required by law, was posted in City Hall, on the City's website, and delivered to members of the Council, media, and interested citizens.

Presiding: Chair Lorin Palmer

Trustees Present: Terrah Anderson, Jared Henderson, and Teddy Hodges

Trustees Excused: Sherrie Ohrn

<u>Staff Present:</u> City Manager Nathan Cherpeski, Assistant City Manager Wendy Thomas, City Recorder Jackie Nostrom, Finance Director Kyle Maurer, City Attorney Todd Sheeran, Communications Manager Jonathan LaFollette, Community Development Director Blake Thomas, Deputy Police Chief Cody Stromberg, UFA Division Chief Anthony Widdison, City Engineer Bryce Terry, Operations Director Monte Johnson, Public Utilities Engineering Manager Jonathan Bowers, Assistant to the City Manager Trevor Ram, and City Planner Michael Maloy.

- 1. Call to Order 7:00 p.m. (or as soon as possible thereafter) Chair Lorin Palmer called the meeting to order at 7:05 p.m.
- 2. Public Hearing



2.1. Public hearing and consideration of a Resolution adopting a property tax rate that exceeds the Certified Tax Rate – Kyle Maurer, Finance Director

Finance Director Kyle Maurer presented the property tax rate for the Herriman City Safety Enforcement Area explaining that the district was set up as the taxing district for police services. Director Maurer reviewed the property tax increase approved by the board in 2023 and its implementation status. He detailed that the increase was allocated for three specific purposes: first, establishing and maintaining a vehicle replacement fund, which represented 8.7% of the tax increase or approximately \$698,000 annually. Since the tax increase, funds had been set aside in a separate account, and the City Council had recently approved vehicle purchases using the replacement funds. Director Maurer noted it was nice to have the replacement fund so the City or the service area wouldn't have to come up with a large amount of cash because we already have it in reserve. The second allocation was for a mental health specialist which represented a 1.1% increase, and the third was for the additional officer required to meet demand, which had been hired the previous year.

Director Maurer addressed the funding philosophy established following the most recent Truth in Taxation hearing. He noted, at that time, staff received direction to treat property tax revenue generated from new growth within the service area as distinct from regular property tax revenue. This growth funding could only be used for expenditures related to new growth, with the major example being officers needed due to growth. As residents increased, so would the demand and calls for police services. He emphasized that the police department had established metrics and criteria to determine when new officers were warranted. The Police Chief would need to prove why additional officers were needed and have the data to support the request.

Reviewing the current budget, Director Maurer presented the updated, unaudited numbers for fiscal year 2025. However, he noted reductions due to inflation in the fiscal year 2025 budget. Director Maurer explained the ongoing challenge associated with the current funding structure. He noted that the base amount of property tax revenue remained static and would not increase unless the Board initiated a tax increase through the Truth in Taxation process. Alternatively, as Trustee Henderson suggested, additional funding courses could be explored to help address the resulting financial gap. The restricted fund balance showed approximately \$212,000 available for hiring new officers or other growth-related items, with the mental health specialist position still in the restricted fund. The vehicle replacement fund was anticipated to have about \$1.6 million by the end of fiscal year 2026, even after the current year vehicle purchases. Director Maurer presented historical expenditure data for the police department, showing that expenditures had increased from 2020 through 2025. He highlighted that approximately 85% of the police department's spending was on personnel, with approximately \$1.2 million for operating expenses. He clarified that while there were no outstanding capital leases or traditional long-term debt, accounting standards required



treating long-term contracts like their 10-year taser contract as debt service. Discussing personnel costs, Director Maurer address the lasting impact of the COVID-era wage escalation, which began when Salt Lake City significantly increased police wages. This action initiated a regional wage competition that compelled other agencies across the state to raise their compensation to remain competitive. He referenced data indicating a sharp rise in compensation from 2020 to 2021, as agencies adjusted salaries to stay aligned with market trends. While the upward trend has moderated since 2023, the effects have remained evident. Over the past six years, the average hourly wage increased by approximately 4.7% annually, whereas the average personnel cost per sworn officer rose by about 1.7%. Trustee Teddy Hodges asked about the decrease in costs. City Manager Nathan Cherpeski responded that the primary reason was salary savings from an officer on active duty with the army whose position couldn't be filled. Director Maurer added that reduced turnover in the last year also contributed, as fewer vacation payouts were required.

Director Maurer also addressed claims heard at the last truth and taxation hearing that the City would have been better off staying with Unified Police Department. He presented data showing that for 2026, the difference would be approximately \$5.7 million more if Herriman had remained with UPD. Regarding efficiency measures, Director Maurer highlighted several initiatives the police department had implemented or was in the process of implementing: decreasing discretionary spending by 20 percent, implementing an Al report writing tool that improved accuracy and reduced officer report-writing time, planning to implement a community reports system for low-level crimes online, optimizing fleet deployment by swapping vehicles between officers to level out mileage, utilizing a peak deployment vehicle to reduce overtime, and securing a 10-year body cam and taser contract with predictable rate increases.

Director Maurer turned the discussion to the certified tax rate and explained that the 2024 rate was 0.001422, while the calculated rate for 2025 was 0.001368. With an average home value of \$640,000, new growth that would be restricted for growth-related expenditures amounted to about \$396,000. The average amount paid to the taxing district with the certified tax rate would be \$482. Staff recommended adjusting the property tax amount by 5.3% or about \$514,000. Director Maurer explained that expenditures had increased about \$237,000 in 2025 due to inflation alone. Without a way to cover this other than temporarily using fund balance, he recommended to fund this increase plus add the 2026 inflation adjustment of 2.89%, generating \$276,625. He noted that while this wasn't the actual inflation the department was experiencing for 2026, the hope would be through operational efficiencies and lower costs over time. It should average out to the average rate of inflation. For the average homeowner with a \$640,000 house, this would mean an additional \$25 per year. The Herriman City Safety Enforcement Service Area represented approximately 13 percent of the total tax bill for an average resident, or about \$482. Director Maurer concluded by outlining



next steps, which included bringing back additional modeling for both police and fire departments and all city services to discuss sustainability, reviewing property tax philosophy, and updating long-term models.

Mayor Palmer opened the public hearing for comments.

Mike Jensen expressed concern regarding any proposed property tax increase, stating that even small increases can be burdensome to residents. He emphasized that for many individuals, particularly those nearing retirement or on fixed incomes, salary growth has plateaued, making it more difficult to absorb additional financial obligations. Mr. Jensen questioned whether the City had fully considered the aging demographics of Herriman's population, noting that a growing number of residents may soon be living on limited or fixed incomes. He also acknowledged his understanding of how property taxes are distributed, particularly the significant portion allocated to Salt Lake County. He expressed frustration with what he viewed as disproportionate influence from Salt Lake City and West Valley City over regional decisions affecting Herriman. He raised the question of whether it might be time to consider separating from Salt Lake County or pursuing alternative governance or funding models to better reflect local priorities. Mr. Jensen also suggested that cost savings might be achieved by reallocating resources from other areas to fund essential services.

Trustee Henderson moved to close the public hearing. Trustee Hodges seconded the motion and all voted aye.

Trustee Teddy Hodges responded to the questions posed by Mr. Jensen, affirming that the Board takes all proposed tax increases seriously, including those intended solely to account for inflation. He reiterated the established funding philosophy: that growth should pay for growth, while inflationary pressures must be addressed through corresponding adjustments, as the cost of essential services, such as police personnel, emergency apparatus, and fire equipment, continues to rise. He emphasized that the purchasing power of the dollar has declined, making it increasingly difficult to maintain service levels without appropriate revenue adjustments. Trustee Hodges acknowledged the concerns raised regarding self-governance and the desire to reduce reliance on Salt Lake County but noted that there is currently no clear or feasible path toward separation or restructuring. He pointed out that residents of Herriman currently pay more in property taxes to the Salt Lake County Library system than they do to the city itself. He recognized the importance of considering the financial strain on residents living on fixed incomes, especially as the community continues to age. However, he also noted that, statistically, Herriman still maintained a relatively low median age compared to other areas.



Mayor Palmer echoed the sentiments expressed by Trustee Hodges and affirmed the City's ongoing efforts to reduce costs for residents. He highlighted that Herriman had saved millions of dollars by withdrawing from county-wide agencies such as the Salt Lake Valley Law Enforcement Service Area (SLVLESA) and Unified Fire Service Area (UFSA), noting that the city continually seeks opportunities to increase efficiency and reduce financial burdens. He expressed agreement with residents' frustrations regarding the structure of the property tax system, stating that it is far from ideal. Mayor Palmer emphasized that the City Council does not take tax increases lightly and clarified that no member of the Council approaches the matter with a dismissive attitude. Even relatively small increases are understood to be significant, especially when combined with other rising costs. He acknowledged the impact of inflation on elderly residents and those with fixed incomes, reaffirming the Council's sensitivity to the financial pressures they face. Mayor Palmer stated that the city makes every effort to reduce expenditures where possible and is committed to maintaining current levels of service despite the fiscal challenges. He concluded by noting that budget decisions are difficult and often unenjoyable but are made with the intention of preserving essential services for the community.

Trustee Henderson recounted his first experience with Salt Lake Valley Law Enforcement Service Area in January 2017 and described the funding model as unsustainable. He noted that, at the time, SLVLESA functioned as a pass-through agency to the Unified Police Department, and he recognized early that the way it was structured would result in repeated tax increases. He explained that while regional service structures were necessary when Herriman incorporated in 1999 with a population of under 1,000, the City had since grown to the point where it was both feasible and appropriate to provide public safety services independently. However, efforts to separate were initially resisted. Trustee Henderson shared that, during this process, other Board Members in the service area had told him that Herriman would receive only what it was given and would be allowed to have additional input on the matter. He detailed the lengthy legal and legislative process to change state law, allowing Herriman to exit the taxing district.

Trustee Henderson described the separation from SLVLESA/UPD and the UFSA as among the most significant and beneficial actions the city has taken. He provided a financial comparison to illustrate the value of local control. He addressed concerns about the level of service provided by UPD, where the city had been charged for an allocation of 28.49 officers but only received service equivalent to 18. Trustee Henderson emphasized that, upon creating the Herriman Police Department, the City effectively doubled the number of on-the-ground officers for the same cost.

Trustee Henderson explained that since the formation of the HCSEA agency, there has only been one tax increase implemented, in 2023 and that increase was guided by a clearly defined



fiscal philosophy. He criticized the common government budgeting model of "use it or lose it," which incentivized departments to exhaust their budgets to secure future funding. Instead, Herriman has adopted a more structured and transparent approach, which included Segregating new growth revenue to fund personnel expansions based on demonstrable need; Establishing dedicated funds for vehicle replacement to avoid large, one-time capital expenses; and Allocating resources for mental health services, supporting both public safety personnel and residents.

Trustee Henderson noted that while these measures addressed growth and capital replacement, they did not resolve the ongoing impact of inflation. To manage this, the Council identified two options: either implement small, incremental tax increases every one to two years (in the range of 2–3%), or utilize a portion of rising sales tax revenues, particularly from expanding commercial development to offset inflationary pressures. Trustee Henderson advocated for the latter, noting that commercial properties pay less proportionately for the services they consume, and that sales tax revenue naturally adjusts with inflation. Trustee Henderson encouraged residents to carefully review their property tax bills, pointing out that Herriman City directly controls only three line items: Herriman City, Herriman City Fire Service Area, and Herriman City Safety Enforcement Area. He emphasized the City's commitment to limiting financial impacts on residents while maintaining service quality.

Trustee Henderson contrasted Herriman's disciplined fiscal approach with that of other entities, which he stated often enact 8% annual property tax increases which was well beyond inflation, while spending all available new growth revenue on discretionary items. He warned that such practices compound over time and ultimately burden taxpayers unnecessarily.

City Manager Nathan Cherpeski provided additional context regarding the City's long-range planning and data-driven approach to staffing, particularly within the police department. He emphasized Herriman's departure from traditional "use it or lose it" budgeting practices, citing experiences in previous municipalities where departments would engage in unnecessary spending at the end of the fiscal year. He shared an anecdote about a former police chief referring to this practice as "Christmas in June," requiring City Manager Cherpeski to intervene and halt wasteful spending. He noted that such behavior did not exist in Herriman's current financial management philosophy.

City Manager Cherpeski highlighted the importance of considering service levels holistically across all departments, including police, fire, roads, and parks, stating that these services do not operate in isolation and must be evaluated as part of an integrated citywide strategy. He referenced the previous police funding increase, noting that certain expenditures were transitioned from the police fund to the general fund, but without the use of subsidies. This move aligned with the City's broader commitment to fiscal sustainability and transparency.



Looking ahead, City Manager Cherpeski highlighted the need to address infrastructure deficiencies, particularly within the police department. He explained that the current city building was originally constructed to house a UPD precinct and lacks essential facilities typical of a central police station, such as an evidence room and other operational spaces. Future plans include the construction of a dedicated central police station, supplemented by smaller substations strategically located throughout the city to maintain officer presence in neighborhoods and reduce unnecessary travel to headquarters.

Trustee Henderson provided further context regarding the financial implications of expanding police staffing. He explained that adding just one additional officer per shift effectively requires hiring four officers, plus the necessary command staff, to ensure full coverage. Based on an average cost of approximately \$250,000 per officer including salary, benefits, equipment, and amortized vehicle costs, this would equate to an estimated \$1.25 million in total expenses. He noted that this amount closely corresponded to the 11% property tax increase implemented two years prior. He emphasized that while additional staffing was often requested by residents, such expansions must be considered in the context of available funding and long-term affordability. He framed the challenge clearly: while the desire for increased service is understandable, it would come with a significant cost that must be balanced against what residents are willing to pay through property taxes.

Trustee Henderson also noted that he meets weekly with the City Manager to evaluate service levels and ensure that any enhancements can be delivered sustainably. He reiterated that the overarching goal is to maintain or improve service quality in a fiscally responsible manner.

Motion: Trustee Jared Henderson moved to approve Resolution Number R25-04 adopting a tax rate of 0.001440 and levying taxes upon all real and personal property within the Herriman City Safety Enforcement Area. Trustee Teddy Hodges seconded the motion. The motion carried unanimously with Trustees Henderson, Hodges, and Shields and Mayor Palmer voting yes.

Trustee Henderson moved to approve Resolution R25-04 adopting a tax rate of 0.001440 and levying taxes upon all real and personal property within the Herriman City Safety Enforcement Area. Trustee Hodges seconded the motion.

The vote was recorded as follows:

Trustee Terrah Anderson Aye
Trustee Jared Henderson Aye
Trustee Teddy Hodges Aye



Trustee Sherrie Ohrn Absent Chair Lorin Palmer Aye

The motion passed unanimously with Trustee Sherrie Ohrn being absent.

3. Adjournment

Trustee Hodges moved to adjourn the Herriman City Safety Enforcement Area meeting at 7:53 p.m. Trustee Anderson seconded the motion, and all present voted aye.

l, Jackie Nostrom, City Recorder for Herriman City, hereby certify that the foregoing minutes represent a true, accurate and complete record of the meeting held on August 13, 2025. This document constitutes the official minutes for the Herriman City Safety Enforcement Service Area Meeting.

Jackie Nostrom, MMC

City Recorder

