Davis County Budget Committee

Meeting Minutes

May 15, 2024

The Budget Committee of Davis County met on May 15, 2024, at 11:00 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 11:04 a.m.

Opening Roll Call

Committee members present were Curtis Koch, Auditor; Angie Nelson, Chief Deputy Auditor; Commissioner Randy Elliott; Commissioner Bob Stevenson; Chris Bone, Human Resources Director; and Mark Langston, Information Systems Director. Commissioner Lorene Kamalu joined the meeting at 11:05 a.m. Other staff present were Andy Oblad, Chief Deputy Sheriff; Arnold Butcher, Chief Deputy Sheriff; Mitch Matern, B&G West Maintenance Manager; Ric Higbee, Deputy HR Director; Dawn Tolson, Benefits Administrator; and Marina Brito, Comp & Class Analyst. Shairise Bills, Deputy Auditor, recorded the minutes of the meeting. There was no public in attendance.

Fund Balance Trend—Presented by Curtis Koch, Auditor *(Minute 00:54)*

Curtis presented the Projected Revenue/Expense and Ending Fund Balance graph and the unaudited budget numbers for 2024. The only variance is the expenses have gone up, and the fund balance is projected to end at $41.6 million. He said we are in the longest period of an inverted yield curve in the history of our economy, which is a sure sign of a recession. He said we are also at the highest consumer debt level in history. The expenses for 2024 are at $88,721,541, which is a slight difference of $413,917 between revenue and expenses. In 2025, the fund balance will decrease significantly by $8 million and end at $33,180,782. The County is at a point where they have to generate new revenue or cut expenses. Curtis has been warning that it is nearing a critical point for the past couple of years and goes on record to say that he is not advocating for a tax increase. He said you can raise revenues or decrease expenses. *(See Attachment A.)*

Retirement Pickup Rate/401K Match—Presented by Chris Bone, HR Director *(Minute 16:24)*

Chris said that about 85% of employees use the 401K match, and only 5% of polled employees said that it was not important to have the 401K match. After the last budget meeting, Marina formulated a few additional scenarios, which were explained. This topic was discussed at length. Commissioners Elliott and Stevenson preferred a new

scenario that was proposed by Commissioner Stevenson during the meeting (known as F.1 on the graph), which would give Tier 1=.5%, Tier II= 1% (adjust 2024 COLA=Tier 1 4.5% and Tier II 5.0%) to all employees and get out of paying the pickup altogether so as not to obligate future commissions. Commissioner Kamalu wanted Scenario B. *(See Attachment B.)*

EOC Budget—Presented by Mitch Matern, B&G West Maintenance Manager *(Minute 58:11)*

This was discussed on May 13th and is being continued today because a final plan decision needs to be made. Mitch summarized the last meeting's discussion. Some new IS costs of $159,721 will put them over budget. Mitch wants at least a 3% contingency built into the project. Right now, the costs, including soft costs and construction fees, are $15,491,708, but that does not include the new IS costs. Mitch made some suggestions to help decrease costs. Curtis appreciated Mitch's thoughtfulness in finding solutions to cut costs while providing a highly functioning EOC. Curtis summarized the committee's recommendation to accept the plan as presented, which takes out the redundancy of the entire HVAC system, totaling $15.66 million, with the difference of SLFRF coming from the General Fund. This allows Mitch to get a guaranteed maximum price from Hogan Construction. *(See Attachment C.)*

Curtis Koch, Auditor, presented the following:

Dispatch Drop in Revenue for 2025 *(Minute 1:23:37)*

Chief Deputy Sheriff Oblad said the Sheriff is still meeting with Kaysville and Farmington about whether or not they will stay with the County for its dispatch services or go with Bountiful. South Weber has already decided to move to Layton for those services. Chief Oblad said he thinks the county would prefer three dispatch centers to keep our own vs. not dispatching.

(Minute 1:43:46) On a side note, Curtis said there was a call to action being requested by NACo regarding the Interim Final Rule being challenged. This will be detrimental to the County because it will lose its flexibility to re-obligate past 2024. It will also not allow the County to use it for Pretrial, Legal Defenders, and Attorneys.

WSP Budget *(Minute 1:46:02)*

Curtis said the Commissioners need to go in and change the budget after approving a bunch of things for the Western Sports Park facility. He offered to help Commissioner Stevenson make those changes.

The meeting adjourned at 12:51 p.m.

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

A	2025 Projected Fund Balance Start Point
B	URS Rate Change Budget Committee Spreadsheet
C	Emergency Operations Center (EOC) Plan

Minutes prepared by:

Shairise Bills
Deputy Auditor

Minutes approved on: 6/10/2024

/s/ Curtis Koch
Curtis Koch
Auditor— Budget Officer