

**KEARNS METRO TOWNSHIP  
COUNCIL**

RESOLUTION NO. 2021-9-01

September 13, 2021

**A RESOLUTION OF THE KEARNS METRO TOWNSHIP  
COUNCIL APPROVING A DECISION, IF MADE BY THE BOARD  
OF TRUSTEES OF THE SALT LAKE VALLEY LAW  
ENFORCEMENT SERVICE AREA (SLVLESA) FOLLOWING  
PROCESSES REQUIRED BY UTAH LAW, TO INCREASE  
SLVLESA BUDGETED PROPERTY TAX REVENUES BY 16.5%  
FOR CALENDAR YEAR 2022 WHICH WOULD RESULT IN THE  
LEVY OF A PROPERTY TAX RATE IN EXCESS OF THE  
CERTIFIED TAX RATE PURSUANT TO SECTION 17B-2a-903 OF  
THE UTAH CODE**

**WHEREAS**, the Salt Lake Valley Law Enforcement Service Area (“**SLVLESA**”) was created by Resolution of the Salt Lake County Council dated August 18, 2009; and

**WHEREAS**, the area of the Kearns Metro Township (“**Kearns**”) is included in the boundaries of SLVLESA for the funding and provision of law enforcement services to the areas within the boundaries of SLVLESA; and

**WHEREAS**, SLVLESA contracts with the Unified Police Department (the “**UPD**”) to provide law enforcement services within its boundaries; and

**WHEREAS**, the SLVLESA Board of Trustees, by a duly adopted Resolution dated August 19, 2021, stated its intent to increase its budgeted property tax revenues from prior year budgeted property tax revenues by 16.5% or approximately \$2,903,624 for calendar year 2022 which would result in the levy of a property tax rate in excess of the certified rate as defined in Section 59-2-924 of the Utah Code; and

**WHEREAS**, a report dated August 19, 2021 (the “**Report**”), a copy of which is attached as “**Attachment 1**,” was submitted to the Kearns Metro Township Council (the “**Council**”) pursuant to section 17B-1-1003 of the Utah Code, providing the purposes for the increase in SLVLESA budgeted property tax revenues; and

**WHEREAS**, the purposes for the increase in SLVLESA budgeted property tax revenues by 16.5% for calendar year 2022 as stated in the Report include the need to maintain the viability of SLVLESA, increase compensation to be able to recruit and retain police officers, increase staffing to meet rising caseloads, pay for the increased costs of cars, equipment and supplies, to ensure that the target reserves for SLVLESA are met, to hedge against future loss of revenues and unexpected expenditures and generally to meet the costs of law enforcement services for SLVLESA members; and

**WHEREAS**, the Council allowed time during the duly noticed meeting on September 13, 2021 for comment on the proposed tax increase from members of the Council and the public; and

**WHEREAS**, Section 17B-2a-903 of the Utah Code requires that before the SLVLESA Board of Trustees can adopt a property tax levy for calendar year 2022 in excess of the certified tax rate, it must have prior approval of the property tax increase from the legislative bodies of any municipality and county whose territory is located within SLVLESA or approval of a majority of the legislative bodies of the municipalities and two-thirds (2/3) vote of the county legislative body; and

**WHEREAS**, before the SLVLESA Board of Trustees considers levying a property tax rate that exceeds the certified tax rate, the SLVLESA Board of Trustees shall hold a public hearing on December 16, 2021, to provide to all interested persons the opportunity to be heard regarding the proposed property tax increase; and

**WHEREAS**, SLVLESA shall provide notices of the public hearing as required by Section 59-2-919 of the Utah Code; and

**WHEREAS**, after considering all public input from the public hearing and all other information available to them, the SLVLESA Board of Trustees will vote on whether to increase its budgeted property tax revenues for calendar year 2022 by 16.5% that would result in the levy of a property tax rate that exceeds the certified tax rate.

**NOW THEREFORE, BE IT RESOLVED BY THE KEARNS METRO TOWNSHIP COUNCIL** as follows:

1. The Kearns Metro Township Council hereby reaffirms its authorization of the SLVLESA Board of Trustees to impose property taxes on the areas within the boundaries of SLVLESA.

2. Pursuant to Section 17B-2a-903 of the Utah Code, the Kearns Metro Township Council hereby approves a decision, if made by the SLVLESA Board of Trustees following the processes required by Utah law, to increase SLVLESA budgeted property tax revenues for calendar year 2022 in excess of prior year property tax revenues by 16.5% or approximately \$2,903,624 and to levy a property tax rate in excess of the certified tax rate to generate the increase in its budgeted property tax revenues as defined in Section 59-2-924 of the Utah Code.

3. This Resolution shall take effect immediately on passage and its publication on the Utah Public Notice Website pursuant to Utah Code Ann. § 10-3-710(1).

[execution on the following page]

APPROVED AND ADOPTED in Salt Lake County, Utah, this 13th day of September 2021.

KEARNS METRO TOWNSHIP COUNCIL

By: Kelly F. Bush, Mayor  
Kelly Bush, Mayor

ATTEST

APPROVED AS TO FORM:

Sherrie Swensen  
Sherrie Swensen, Clerk/Recorder

Nathan S. Bracken  
Nathan Bracken,  
Metro Township Attorney

VOTING

Council Member Bush voting	Yea
Council Member Butterfield voting	Yea
Council Member Peterson voting	Yea
Council Member Schaeffer voting	Yea
Council Member Snow voting	Yea

# **Attachment 1**

# SALT LAKE VALLEY LAW ENFORCEMENT SERVICE AREA



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★ 3365 SOUTH 900 WEST, SOUTH SALT LAKE, UT 84119 ★ (385) 468-9671 ★

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## **REPORT ON THE PURPOSES FOR CONSIDERING AN INCREASE IN BUDGETED PROPERTY TAX REVENUES FROM THE PRIOR YEAR BUDGETED PROPERTY TAX REVENUES BY 16.5% FOR CALENDAR YEAR 2022.**

### **Introduction.**

On August 19, 2021, the Salt Lake Valley Law Enforcement Service Area (SLVLESA) Board of Trustees (the “Board”) passed a resolution stating an intent to increase its budgeted property tax revenues from the prior year property tax revenues by 16.5% for calendar year 2022. As a result, the Board would levy a tax rate for calendar year 2022 that exceeds the certified tax rate.

The Board recognizes that under State law, there are strict procedural requirements that must be followed if the Board decides to approve an ad valorem property tax increase. The statement of intent to increase the ad valorem property taxes for calendar year 2022 initiates the process.

Prior to the adoption of the SLVLESA final budget on December 16, 2021, the property tax increase must be reviewed in open meetings by the councils of all SLVLESA members and be approved by all municipal councils and the Salt Lake County Council or by a majority of the SLVLESA member councils, however, the Salt Lake County Council must approve the increase by at least a two-thirds vote. Notices will be mailed to all record property owners within SLVLESA. Notice will also be published in the Salt Lake Tribune and the Deseret News. The public will have an opportunity to provide input at a duly noticed public hearing on December 16, 2021, before a final decision is made. The resolution approving a statement of intent to increase budgeted property tax revenues starts the process, but the increase in budgeted property tax revenue is not finally determined until the process is completed in December.

This report discusses the purposes for an increase in SLVLESA budgeted property tax revenue as reviewed and discussed by the Board.

### **The Proposed Increase of Budgeted Property Tax Revenues for Calendar Year 2022.**

The Resolution passed by the Board on August 19, 2021, states an intent to increase SLVLESA budgeted property tax revenues from prior year budgeted property tax revenues by 16.5%. Effectively, the Board would levy a tax rate for calendar year 2022 that exceeds the certified tax rate. If the increase is approved, the dollar amount of the additional ad valorem property tax revenue for SLVLESA's calendar year 2022 budget would be \$ 2,903,624.

According to the Salt Lake County Assessor, the average taxable value of a home in SLVLESA is \$328,900. With the proposed property tax increase, the average homeowner would pay additional property taxes of \$107.07 per year (\$648.92 for 2021 compared to \$755.99) for 2022).

### **Purposes for the Additional Budgeted Property Tax Revenues:**

**Financial projections show the need to increase property tax revenue to remain viable in the future.**

Property taxes within its jurisdiction are the sole source of revenue for SLVLESA to fund law enforcement services for its members. Even though the cost for law enforcement services has continued to increase, for calendar year 2021, the Board did not consider a property tax increase partly because SLVLESA was less than 2% below the statutory tax rate cap .0023. The Board determined there was no value for the Board to consider a property tax increase if SLVLESA was only 2% below the statutory tax rate cap.

In June 2021, the Salt Lake County Auditor determined that the certified tax rate for calendar year 2021 is .001973 which is approximately 16.57% below the statutory tax rate cap. The Board adopted the certified tax rate of .001973 for calendar year 2021. This change in the certified tax rate is due to an increase in assessed property valuations within SLVLESA.

With the authority to increase budgeted property revenue to meet its needs, SLVLESA performed financial projections with an assumed increase in costs for law enforcement services of 5% (which is a conservative projection). Based on the financial projections, a property tax increase for calendar year 2022 is necessary to maintain the financial viability of SLVLESA. Without an increase in budgeted revenue, SLVLESA would need to cut law enforcement services, including staffing. The UPD, the agency SLVLESA contracts with to provide law enforcement services, has made cuts for the 2021/2022 fiscal year to the extent it could without jeopardizing public safety. Further, SLVLESA would be, in the next two years, below the 5% fund balance minimum contrary to State law.

**Compensation and benefits account for at least 80% of the law enforcement cost and competitive compensation is necessary to recruit police officers from the limited pool of applicants and retain police officers.**

SLVLESA contracts with the Unified Police Department (UPD) to provide law enforcement services to its members. Compensation and benefits account for 80% to 85% of the costs of law enforcement services. The pool of qualified applicants for police officers is limited and law enforcement agencies within the Salt Lake Valley are competing to recruit from the limited pool while also struggling to retain veteran officers. To remain competitive, law enforcement agencies are increasing compensation and benefits for entry level and veteran law police officers.

Salt Lake City increased entry level officer pay by approximately 30% and implemented other increases for their existing officers. West Valley City implemented a matching increase for their law enforcement officers. This forced other police agencies in the Salt Lake Valley, including West Jordan and South Salt Lake, to increase officer compensation to try and remain competitive. SLVLESA must work with its contract agency to increase pay of its officers to remain competitive in the market and deliver critical public safety services to residents.

**Additional staffing is needed.**

Demand for law enforcement services continues to increase as caseloads rise, populations grow and the use of the canyons and other areas of SLVLESA increase. Additional staffing is needed to meet the increase in demand. For example, it was necessary to increase the number of sergeants in Kearns and Magna to meet law enforcement needs and provide adequate supervision.

**Cost of equipment and supplies increase. Inflation also increases.**

The cost of necessary equipment, cars and supplies continues to increase. The police officers serving SLVLESA communities should have the up-to-date equipment to do perform their duties safely for themselves and community members. Further, inflation increases at approximately 2% a year.

**Cost of training increases.**

Training costs continue to increase for many different reasons, including the variety of skills today's police officers must have and legislative mandates.

**SLVLESA may be prohibited from increasing budgeted revenues in the future.**

SLVLESA is funded through property taxes which includes the centrally assessed value of utilities, railroads and mining in its jurisdiction, a value that can fluctuate dramatically each year. This tax increase will place SLVLESA at the statutory tax cap rate increasing its ability to prepare for the future budget needs while being held harmless should centrally assessed valuations decrease causing SLVLESA to be above the certified tax rate.

**Without healthy target reserves, SLVLESA will not be prepared for an unforeseen reduction of revenues or a significant increase in expenditures.**

The reason for strong target reserves is to hedge against unforeseen events that may require significant increases in expenditures. Financial projections show that, without an increase in budgeted property tax revenue, SLVLESA's fund balance is in jeopardy of falling below the 5% statutory minimum in two years.

**Conclusion:**

The Board has decided that it must be able to fund competitive compensation to the police officers contracted through the UPD to serve member communities if it wants to recruit and retain officers. The Board recognizes that police officer compensation is the primary factor in law enforcement cost increase. With the competition for a limited pool of applicants and the need to retain adequate staffing, agencies throughout the Salt Lake Valley are increasing their police officer compensation. Further, officers must have the up-to-date equipment to do their job safely. The costs for equipment, cars and supplies continue to increase. Increased revenue is needed to fund the enhanced training that is required. The Board has decided that a property tax increase is necessary to meet the demands on law enforcement in the future and maintain the viability of SLVLESA.