Davis County Budget Committee

Meeting Minutes

June 2, 2023

The Budget Committee of Davis County met on June 2, 2023, at 8:00 a.m. in room 306 of the Davis County Administration Building, 61 South Main Street, Farmington, UT. Notice of this meeting was given under the requirements of Utah Code Annotated §52-4-202.

Disclaimer: The meeting was an open dialogue. Agenda items appear in bold and are only briefly summarized. The reader may refer to the audio recording and the attachments for further content clarification. Timestamps have been noted in the minutes to aid in locating discussion points in the audio record. The audio recording is available based on the County's current retention schedule.

Note: The Budget Committee is not a governing body but makes recommendations. These recommendations must then go through the Commission for formal action.

The meeting commenced at 8:03 a.m.

1. **Opening Roll Call**

   Committee members present were: Curtis Koch, Auditor; Angie Nelson, Chief Deputy Auditor; Commissioner Randy B. Elliott; Commissioner Lorene Miner Kamalu; Chris Bone, Human Resources Director; and Mark Langston, Information Systems Director. Commissioner Bob J Stevenson joined the meeting at 8:08 a.m. Shairise Bills, Deputy Auditor, recorded the minutes of the meeting. Other Davis County staff present were: Ric Higbee, Deputy Human Resources Director; Jordan Tilley, Contracts and Grants Administrator (Auditor's Office); Troy Rawlings, County Attorney; and Brian McKenzie, County Clerk.
   There was no public attendance.

2. **SLFRF Update-** *Presented by Jordan Tilley, Contracts and Grants Administrator (Minute 0:01:25)*

   Jordan Tilley updated the State and Local Fiscal Recovery Funds (SLFRF) projects. The Emergency Operations Building is expected to be completed by April 2025. Safe Harbor's construction has begun using its own money, but they are beginning to use the SLFRF portion of funding now. West Point has started with its design and engineering with a plan to start construction in September of this year with a completion date of 2026. The School District's structure for the Homeless Youth Assistance Program will be up by July of next year.

   Potential projects are:

   - $2 million for the Affordable Housing Fund, and an extra $2 million is a buffer if other projects come in under the obligated amount.
   - $100,000 for Air Quality Monitoring Network.
   - $300,000 for Environmental Health Software.
   - $650,000 for the West Point Sewer Connect, which has an estimated 65 homes in the area, 20 within 300 feet of the sewer trunk lines.

   (See Attachment A.)

3. **Attorneys' Salaries** *(Minute 0:26:04)*

   This topic was discussed in last month's Budget Committee meeting on May 8, 2023. Since that meeting, Curtis explained that Troy Rawlings had had more conversations with each of the Commissioners individually, and all three Commissioners have agreed to his request to adjust the Attorneys' salaries due to the competition with Salt Lake to retain them.

   One of the long-term effects of these adjustments will be the salary compression created among the entry to mid-level salary ranges. Troy said they must compete now while minimizing the financial impact. He is not asking for more money, only to be able to utilize the attrition savings that resulted when five of the attorneys left for other job opportunities or retirement. He argued that had those five stayed, the budget would have remained at that higher amount anyway. Troy committed to not asking for any additional personnel in 2024. He said he is good with his staff, and it is more important to him to keep what they have. Troy gave several examples of the value of retaining each employee and the justification for paying them more competitive wages. He said that none of these attorneys had expressed a desire to leave. Troy also said that if the Commission has to raise taxes, he will help sell it.

   Typically, items are brought before the Budget Committee and voted on whether they will be recommended to the Commission to be approved. The Committee raised some questions and concerns, so Shairise asked for a recommendation vote by the committee to allow it to be part of the record. The Committee voted aye. That change will need to go through a Commission meeting for formal action.

4. *Curtis Koch, Auditor Presented (Minute 0:48:40)*

   a. **County Cash Balances/Spend Down of Fund Balance Reserves/ Capital Planning/ Future Tax Increase**

      Curtis reviewed the cash balances for 2022 and 2023. His numbers were unaudited, so there were some variations, but they were still very close to actuals. There is $24.7 million as of January 1, 2023, projected to be $21.7 by the end of 2023. The County holds 28% of its revenues in cash. The ordinance says that it cannot go below 15%.

      Curtis also reviewed the fund balances for Capital Projects Funds. The General Fund Capital balance on January 1, 2023, was $21.3 million; if the budget is executed as planned, it will end at $20.4 million. Curtis said he doesn't know how you ask for a tax increase to fund the new $16 million Animal Care facility when you are sitting on that much money.

      In 2016, The County promised taxpayers that $2 million of the tax increase would be set aside for election equipment. The Clerk is asking for $350,000 of that for election security this year, and they will be asking for poll pad replacements costing $150,000 for next year before the general election because those devices will no longer be supported. Brian McKenzie explained these requests in more detail.

There are $15.4 million in Prop 1 Transportation cash projections for the end of 2023. Currently, the County charges $10 in fees for each car registration that goes toward the Corridor Preservation Fund. There is $29 million in 3rd Quarter funds and $60 million in transportation funds. Curtis suggested terminating the ordinance to end putting those fees into the Corridor Preservation Fund. It will be a good move if the County moves toward a tax increase to show people they are trying not to take more from the citizens than is necessary. A $10 tax increase per household would make it a wash, and the taxpayers would likely still come out ahead if they owned more than one vehicle. That makes a tax increase easier to bear. Commissioners Stevenson and Elliott do not want to end that ordinance; they want to try working with the legislature first. Commissioner Kamalu favors fees but says it doesn't make sense to continue collecting them if they can't be used for anything else. They all agreed to wait to end those fees and favored finishing some other transportation projects first. Tax increases were discussed at length.

The Commissioners agreed they would like $500,000 for the Animal Care Building Architect, $1 million for the Events Center, and $350,000 for election security added to the budget opening for next Tuesday's Commission meeting. The County is investing $90 million next week. The Treasurer asked him to sign off on this, and Curtis asked what his signature was for but got no response. Curtis said, for the record, if it is that you agree with this amount, hell no! He cannot sign off on any amount in good conscience; if it is not his statutory responsibility, then he will not. He does not want his name associated with that. The Commission wanted more information on the matter.

b. Budget Opening for 6/6/2023

This item was not covered in the meeting.

The meeting adjourned at 10:15 a.m.

All documents associated with this meeting are listed as the following attachments:

A	List of Potential SLFRF Projects 3-13-23
B	Budget Final Page 2023 Projections after 2022 final distributions 6-1-23
C	2024 CAPITAL PLAN - Tentative 6-2-2023
D	2022 Tourism Capital Spending
E	2023 Steps to Balance Budget 10-28-22 COPY
F	2024 Sales Tax Projections - Fund 10

Minutes prepared by:

Shairise Bills
Deputy Auditor

Minutes approved on: 7/10/2023

/s/ Curtis Koch
Curtis Koch
Auditor— Budget Officer