

What changed in Utah law

Utah Code 17B-1-307 (SB 50, 2025)

- Legislature removed the prior \$5,000 annual compensation cap for improvement district boards
- Boards may set compensation by formal action, but must follow a separate public-hearing process
- Class A public notice: at least 7 consecutive days before the hearing (UPN + district website + physical posting)
- Compensation hearing must be a standalone meeting (can be same day as other meetings)



Current situation & workload

Why “reasonable” matters for a small district

- Current board compensation: \$5,000 per year (unchanged for many years)

Even in a small district, board service includes year-round governance responsibilities, not just time spent in the monthly meeting

Typical duties include packet review, agenda review, routine email/phone coordination, and attendance at monthly meetings or public hearings

Members may also review budgets, rates, capital projects, policies, contracts, audits, claims, and procurement matters as needed

Periodic office attendance may be requested for check signing, document execution, staff discussions, or other time-sensitive district business

Board service remains intermittent, but it carries ongoing legal, fiduciary, and oversight responsibility throughout the year

Peer context & public optics

Peer comparison (early actions and proposals)

Early peer actions under the new statute show cautious, mostly inflation-based adjustments:

- Granger-Hunter Improvement District: increased from \$5,000 to \$7,500 (publicly approved)
- White City Water Improvement District: \$7,500 yearly stipend (inflation-based)
- Kearns Improvement District: discussed and then moved from \$5,000 to \$7,500 as an inflation catch-up
- Timpanogos Special Service District: \$375 per month for 11 months plus \$1,000 for the annual retreat, or about \$5,125 per year
- Central Davis Sewer District: approved \$8,500 per year, with annual increases tied to employee COLA

A higher figure has also been discussed elsewhere:

- Sandy Suburban Improvement District: has discussed \$15,000

Taken together, \$7,000 for members remains a conservative step below or in line with current peer actions, while \$7,500 for the chair recognizes added duties without overreaching.

Key message: \$7,000 for members and \$7,500 for the chair is a cautious, easy-to-explain structure that can be revisited as more peer data becomes available.

Objective data: CPI context

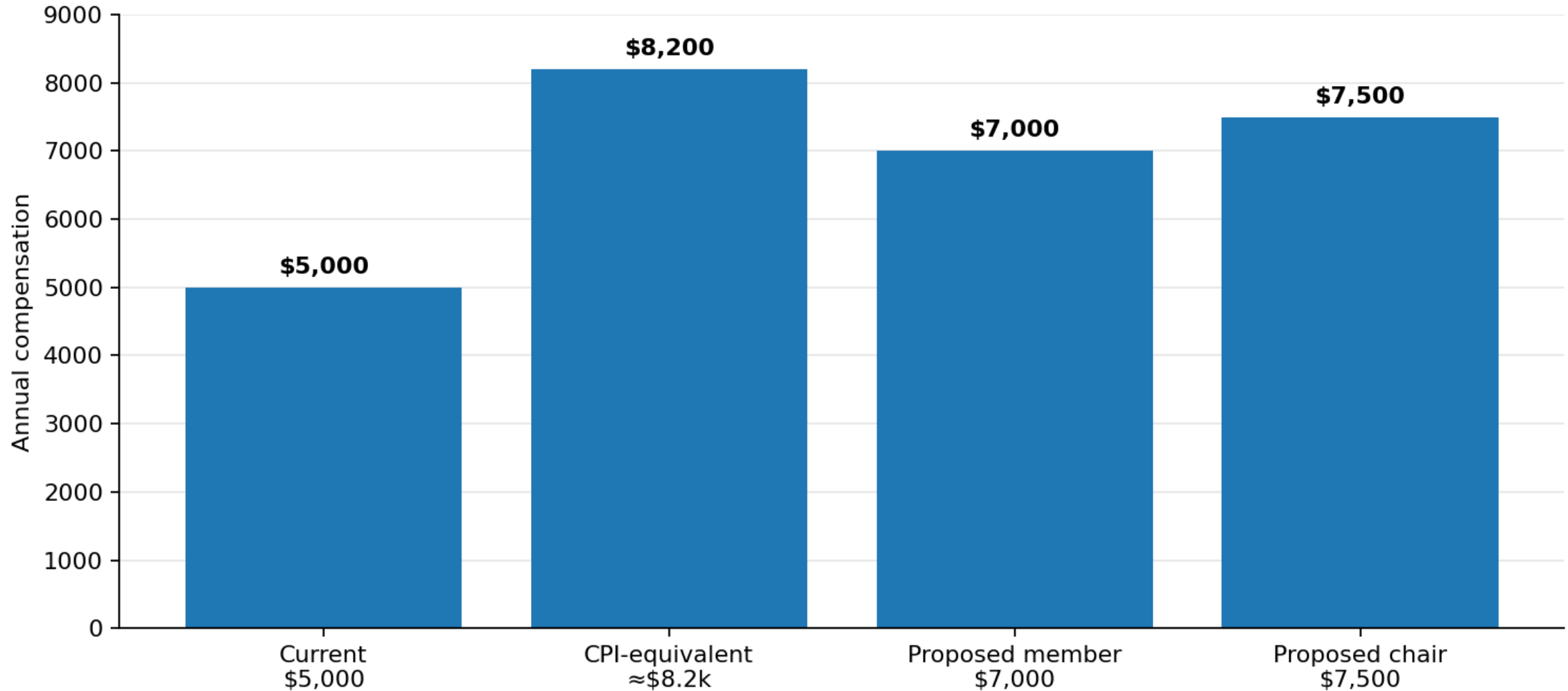


Chart shows: Current \$5,000; CPI-equivalent (2026 dollars) ≈ \$8.2k; Proposed member \$7,000; Proposed chair \$7,500. The proposal stays below full CPI catch-up while recognizing the chair's additional responsibilities.

Recommendation: \$7,000 members / \$7,500 chair

Defensible for a small district and easy to explain

Proposed annual stipend for each board member: \$7,000

Illustrative annual basis: \$4,200 for 12 meeting/preparation cycles (\$350 each) + \$1,800 for year-round packet review, emails, and coordination (\$150 per month) + \$500 for budget/policy/audit/project oversight + \$500 for occasional office visits, check signing, document execution, or special meetings = \$7,000

Board Chair: \$7,500 = \$7,000 base + \$500 for added agenda coordination, meeting leadership, extra communication, and signature authority

This framing is easier to defend because it reflects overall governance responsibility, not just attendance at one meeting each month

Commitment: revisit as additional peer-district data becomes available

How to set it (recommended)

Recommended: Flat annual stipend

Member: \$7,000 per year

Board Chair: \$7,500 per year

Adopt at the public hearing on April 8, 2026 at 5:00 PM

Effective: April 2026 going forward (prospective)

Paid as fixed annual amounts (simple administration)

Flat stipend reflects year-round governance duties, not just meeting attendance

Per diem/travel remains governed by the District's separate policy

Optional revisit

Revisit compensation after additional peer-district data is available

Suggested review window: 12–24 months

Adjust only if workload scope or comparable-district benchmarks materially change

Public hearing agenda & action

Before the meeting:

- Post Class A notice for at least 7 consecutive days (UPN + District website + physical posting)

At the meeting (April 8, 2026 at 5:00 PM):

- Staff presentation (PowerPoint)
- Open public hearing and receive public comment
- Close public hearing
- Board action: motion and vote to adopt \$7,000 annual compensation for board members and \$7,500 for the board chair

Effective date: April 2026 going forward (prospective only; no retroactive pay)

- Note: Utah Constitution prohibits extra compensation after services have been rendered (no retroactive pay).

Revisit: 12–24 months as more comparable districts adopt compensation policies

BOARD MEETING
ISSUE SUMMARY

Date: 04-8-2026

Subject: **Board Compensation Adjustment**



Background: Pursuant to Utah Code Ann. 17B-1-307, the District conducted a review of board compensation and initiated consideration of a proposed adjustment. In accordance with statutory requirements, a duly noticed public meeting and public hearing was held on April 8, 2026, at 5:00 p.m. at the District office located at 160 E 7800 S, Midvale, Utah, for the purpose of receiving public comment and considering Board action regarding trustee compensation.

As part of this process, staff conducted a review of comparable agencies, including improvement districts and similar local entities. Peer agencies such as Granger-Hunter Improvement District and White City Water Improvement District have established compensation levels at or near \$7,500 annually. Other entities, including Kearns Improvement District and Timpanogos Special Service District, have also discussed or implemented adjustments within a similar range, reflecting inflation-based increases and evolving governance expectations.

In addition to market comparisons, consideration was given to the responsibilities associated with board service, including preparation for meetings, policy oversight, financial review, and participation in strategic planning and decision-making. Further consideration was given to the role of the Board Chair, which includes additional responsibilities such as meeting coordination, agenda development, leadership during meetings, and increased time commitments outside of regular board meetings.

Recommendation: Staff recommends approval of the proposed compensation structure by adoption of Resolution No. 26-04-08-A.

Suggested Motion: *“I move to adopt Resolution No. 26-04-08-A approving the board compensation structure as presented”.*