

North Utah Valley Animal Services Special Service District
Pending Monthly Board Meeting Minutes
March 31st, 2022
87 East 100 South, Pleasant Grove, Utah 84062

BOARD MEMBERS PRESENT:

Cedar Hills- Jennifer Peay
Highland- Scott Smith
Lindon- Orlando Ruiz
Pleasant Grove- Carl Nielson
Saratoga Springs- Owen Jackson
Utah County- Steve Alder
Utah County Sheriff's Office- Yvette Rice

BOARD MEMBERS ABSENT:

Alpine-
American Fork- Josh Christensen
Eagle Mountain-
Lehi-
Orem- Mike Paraskeva
Utah County-
Vineyard- Don Overson

OTHERS PRESENT:

Director-Tug Gettling
Legal Counsel- Laramie Merritt
Minutes- Janeen Olson
Ian Robbins- Osborne, Robbins & Buhler, P.L.L.C.

OTHERS ABSENT:

OPEN THE MEETING:

1. **Welcome and introductions:** Chair Yvette Rice greeted the Board members and welcomed Ian Robbins; the meeting was opened at 10:05 a.m.
2. **Prayer/Thought-** Offered by Laramie Merritt

WORK SESSION ITEMS:

1. No Items.

PUBLIC HEARING ITEMS:

1. No Items.

GENERAL MEETING ITEMS:

1. **Public Comment:** None in attendance.
2. **Review and approve Minutes from the February 24, 2022, NUVASSSD Meeting:** Owen Jackson moved to approve the Minutes from the February 24th, 2022, NUVASSSD Meeting. Steve Alder seconded the Motion. All were in favor and the Motion carried.
3. **Financial Audit/Agreed Upon Procedures-** Ian Robbins with Osborne, Robbins & Buhler, P.L.L.C. Certified Public Accountants presented a handout with the report on the Agreed-Upon Procedures conducted for the North Utah Valley Animal Services Special Service District for the fiscal year of July 1, 2020, to June 30, 2021. He noted it is very similar to last year and they have reviewed the financials, training records, and documentation from Tug and Orem City. He stated there is one new thing added since last year regarding government fees, the Shelter has been charging fees since opening, and Ian noted that all fees collected by the Shelter were approved, tracked, and matched the needed criteria. The report noted nothing came to their attention that would require reporting, everything was good, and Ian was thanked for his efforts and work.

4. **Financial report-** Tug reviewed the Check Registers for February and noted nothing exorbitant or unexpected. Regarding the monthly Financial Statement, Tug pointed out we are low in the amounts we budgeted for in both categories of Income and Expenses in some areas; Income-Animal Licenses at 50%, with the percentage for the year at 74%, Animal Sales & Adoptions at 36% and Surrender for Adoption at 31%. He noted the low percentage is to be expected due to the fact we were not allowing owner surrenders during the pandemic and are just now working on an avenue for that to begin again. Tug also stated that the line item- Surrendering for Adoption is under Income and is somewhat misleading, although we do collect a fee, most of the time we never recoup the cost of caring for the animal based on the length of their stay and everything that goes into caring for it. Turning to Expenses; Fuel is higher, that being a global issue right now, Utilities are slightly higher but should start to lower as it gets warmer, and Analysis & Credit Card Fees also high. On the other side some areas were higher on the Income side; Animal Boarding Fees, Rabies Fees- Vouchers, Donations, Microchip Sales, and Miscellaneous Revenue. On the Expense side Tug pointed out a few areas that were noteworthy; Salary & Wages- Temporary at 57% which is a large line item of \$90,000, which can be attributed to not being fully staffed for such a long period of time, Fringe Benefits falls under that same category. Both Professional & Technical Services and Professional & Technical Services- Animal Veterinary Care are at 47.7%. Although Tug states he feels like a broken record saying this for numerous months, our Incomes as a total are above, and Expenses below, all of which are good, and we hope it continues this way throughout the year.

Tug reviewed his meeting with Brandon with Orem City and answered several questions that had been requested during the last meeting such as how he could get numbers for the Participation Fees for the cities out early to assist them with their budgets. What is the PTIF fund, what requirements are assigned to the Capital Outlay monies, and how is the “rainy day funds” listed in our Budget. In regard to the question if our fiscal year can be adjusted, that answer was no for a couple of reasons, it doesn't match the interlocal agreements with the cities and it would not work with Orem cities internal systems. Tug noted the Public Treasures Investment Fund (PTIF) is the same as our Capital Outlay which is set aside in accordance with the agreement made with the County and by 2025 it must be up to \$200,000, which we are on schedule to meet. He reviewed what it could be spent on and noted any monies spent out of there must be replaced within 5 years. A short decision was had on the Vineyard Connector and the impact it may have on the property the Shelter is housed on and short- and long-term investments. Tug explained that the Retained Earnings under Liabilities and Equity is synonymous with the fund balance or the “rainy day funds”. He explained how that amount can be allocated and what is taken out of it, such as the PTIF, and a planned amount of 6 months of operating expenses and what could be done with the remaining amount left. He advised while with some governmental entities there is a cap on the amount that can be in there, the Shelter is not capped. Scott inquired if purchasing a vehicle to use in the event of an emergency qualified, which is allowable. The subject of using that to assist cities with paying participation fees and then repayment during the year is not an option. Jennifer inquired about the need to replace the existing truck and Tug advised that had been discussed pre-pandemic and the benefits from either leasing or purchasing a new vehicle was had and then it was put on a back burner, however it was probably getting to the point we needed to start looking at that again. He noted the South Shelter (SUVAS) has a van and the benefits that a van could provide over a truck and that it could be used as an emergency vehicle as well. Depending on how it is outfitted it has the potential to be utilized for several things, and as Tug commented the majority of the need during an emergency is not to be on scene but transporting the animals back to the Shelter. The multi-uses of a van were discussed and how it could be retrofit to be functional for transporting several cages with just ratchets. Owen noted purchasing vehicles in this current market you are looking at 6 to 8 months and plus for wait time, Carl noted his agency had experienced the same type of issues. Owen also expressed a concern over the long-term costs of leasing versus just purchasing the vehicle and requested a comparison of a 5–10-year lease and the cost of purchasing and maintenance for one for that same period. He would also like to see planning for a vehicle replacement fund, instead of just the money set aside to purchase a vehicle but setting aside monies to replace that vehicle or when maintenance on it is needed there is already a mechanism in place. Tug will put together some figures to present to the Board. Addressing the question of “are there any other financial obligations we need to meet to keep the District financially sustainable to prevent large increases in the future?” was answered previously by Tug, by keeping 6 months of operating expenses set aside in the

retained earnings, as well as the capital outlay. He reviewed the interlocal agreements between the cities and the district, clarifying the fiscal year and how they calculate each city's contribution will be based on the prior calendar year. Tug addressed the portion that Josh brought up during our last meeting that states the District will bill the city between March and April each year. He advised that has not been done previously, the reason being they were trying to forecast the budget more accurately and send with the Tentative Budget in May. Tug requested feedback from the Board, and it was determined that the cities would prefer to have a number early, knowing this is subject to change but they would have a ballpark figure to put into their own budgets. This year Tug will present the preliminary amount in April, leaving the Tentative Budget in May, due to criteria that needs to be met making it difficult for to do the Tentative Budget earlier. Going forward next year the Tentative Budget will be presented in April.

5. Shelter Progress Report: Tug Gettling

- Physical Facilities- Everything is fixed, and running well, no issues to report.
- Personnel- After last month of reporting fully staffed, Tug advised we are now down one full time position after losing one of our employees that has worked for us for 11 years. He described the ongoing issues of lack of applications when jobs are posted, they do have a few to choose from now, however some of those are also our part-time employees so if chosen we would then be down that position as well.
- Update on transition from carbon monoxide to euthanasia by injection- We received our Drug Enforcement Administration (DEA) Controlled Substance Registration Certificate. Now we meet the requirements to begin purchasing equipment and the controlled substances, and are in the process of doing that, finding the best suppliers. Tug noted some of the supplies they could purchase prior have been ordered and our on back order currently.
- Compensation Study update- Tug advised he was given a summary of the report this week, that he can send out to the group, he is not sure if more is being added. It addressed the four positions; Animal Care Attendant, Animal Shelter Technician, Assistant Director, and Director, and looks at salary ranges with historical data, some of the recent changes in the last few months may not have been factored in. They advised where only national data was available, they decreased it 7.2% to reflect the average geographical differences from the U.S. to Lindon City. Tug also reviewed what changes the south Shelter (SUVAS) has made in regard to wages, he plans on presenting during the next meeting more detailed information and his recommendations given the results of the study.
- We are starting to ramp up the volunteer program again, with the low number of animals in the Shelter currently, not a lot needed but they are looking at beginning with a few again.
- Last week we completed 1st amendment audit training for our staff through the Utah Local Government Trust.
- Tug mentioned they have been discussing with Utah County Health Department (UCHD) the possibility of handling all of the rabies specimens in the County, in the past both the Shelter and UCHD have been doing that. Steve reviewed some of the concerns and issues that have been presented with logistics.
- Tug reviewed briefly a recent hoarding case that is under review with the Sheriff's Office, he wanted to remind the Board members when these cases occur, the cost to board the seized animals falls upon the cities or County, and it will be left to that agency to seek restitution from the animal owner. Yvette passed on the County's appreciation of Tug's assistance and the time he spent on scene helping the deputies removing them and the follow up paperwork processing them.
- Legislative review- out of the 4 Bills presented during the last session that could have had an impact on the Shelter, only one of those passed, HB175 which helps protect animals in cases of domestic violence situations. The other three; SB69 outlawing carbon monoxide chambers, HB112 extending dog fighting laws to include all animals, and not just dogs, HB158 prohibiting political subdivisions from requiring pet stores to only sell animals obtained from an animal shelter, all 3 of these did not pass.

6. Other business: Yvette reminded the members of the email they should have received from Mike Paraskeva and asked to get those sent so the evaluation can be discussed in a closed session next meeting. Orlando clarified on what SUVAS had implemented and if our budget could accommodate it. Owen noted we need to also look at building that into the budget, so it is ongoing. Laramie mentioned a fee schedule adjustment if needed.

7. **Adjourn:** Owen Jackson moved to adjourn the meeting. Scott Smith seconded the motion. All were in favor and meeting was adjourned at 11:27 a.m.

CLOSED DOOR SESSION:

1. No items.

Next Meeting: April 28th, 2022 @ 10:00 a.m.