



UTAH COMMUNICATIONS AUTHORITY MEETING MINUTES FOR JUNE 15, 2016

The meeting was opened by Chair Tina Mathieu at 16:00 p.m.

1. Welcome – Tina welcomed everyone to the meeting and conducted roll call.
2. Proposed resolution to return a portion of the \$17.5 million general fund appropriation to the Utah communications Authority in fiscal year 2016. At the Executive Appropriation Committee Meeting on May 17, 2016, the Legislative Fiscal Analyst Office recommended 3 different options to EAC. The first option was to maintain status quo and allow for the UCA Board to independently address any necessary changes to their administrative process and internal controls, if any at all. The second option was to: 1) Make UCA subject to the Budgetary Procedures Act, 2) Require UCA to use the State Accounting System, Finance, rather than Quick Books, for accounting, 3) Require UCA to use the State purchasing card rather than a commercial credit card, 4) Direct the Division of Finance to consult with UCA on internal financial controls, implement any changes recommended by finance, and report back to the EAP or sub-committee and 5) Rescind some or all of the \$17.5 million fiscal year 2016 general fund appropriation to UCA. Until all of the steps 1 – 4 are complete, in addition to UCA hiring a new Executive Director, new Financial Manager and an Accountant, and UCA develops and submits to the Legislature a long-term strategic plan. The third option would be to convert UCA to a State agency or division within a State agency, subject to all the laws that other State agencies are subject to. EAC voted on option # 2. The Administrative Review Committee and Audit Committee have been working on items # 1 – 4 and we are working hiring the personnel we need. There has been progress made on items # 1 – 5 of option #2. With regard to # 5, the rescind some or all of the money, we needed further direction from EAC as to whether or not they were going to take some or all because the recommendation was pretty vague. After several meetings with people from the State and committee and chairs from the Executive Appropriations Committee, it has been officially requested of the UCA Board to return \$6,506,800 that has already been dispersed to UCA, and also to refute the final disbursement of \$3,493,200 for a total of \$10 million. This will essentially leave us of the one-time money \$3.5 million for the Highway 89 project that has already been approved by the Board, which is in progress. The Highway 89 project is from I-70 to Kanab. It also leaves us \$1.5 million as outlined in Statue section 63H-7A-404 for the study and detailed design and planning proposal for the Post Safety Communications Network and \$2.5 million to handle some of the negligent issues we are facing related to the 150 and the microwave that were discussed briefly in the February meeting, but will be discussed further in the June 28th meeting.

Today, the proposed Resolution 2016-003 Resolution of the Utah Communications authorizing the return of a portion of the \$17.5 million general fund appropriations of Fiscal year 2016. Whereas, the Executive Appropriations Committee, the EAC, voted to initial legislation to rescind some or all of the \$17.5 million general fund appropriation to the Utah Communications Authority, UCA, in Fiscal year 2016, during its May 17, 2016 Committee Meeting. Whereas, the Office of Legislative Fiscal Analyst has asked UCA to take steps necessary to return and/or refute \$10 million of the \$17.5 million in appropriation so that such are returned to/or remain in the State General Fund until such time as the Legislature and Governor can adopt appropriation legislation. Now, therefore, be it resolved by UCA's governing Board, 1) The Board, hereby, authorizes the State Treasurer's Office to withdraw \$6,506,800 from UCA's PTIF account # 8245 and return these funds to the State General Fund. 2) The Board authorizes the State Division of Finance to withhold the June appropriation disbursement of \$3,493,200 and retain these funds in the State General Fund and 3) any resolution or any portion thereof which are a conflict herewith are hereby amended to the extent of any such conflict. It was dated today, June 15, 2016.

With this, Tina asked if there were any further questions or comments. Scott Carver asked how it was determined which accounts to take the withdrawal from. Tina commented that the State already, of the \$17.5 million originally appropriated for us, all but \$3.493 million had been appropriated and put into UCA's PTIF account, so that money is sitting in an account that UCA can access but the state cannot. That's why they are saying that based on the money they want back they can withdraw the \$6.5 plus million dollars out of that PTIF account, which is where the appropriation went to in the first place.

Motion –

. . . by Scott Carver, to approve the Resolution; seconded by Greg Peay; the motion carried unanimously by roll call vote.

Tina will get it signed and get it back to Legislative Fiscal Analyst and the Division of Finance today and then we will plan on having the June 28, 2016 Board meeting, which will be held at the Miller Center and begins at 9:00 a.m.

The meeting adjourned.

*Tina Mathison
07/27/16*

Board Members in Attendance:

Rick Bailey – Southeast AOG
Scott Carver – Salt Lake County
Scott Finlayson – Utah County
Justin Greiner – Washington County
Sid Groll – Department of Natural Resources
Tom Kuhlmann – Utah Fire Chief's Association
Brian Low – Bear River AOG
Mike Mathieu – Wasatch Front Regional Council
Tina Mathieu – Weber County
Jason Nielson – State Treasurer
Paul Patrick – Department of Health
Greg Peay – Department of Corrections
Kathy Quarnberg – Six County AOG
Mike Rapich - DPS
Jeff Winterton – Mountainland AOG

Absent Board Members:

Jeff Bassett – Davis County
Doug Chandler – Utah DTS
Dean Cox - Five County AOG
Jason Davis – UDOT
Scott Frietag – 911 Committee
Rick Garner – Utah National Guard
Mike Lefler – Uintah Basin AOG
Brian Nelson – Utah Sheriff's Association
Tom Ross – Utah Chief's of Police Association
Shirlee Silversmith – Division of Indian Affairs

Others in Attendance:

Jake Hunt, UCA
Jerry Oldroyd, Ballard Spahr
Quin Stevens, Ballard Spahr