



SPECIAL CITY COUNCIL
WORK MEETING
MINUTES
Thursday, April 28, 2016
Approved June 8, 2016

The following are the minutes of the Special City Council Work Meeting of the Herriman City Council. The meeting was held on **Thursday, April 28, 2016 at 9:00 a.m.** in the Herriman City Community Center Front Conference Room, 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.

<u>Presiding:</u>	Mayor Carmen Freeman
<u>Council Members Present:</u>	Jared Henderson and Coralee Wessman-Moser
<u>Staff Present:</u>	Brett geo. Wood, City Manager Jackie Nostrom, City Recorder Alan Rae, Finance Director Dwayne Anjewierden, Chief of Police Scott Carver, Undersheriff Troy Carr, Lieutenant Scott Jurges, SLVLESA Treasurer Andrew Keddington, UPD Finance Director/SLVLESA Administrator
<u>Excused:</u>	Council Member Craig B. Tischner Council Member Nicole Martin

9:00 AM - WORK MEETING: *(Front Conference Room)*

COUNCIL BUSINESS

A. Visioning Session

1. **9:00:58 AM** Discussion regarding Salt Lake Valley Law Enforcement Service Area (SLVLESA) – Sheriff Jim Winder, Salt Lake County Sheriff

Undersheriff S.V. Carver excused Sheriff Winder from the meeting due to an incident that occurred the previous night. He explained that the purpose of the meeting is to answer questions regarding the operations of the District. The current and forecasted funding has been implemented into the plan to determine what would be the best structure for the

district, and present it to the partners. Mayor Freeman clarified that the Board Meeting would be held on May 19 to set direction of the UPD and SLVLESA budgets. This was confirmed. UPD Finance Director Andrew Keddington added that the Board would need to outline the terms of the proposed tax increase, and would hopefully have the taxable values for 2016.

SLVLESA Treasurer Scott Juges reviewed the proposed UPD budget and outlined the rough itemization of changes to the budget. He explained the current budget and added compensation changes, pooled cost increases, partner specific changes, and ended with a variety of pooled cost reallocations. The total projection would vary from actual calculated amount reflected in the document due to the complexity of the cost exhibit calculations. Treasurer Juges outlined the market adjustment study indicating the net increase would be three-percent to be considered next year. City Manager Wood expressed his concern about maintaining a step. Mayor Freeman asked if increases would be offered to the officers if there were excess funds. Treasurer Juges responded that the extra funding would go to Other Post-Employment Benefits (OPEB) that would be addressed within the budget finance and compensation committee. Treasurer Juges explained that the planned increase was 5.5-percent, but not guaranteed for the next year. He analyzed the changes and observed the inherent savings with retiring officers and recruitment of new hires dependent on the replacement. City Manager Wood noted that there are substantial replacement costs with the training of new hires.

Mayor Freeman pointed out the \$50K for video storage, and asked if it included equipment. Treasurer Juges explained that the cost is directly related to storage requirements based on legislation. Finance Director Alan Rae interjected that the City is experiencing substantial costs to retain video surveillance on the server. Treasurer Juges continued with the partner specific items and discussed the pooled services formula. The total projections were calculated, and he noted that the projections were not perfect. The proposed budget anticipated to under expend the difference of approximately three-percent. Herriman City's contract increased in the amount of \$536,556 due to the allocation of three additional officers.

Mayor Freeman questioned the centrally assessed funding. Treasurer Juges indicated that the centrally assessed is dependent on utilities and power lines. Kennecott is a major portion of that funding. Mayor Freeman asked if there would be a projected General Fund increase based on the proposed budget. Treasurer Juges indicated that there is not a projected change.

SLVLESA Administrator Andrew Keddington informed the Council that the SLVLESA model is still a work in progress, and are waiting for the 2016 values. The plan was developed based on the March 2016 Board Meeting. He outlined the silo modelling plan including the contract allocation and indirect revenue allocations. Councilmember Moser asked what the line item for professional fees would entail. Administrator Keddington noted that would pay for fees relating to legal, administrative, and bonding. He referred to the symposium demonstration to outline the market value and tax value of homes and how the tax rates adjust to keep the funding consistent. Increase of property tax funds comes from new growth. Councilmember

Moser confirmed that the new growth would be allocated separately. Administrator Keddington verified. Undersheriff Carver offered a scenario that could factor in that growth and resources could equal a net zero. Administrator Keddington agreed, and noted that it would be difficult to predict when that could happen. He noted that the indirect value would be based on the Unified Police Department (UPD) contract for the District. Mayor Freeman offered a theory that the partners were “walking out of their parameters” when the District was formed. Administrator Keddington indicated that Mayor Freeman’s statement was fair. Councilmember Moser expressed her support for the siloed approach to clarify misunderstandings. Finance Director Alan Rae explained that the Board would still make decisions for the entire District. The silo approach only shows the funding differently.

Mayor Freeman recommended allowing the model to accommodate the growth for one year and revisit the issue. Undersheriff Carver expressed his support of the recommendation. Finance Director Rae noted that SLVLESA would need to have a fund balance of \$35 million to be healthy. 30-percent would not be enough to make the District healthy based on timing. Councilmember Moser philosophically asked if the money needed to be in the bank. Administrator Keddington responded that interest rates are low and it is cheap to borrow money today. He suggested that the District should have enough fund balance to work through critical projections and trajectories. City Manager Brett Wood indicated that Herriman would still be behind on officers based on the model, and that residents would argue against a tax increase. Undersheriff Carver noted that the District won’t need to make changes based on the numbers presented today, and that the money will always be in the Herriman budget. He explained that they do not want to implement changes that could be drastically changed next year. The District needs to be healthy. Mayor Freeman declared that the Board would need to be in charge of allocating resources based on the model, and expressed his concern about Township representatives being placed on the Board and their impact in making and changing policy.

Administrator Keddington stated that the model is trying to align with the new formula to take any subjectivity and influence out of the decisions. Unified Police Department Chief Dwayne Anjewierden asked the Council if they believe that the formula would be accurate, or would the City like to get ahead of the formula. He explained that he would like to have a more proactive police force to cover the 24-hour clock. Councilmember Henderson asked if Herriman is a contract city, what that would do to our resources. UPD Chief Anjewierden responded that officers would remain in Herriman and not “help” with neighboring jurisdictions. Undersheriff Carver explained the independent and cooperative models.

Administrator Keddington reviewed the different tax increase scenarios. Mayor Freeman observed the immediate benefit that Herriman would receive with an eleven-percent increase. Director Keddington confirmed. Councilmember Moser asked if citizens would recognize the need where Herriman City is already in good standings. Councilmember Henderson expressed his support for a three-percent increase. Councilmember Moser asked what increase Herriman City would need to not burn-down fund balance. Administrator Keddington responded that it would be roughly nine-percent. Undersheriff Carver indicated that the recommendation will be 11-percent. Councilmember Moser thanked Administrator Keddington for the information, as it provided a compelling argument. She asked if a study

could be conducted to look at the possibility of implementing a Public Safety Impact Fee. Director Rae indicated that he would conduct a study.

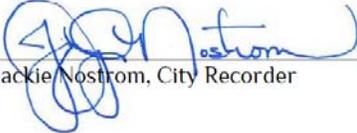
2. Additional Items

B. 11:06:02 AM Adjournment

The City Council work meeting adjourned by consensus.

*This document constitutes the official minutes for the
Herriman City Council Meeting held on Thursday, April 28, 2016*

I, Jackie Nostrom, the duly appointed, qualified, and acting City Recorder for Herriman City, of Salt Lake County, State of Utah do hereby certify that the foregoing minutes represent a true and accurate, and complete record of this meeting held on Thursday, April 28, 2016.


Jackie Nostrom, City Recorder