

**MINUTES OF THE UTAH LEAGUE OF CITIES & TOWNS**  
**BOARD OF DIRECTORS MEETING**  
50 SOUTH 600 EAST, SUITE 150  
SALT LAKE CITY, UT 84102  
FRIDAY, JUNE 24, 2016  
12:00 PM

**CONDUCTING:** ULCT Board of Directors President, Council Member Lynn Pace, Holladay.

**EXECUTIVE BOARD**

Council Member Lynn Pace, President, City of Holladay  
Mayor Steve Hiatt, 1st Vice President, Kaysville  
Council Member Beth Holbrook, 2<sup>nd</sup> Vice President, Bountiful  
Mayor JoAnn Seghini, Treasurer, Midvale  
Mayor John Curtis, Immediate Past President, Provo

**BOARD OF DIRECTORS**

Council Member Mike Mendenhall, Spanish Fork  
Mayor Dean Baker, Naples  
Council Member Andy Beerman, Park City  
Mayor Mike Caldwell, Ogden City  
Mayor Carmen Freeman, Herriman  
Mayor Gary Gygi, Cedar Hills

**ULCT STAFF**

Kenneth Bullock, Executive Director  
Cameron Diehl, Director of Legislative Affairs  
Michelle Reilly, Director of Administrative Services  
Susan Wood, Director of Communications and Training  
Brandon Smith, Legislative Research Analyst  
Meg Ryan, Planning Consultant  
Nick Jarvis, Director of Research and Technology  
Roger Tew, Senior Policy Analyst  
Ashley Morfin, Executive Assistant and Staff Photographer  
Jodi Hoffman, Land Use

**EX-OFFICIO MEMBERS**

JJ Allen, Clearfield, UCMA  
David Church, Legal Counsel  
Leigh Ann Warnock, UMCA

**OTHERS PRESENT**

Mayor John Spuhler, Garden City  
Bob Peterson, Garden City

## **WELCOME AND INTRODUCTIONS**

President Lynn Pace opened the meeting at 12:00 p.m. and called for introductions of those present.

## **REVIEW AND APPROVAL OF MINUTES**

The Board reviewed the minutes of the April 6, 2016 ULCT Board Meeting. It was pointed out Susan Wood should replace Meg Ryan in the minutes as having updated the Board on the “Making Life Better” series.

*Board Member Beth Holbrook moved to approve the April 6, 2016 ULCT Board Meeting minutes with the correction outlined above. The motion was seconded by Council Member Carmen Freeman. The vote was unanimous. The motion carried.*

## **END OF YEAR FINANCIAL REPORT**

Ken Bullock wished to make two points. 1) The Executive Committee requested an additional audit with all issues with Local governments for an additional \$5,000. 2) An inordinate amount of time is spent on the Budget.

Mayor Seghini presented the end of year financial report to the Board.

*Board Member Mike Caldwell moved to approve the end of year financial report as presented. The motion was seconded by Board Member Mike Mendenhall. The vote was unanimous. The motion carried.*

## **2016-2017 BUDGET**

Mayor Seghini presented the 2016-2017 Budget to the members of the Board, reviewing all changes made since the last review in April. Total revenue and expenditures projected for the 2017 fiscal year is \$3,137,074 which represents a 16% increase in total revenue from the ULCT 2015-2016 adopted budget.

*Board President Lynn Pace moved to approve the amended budget. The motion was seconded by Past President, John Curtis.*

Next year’s budget:

1. A donation was received from an anonymous donor for the project that relates to Deseret News. Ken Bullock and Susan Wood have working on getting stories submitted to their webpage. Negotiations have been ongoing and a grant was received allowing the purchase of a reserved section on the page and more control over how long the story will stay there.
2. Salaries - \$54,000 increase with benefits. A salary and benefit study is currently underway.

3. IHC's Wellness. No expenditure from the League.
4. The University of Utah has started building a policy institute, of which the League has an opportunity to be a charter member. The League has been asked to give \$30,000 over a three year time period, buying a seat at the table of their Board of Directors with a voice on policy emphasis for that year's projects.

***Past President John Curtis moved to approve the 2016-2017 budget as presented. The motion was seconded by Board Member Mike Caldwell. The vote was unanimous. The motion carried.***

## **ULCT STAFF UPDATE**

The Board was asked to review the staff update sent out previously by email. There was also a list of Board positions and which positions are expiring. A change has been made requiring no term limitations. An email will be sent to all elected officials in the state making them aware of the Board openings. Lynn Pace encouraged the current Board Members to serve on the Nominating Committee if not up for expiration.

## **LEGISLATIVE ISSUES REVIEW**

Cameron Diehl

Handout: HB 60: Changes to Class B&C Fund Distributions

- Short Term Rental Software – Mayor John Spuhler, Garden City

Mayor Spuhler reported how they handle their short term rentals. Bob Peterson accompanied him. He wanted to find ways to become more efficient in their community regarding large short term rentals in the city which comprises a major portion of their sales tax revenue. The biggest issues was how to track and know who is compliant. He built a tool that has been effective, maintaining 100% compliance, produces reports, and providing a whole tool for staff to manage these rentals. Bob Peterson reviewed the program, emphasizing the licensing side. A map shows those who are compliant, non-compliant, and expiring within 60 days. There is also an identification side. The map shows areas outside the City, those they are investigating, new rentals, or whatever else is needed. Data from tax revenues can be entered.

Jodi Hoffman reported on research completed and has been looking at communities with short term rentals. There are 39 different parameters and 27 different terms that refer to short term rentals. They are developing a template for inspection issues with business licensing and can give recommendations for each city and circumstances. Presentations will be made at interims next month. If anyone has enforcement complaints or questions, they should contact Cameron or Jodi.

- B&C Allocation Issues

HB 60 was supposed to say cities, towns, and counties will receive 50% of the revenues expected from the sales option sales gas tax. The League was a prime negotiator. Everyone was under the impression that the 5 cent gas tax would be distributed in the 50/50 formula. The intent of counties was to bring forward hold harmless counties but they never told us what that was. Results went out to cities expecting an increase of 17%. We have since learned the 11 hold harmless counties approached the association of counties who then approached UDOT saying they weren't getting the money expected. The language needs to be fixed. HB 60 actually shifted 8.5 million dollars from the gas tax from cities to counties and shifted 11.5 million dollars to 11 hold harmless counties. West Valley City contacted the League and said they have concerns on numbers. The League dug into it and the Association of Counties said that was their intent all along. Nobody else was aware of that information.

It has been a big frustration that data was never shared. Hold harmless counties saw 82% growth. Cities, towns and non-hold harmless counties 8.9% or about half what was expected after the increase.

All data was researched, including legal research to determine legislative intent. The Association of Counties will discuss the issues and have emailed their membership saying they now realize they were not clear in their intent and are willing to discuss the issue. From our perspective, we want them to honor the intent as understood by the Transportation Coalition, legislators, governor, cities, etc. Cameron has approached several key city leaders around the state to be on the negotiating team. There will be a presentation to senate leadership on July 12<sup>th</sup>. We want them to put money into escrow until the policy can be addressed, but we cannot talk about solutions until the membership understands the breadth of the issue. He urged cities to contact their county officials for discussions.

*Past President, John Curtis, moved we express, in the strongest of terms, our disappointment in the misrepresentation in HB 60 and to call for an immediate freezing and holding of funds until the issue can be worked out, including commitment and understanding of GHB 362, and trust we can count on our partners in the county to be as cooperative as possible. The League would also like to know why those things were changed and why cities were not made aware of them. The motion was seconded by Board Member Mike Caldwell. The vote was unanimous. The motion carried.*

## ADJOURN

*There being no further discussion, Board Member Mendenhall moved the meeting adjourn The motion was seconded by Board Member Beth Holbrook. The vote was unanimous. The motion carried.*

**MINUTES APPROVED:**

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

DRAFT