These minutes are pending legislative approval and are subject to change until approved.

COMMISSIONERS' MINUTES – DAVIS COUNTY

WORK SESSION MEETING MINUTES
Tuesday, November 19, 2024

The Board of Davis County Commissioners met for a Work Session at 8:30 AM on Tuesday, November 19, 2024, in room 306 of the Davis County Administration Building, 61 South Main Street, Farmington, Utah. Required legal notice of this meeting was given.

All documents from this meeting are on file in the Davis County Clerk's Office. The agenda for this meeting is incorporated into the minutes as item headers.

DISCLAIMER
The meeting was an open dialogue. Critical points in the discussion have only been briefly summarized. The reader may refer to the audio recording and the publicly distributed materials for further clarification of the content. Timestamps have been noted in the minutes to aid in locating points of discussion in the audio record. The audio recording for this meeting is available based upon the County's current retention schedule.

ROLL CALL
Chair Bob J Stevenson
Vice Chair Randy B. Elliott
Commissioner Lorene Miner Kamalu
County Auditor Curtis Koch
Deputy Clerk Aaron Moyes
Clerk's Office Rebecca Abbott
Attorney's Office Neal Geddes
Community and Economic Development (CED) Kent Anderson
CED Chanel Flores
CED Ryan Steinbeigle
CED Jeff Oyler
Western Sports Park Dave Hansen
Western Sports Park Chris Westover
Human Resources and Risk Director Chris Bone
Facilities Lane Rose
Information Systems Director Jeff Hasset
Intermountain Health Pricilla Martinez
Intermountain Health Chris Allen
Intermountain Health Chad Hunt

OPENING
The meeting convened at 8:33 AM.

AGENDA ITEMS
1. #884/2024. A work session for Intermountain Hospital - Layton's annual presentation to the Davis County Board of Commission — *presented by Commissioner Stevenson*

[Minute 1:00] Intermountain Health Representative Chris Allen started off the Work Session by presenting a slide show [See Attachment A] detailing the purpose of the meeting. Intermountain Health serves the County as a safety net healthcare provider, avoiding the need for a County Hospital. These presentations help to ensure compliance with a State Supreme Court Case requiring accountability for property tax exemptions. Chris highlighted Intermountain's mission to serve the community as an anchor and emphasized their caregivers' presence in Davis County. [Intermountain's contributions, such as adjusted care and medical discounts, were shown in Attachment A.] The property tax exemption rate requested by Intermountain is about $1.9 million, while their charity care alone amounts to about $2.9 million. Charity care was clarified as distinct from "bad debt," with bad debt amounting to about $8.6 million in 2023. The total gift to the community in Davis County was about $27 million; this amount has far exceeded the $1.9 million exemption. Intermountain's initiatives, such as funding clinics for underserved populations and partnering with the Health Department, were discussed. Specific programs include funding the Midtown Clinic in Clearfield, a Federally Qualified Health Center (FQHC); this clinic helps underserved populations. These efforts aim to reduce long-term health costs by focusing on preventive care. Commissioner Kamalu asked Chris if Intermountain does any work to "get up stream" for youth with adverse childhood experiences and highlighted how this is a high priority for Davis County. Chris answered that Intermountain has spent a lot of time outside of hospitals in the community to help solve those issues. Some focus areas of community impact for Intermountain are mental well-being, chronic health concerns and social determinants of health. Some other community initiatives are community resilience symposiums, healthcare career academy geared towards youth, naloxone training and hope squads for suicide prevention.

[Minute 10:53] Statistics on food insecurity in Davis County were shared during the presentation, with efforts underway to address these challenges. Chris detailed Intermountain's total charity care, $2 billion statewide and $27 million in Davis County, and addressed regional variations in care distribution. Questions came up regarding the proportional share of charity care in Davis County relative to statewide contributions and other counties. Chris explained that counties with higher Medicaid rates, Washington County for example, often require more resources due to unique local demographics. There was further discussion detailing Davis County's specific tax liability and charity care; the total gift is 14 times the property tax exemption that is requested by Intermountain Health. Commissioner Kamalu asked Chris about a data-informed community health assessment and if they are required to conduct one; the County and Intermountain Health both conduct these assessments. Chris said Intermountain is partnering with other counties and entities, however Intermountain has requirements that they have to fulfill with different governing agencies. Chris wrapped up his presentation by emphasizing Intermountain's commitment to delivering great value to the County.

This portion of the meeting ended at 8:53 AM. The following portion of the meeting started at 8:55 AM.

AGENDA ITEMS

2. #931/2024**. A Work Session to Discuss a Potential Clark Water Company Proxy** — *presented by Kent Andersen, Director*

ROLL CALL

Chair Bob J Stevenson
Vice Chair Randy B. Elliott
Commissioner Lorene Miner Kamalu
County Auditor Curtis Koch
Deputy Clerk Aaron Moyes
Clerk's Office Rebecca Abbott
Attorney's Office Neal Geddes
Attorney's Office Mike Kendall
CED Kent Anderson
CED Chanel Flores
CED Ryan Steinbeigle
CED Jeff Oyler
Western Sports Park Dave Hansen
Western Sports Park Chris Westover
Facilities Lane Rose
Information Systems Director Jeff Hasset
Human Resources and Risk Director Chris Bone
Public Works Adam Wright
Clyde Snow & Sessions Emily Lewis

[Minute 22:20] Director Anderson started the conversation regarding the Clark Water Company, a small entity managing water rights tied to Farmington Creek. Davis County is the largest shareholder with 76 shares (45% of the total). These shares were acquired by the County in two phases; in 1988 the County purchased 16 shares along with land for the Justice Complex and the Western Sports Park. In 1990 an additional 60 shares were acquired through a land lease agreement. Community and Economic Development (CED) looked into this issue due to Weber Basin Water's ongoing water pressure issues at the Western Sports Park, requiring the use of portable pumps to supplement water needs. This method works but is not ideal or permanent. Many shareholders have not actively used their water rights for years, creating confusion about share allocations and water usage. A Clark Water Company shareholders meeting will be held at 7 PM on November 19, 2024. It was noted that Davis County Commissioners would be requested in their Regular Meeting on November 19 to appoint a proxy to represent the County at the shareholders meeting; the proxy would be Jeff Oyler. Outside legal counsel, Emily Lewis from Clyde Snow & Sessions was hired to help give the County direction on this issue. The consensus among the CED staff is to dissolve the Clark Water Company, given its lack of activity and unclear operational structure; however, retaining or selling the water shares remains a priority for the County. Weber Basin Water, the County's current water supplier, is a potential buyer for the shares, which may allow for negotiation. Mike Kendall added that there is a possibility of litigation between shareholders. Benchland Water District also has an interest in this water, among others. Mike Kendall suggested transitioning to a closed session to discuss potential litigation risks.

[Minute 29:04] A motion was made to go into a Closed Session for reasons permitted under Utah Code Annotated § 52-4-205(c), strategy sessions to discuss pending or reasonably imminent litigation.

Vote

Motion to go into a Closed Session: Commissioner Bob J Stevenson. **Second:** Commissioner Lorene Miner Kamalu. All present Voted aye.

COMMISSIONERS' MINUTES – DAVIS COUNTY

MEETING ADJOURNED
The meeting was adjourned at 9:50 AM.

ATTACHMENTS
All publicly distributed materials associated with this meeting are noted as the following attachments:

A. Davis County 2024 Charity Plan Report

Minutes Prepared by:

Aaron Moyes
Deputy Clerk

Minutes Approved on:

12/03/2024

Brian McKenzie
Davis County Clerk

Bob J Stevenson
Commission Chair

Intermountain Health

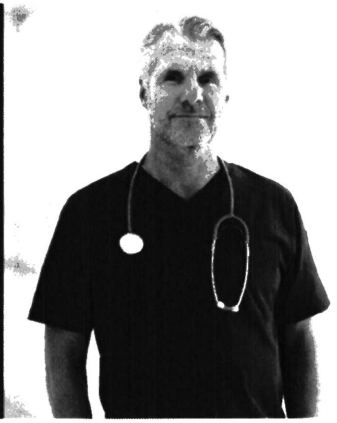
2024 Charity Plan Report for FY 2023

Davis County
Nov. 19, 2024

Chris L. Dallin, MBA
Regional Vice President
Marketing and Communications

Our Intermountain Health Mission

Helping People Live the Healthiest Lives Possible®



Our Bold Ambition: Be the Model System

Keep people healthier for less while delivering the best and most caring experience.



NOT-FOR-PROFIT

We help meet the diverse healthcare needs of our communities by providing excellent care at the lowest appropriate cost, **regardless of the patient's ability to pay.**



Hospitals as Community Anchors

Davis County – Layton Hospital

548 (2023 Total) Caregivers

43 Licensed Beds

456 Blood Donations

19 **Local** Medical Specialties

1,228 **Local** Medical Providers

Davis and Weber County Hospitals' 2023 Highlights

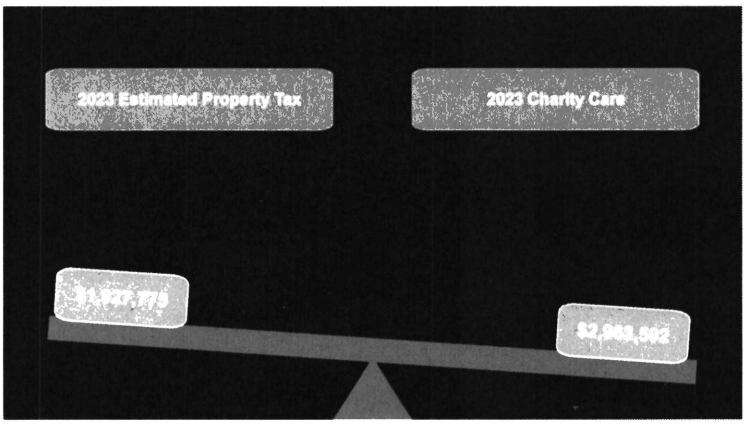
1,447 Babies Delivered

4,523 Surgeries Performed

20,330 Emergency Room Visits

Total Gift to the Community

Value Adjusted Charity Care + Community Education and Service + Medical Discounts + Donations of Time + Donations of Money = Total Gift



2023 Gift to the Community in Davis and Weber Counties

Charity Care Cases: 4,887



Value-Adjusted Charity Care	Community Benefit	Total Gift to the Community,	Capital Improvements	Uncollected Bad Debt
$2,963,592	$24,516,668	$27,480,260	$19,905,344	$8,637,037

Additional Gifts to the Community in Davis and Weber Counties

To Improve Health & Improve Healthcare Access

$108,552	$91,787	$342,929	$99,282
Community Service, Education, and Improvements	Clinics Serving Underserved Populations	[illegible]	Volunteer Service

Our County's Community Health Needs

Data from our county health department, local health experts, and public health data revealed three priorities:

01	02	03
Improve Mental Well-Being	Improve Chronic & Avoidable Health Outcomes	[illegible]

GOVERNMENT REQUIREMENTS TO MAINTAIN NOT-FOR-PROFIT STATUS / PROPERTY TAX EXEMPTION

State Requirements

- Six standards
- County Board of Equalization conference
- Gift to the community
- Charity plan

Federal Requirements

- Community Health Needs Assessment
- Identification and management of priorities
- Hospital activities reported on Form 990, Schedule H
- $50,000 excise tax per Hospital if requirements not met

2023 Gifts to the Community

Charity Care Cases: 298,541

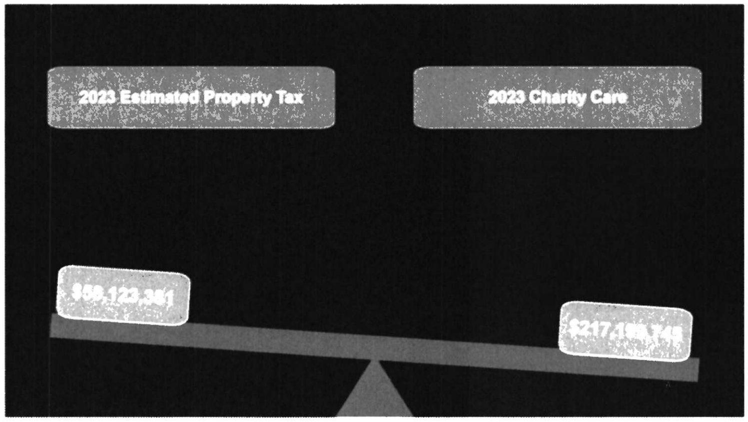


Charity Care
$217 199 745





Total Gift to the Community
$2 066 643 182



Estimated Potential Tax Liability

	Potential Tax	Charity	Charity/ Exemption	Total Gift	Total Gift/ Exemption
Bear River	291 357	900 920	[illegible]	16 353 940	[illegible]
Logan	2 404 928	9 088 233	[illegible]	159 822 129	[illegible]
Layton	1 927 775	2 963 592	[illegible]	27 480 260	[illegible]
Cedar City	632 734	4 571 108	[illegible]	60 763 014	[illegible]
Millard County	327 479	1 362 548	[illegible]	6 514 499	[illegible]
SL County	26 229 090	75 931 379	[illegible]	523 526 409	[illegible]
Primary	6 211 237	22 795 193	[illegible]	163 454 166	[illegible]
Sanpete	212 520	1 047 509	[illegible]	10 169 710	[illegible]
Sevier	659 434	2 262 122	[illegible]	32 013 665	[illegible]
Park City	492 554	3 113 458	[illegible]	37 571 641	[illegible]
Utah County	10 211 768	29 869 711	[illegible]	278 478 540	[illegible]
Heber	435 434	1 500 098	[illegible]	15 979 396	[illegible]
St George	4 118 111	22 386 480	[illegible]	436 778 752	[illegible]
McKay Dee	3 957 718	17 827 070	[illegible]	180 856 073	[illegible]

2023 Charity Care by County of Residence

COUNTY	Charity Cases	Patient Count	Gross Charity Care	Value Adjusted Charity Care
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total UTAH	87 316	1,587,070	$441,721,644	$210 575,260

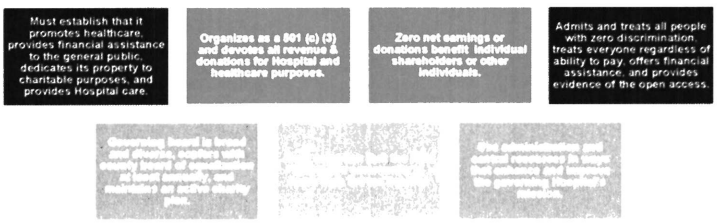
Utah Value-Adjusted Charity Care

Hypothetical Calculation Example:

Gross Charity Amount (I e . unadjusted charity)	$100
(Less Average Commercial Discount / Other Deductions)	(40)
(Less Average Bad Debts*)	(5)
Value-Adjusted Charity Care	**$55**

*Although not specifically mandated by the Utah State Tax Commission Standards, average bad debts are also included to ensure a conservative calculation of value-adjusted charity

NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION



NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION

1. A Hospital must establish that it is organized on a not-for-profit basis to:

- Promote healthcare
- Provide health-related assistance to the general public
- Dedicated its property to charitable purposes
- Provide Hospital care

NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION (CONT.)

1. A Hospital must establish that it is organized on a not-for-profit basis to:

- Intermountain Healthcare is a 501 (c)(3) organization
- The volunteer Hospital trustees operate the Hospital on a not-for-profit basis to promote healthcare and devote all revenue and donations to or for Hospital and healthcare purposes.

NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION (CONT.)

2. None of the institution's net earnings and no donations made to it inures to the benefit of private shareholders or other individuals

- No earnings or donations at St. George Regional Regional Valley Hospital inure to the benefit of private shareholders or other individuals.

NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION (CONT.)

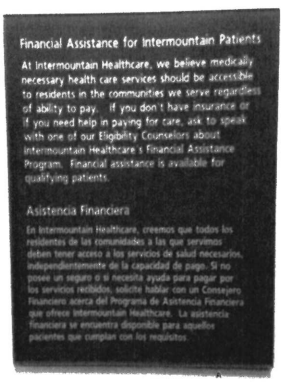
3. The institution must establish:

- That it admits and treats the public without regard to race, religion or gender
- That Hospital service is based on clinical judgment of physician and not on a patient's ability to pay
- That indigent persons who, in the judgment of a physician, require services generally available at the Hospital receive those services for no charge or reduced charge in accordance with an indigent person's ability to pay
- The institution must provide evidence of how it informs the public of its open access policy and services for the indigent

EXAMPLES OF OPEN ACCESS

The following language appears at Insert Hospital Name registration desks, and each statement is sent to patients in English and Spanish:

"At Intermountain Healthcare, we believe medically necessary health care services should be accessible to residents in the communities we serve regardless of ability to pay. If you don't have insurance or if you need help in paying for care, ask to speak with one of our Eligibility Counselors about Intermountain Healthcare's Financial Assistance Program. Financial assistance is available for qualifying patients."


Financial Assistance for Intermountain Patients

At Intermountain Healthcare, we believe medically necessary health care services should be accessible to residents in the communities we serve regardless of ability to pay. If you don't have insurance or if you need help in paying for care, ask to speak with one of our Eligibility Counselors about Intermountain Healthcare's Financial Assistance Program. Financial assistance is available for qualifying patients.

Asistencia Financiera

En Intermountain Healthcare, creemos que todos los residentes de las comunidades a las que servimos deben tener acceso a los servicios de salud necesarios, independientemente de la capacidad de pago. Si no posee un seguro o si necesita ayuda para pagar por los servicios recibidos, solicite hablar con un Consejero Financiero acerca del Programa de Asistencia Financiera que ofrece Intermountain Healthcare. La asistencia financiera se encuentra disponible para aquellos pacientes que cumplan con los requisitos.

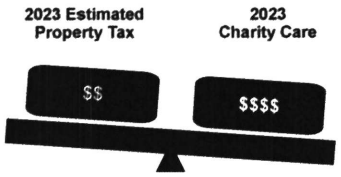
NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION (CONT.)

4. The institution must establish that policies integrate and reflect the public interest

- Governing board has broad-based members representing the community it serves
- Confers annually with county board of equalization concerning community's clinical Hospital needs that can be addressed by the Hospital
- Establishes and maintains a "charity plan"

NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION (CONT.)

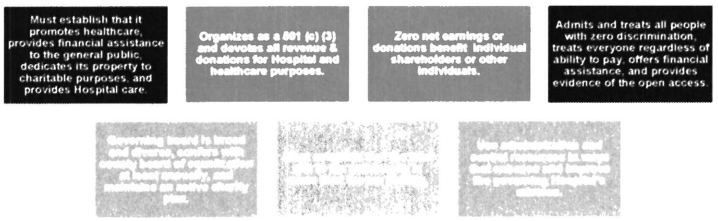
5. The institution must establish that its total gift to the community exceeds its property tax liability for that year.



NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION (CONT.)

6. Satellite healthcare facilities and centralized support facilities are entitled to tax exemption if it is shown that facilities enhance and improve the governing Hospital's mission.

NOT-FOR-PROFIT HOSPITAL REQUIREMENTS IN UTAH TO RECEIVE CHARITABLE PROPERTY TAX EXEMPTION



The Role of Nonprofit Hospitals in Utah's Health Care System

- Focus on Nonprofit Hospitals in Utah
- Insights by Health Care Analyst Melanie Beagley
- Directed by Laura Summers, Industry Research



Overview of Utah's Nonprofit Health Care System

- **Nonprofit Hospitals in Utah**
  - Two-thirds of hospitals have nonprofit status
  - Essential health services and community benefits provided
- **Rural and Critical Access Hospitals**
  - 18 out of 21 are nonprofit, aiding rural areas
- **Benefits of Nonprofit Status**
  - Eligibility for tax exemptions and ability to receive charitable contributions
  - Some hospitals contribute to local tax revenue
- **Government Hospitals**
  - Exempt from certain tax requirements but must meet community benefit criteria



Appendix

Sponsorships in Davis County

Davis Chamber of Commerce
- Executive Circle - Gold Level
- Economic Summit
- Athena Awards Luncheon
- Golf Tournament Fundraiser
- Annual Banquet
- Women in Business Summit

Davis Education Foundation
- Annual Gala
- FORE Kids Golf Tournament

Davis Safe Kids Fair

OPPA!

Davis Arts Council Summer Concert Series

Davis Tech Golf Tournament

Antelope By Moonlight Bike Ride

Safe Harbor Evergreens Gala

Major Brent Taylor Foundation Gala

Hill AFB Commander's Cup Golf Tournament