

Five County Association of Governments

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MINUTES

FINANCE COMMITTEE MEETING

MAY 13, 2022 - 11:30 AM

ELECTRONIC MEETING VIA ZOOM

ANCHOR LOCATION:

FIVE COUNTY ASSOCIATION OF GOVERNMENTS OFFICE BUILDING

1070 W. 1600 S. , BLDG. B; ST. GEORGE, UTAH

Members in Attendance

Commissioner Jerry Taylor, Chair
Commissioner Andy Gant, Vice-Chair
Commissioner Paul Cozzens

Garfield County Commission Representative
Kane County Commission Representative
Iron County Commission Representative

Members Excused

Commissioner Gil Almquist
Commissioner Wade Hollingshead

Washington County Commission Representative
Beaver County Commission Representative

Five County AOG Staff in Attendance

Bryan Thiriot
Gary Zabriskie
Allison McCoy
Jen Wong

Executive Director
Deputy Director
Chief Financial Officer
Human Resources Director

This meeting was conducted by Garfield County Commissioner Jerry Taylor in his role as current Chair of the Finance Committee. Three members of the Committee were present, two members had been excused. With a quorum present, Commissioner Taylor called the meeting open at 11:43 a.m. It was noted for the record that, while they were invited to attend, no members of the public were in attendance at the anchor location.

Gary Zabriskie, Deputy Director at the Association, noted for the record that Beaver County Commissioner Wade Hollingshead had asked to be excused due to a previous commitment but had said if he was necessary to make a quorum he could be reached. Mr. Zabriskie had also reached out at that time via text to Washington County Commissioner Gil Almquist.

Commissioner Almquist later responded and indicated that he was unable to join because of poor cell coverage therefore, for the record, he was excused.

AGENDA ITEM # II. APPROVAL OF MINUTES FROM JUNE 16, 2021 FINANCE COMMITTEE MEETING.

The Chair asked for a motion to approve the minutes from the June 16, 2021, meeting since there has not been a Finance Committee meeting since that date.

Kane County Commissioner Andy Gant moved to approve the minutes of the June 16, 2021 meeting, as presented. Commissioner Paul Cozzens seconded the motion.

Commissioner Gant, Commissioner Cozzens and Commissioner Taylor all voted aye and thus the minutes were approved unanimously.

AGENDA ITEM # III. FRINGE AND COST OF LIVING FOR FY 2023 (STARTING JULY 1, 2022).

The Chair turned time over to Bryan Thiriot, Executive Director, and Allison McCoy, Chief Financial Officer. Mr. Thiriot said that we are on Agenda Item III. now, Fringe and Cost of Living for Fiscal Year 2023, starting July 1, 2022.

Ms. McCoy explained that Social Security remains the same; URS has decreased the amount of contribution into the Contributory System; the Workman's Compensation rate has gone down; unemployment insurance has gone up just slightly for the state of Utah; salary deferral system remains the same; holidays goes from 12 to 13 with the addition of the new one that President Biden put in for Juneteenth (June 19th); vacation and sick leave remains the same; and pay for performance remains the same.

Ms. McCoy said that we would like to propose a Cost-of-Living Allowance (COLA) of seven percent (7%).

AGENDA ITEM # IV. HEALTH INSURANCE FOR FY 2023.

Ms. McCoy said that insurance went up six-point-five percent (6.5%) and the employee cost remains at eleven percent (11%) of the total insurance premium. She said that is what we charge our employees. She said that we do purchase the life insurance at our cost which is eight dollars and sixty-five cents (\$8.65) per month, per employee, and the individual contribution is eleven percent (11%) of the total insurance premium.

Commissioner Gant stated that when they did their County's budget in December, they did a five-point-nine percent (5.9%) COLA since they are on a calendar year, and they used what was known at that time. Commissioner Taylor commented that their county will not get the changes until the end of the year.

Gary Zabriskie, Deputy Director, said that our state agencies that we work with recognize the increases too, so we are making those adjustments in what we're requesting in the contracts and that they must be adapted. He said it is just a fact of the current economy that we have, so we will put into the budget amount when we write the grants. Ms. McCoy stated that the

indirect cost rate went down which means we have more salaries and fringe covered within our grants and our costs, in relation to that. She said that indirect percentage will be thirteen-point-twelve percent (13.12%), down slightly from last year when it was fourteen-point twenty-two (14.22%). She explained that this is the amount that the AOG charges our programs for the indirect cost to run the administration and the organization. She said that this is figured based upon our last audit, which is year 2021, so they always trail one year, but these are audited financials and that is what it is based on.

AGENDA ITEM # V. INDIRECT COST PLAN FOR FY 2023.

Mr. Zabriskie scrolled through the pages of the actual Cost Allocation Plan that he had sent out to the Finance Committee members. He said that Allison puts this together every year for Bryan to sign and the Plan goes to the state and as well as federal agencies that we have direct contracts with. He said that Bryan must sign this Plan as a certification that this is the Cost Allocation Plan for our organization. He said that most of the different organizations and agencies that fund us require a copy of the Cost Allocation Plan, and while some of them have amounts set by contract for administration overhead, others are a specific amount. He said that it just depends on the agencies that are funding us here. He added that some agencies allow for certain costs and others do not allow for things like office supplies. He said that some say their funding must be for only direct services and others allow for us to charge the programs for rent, so it just depends on the funding agency policies.

Ms. McCoy said that this is a Plan that we have had for quite some time, and it is a standard plan. She said that from time-to-time we have adjusted it to the new OMB regulations.

AGENDA ITEM # VI. TRAVEL POLICY UPDATE FOR FY 2023.

Mr. Zabriskie explained the proposed update in the Travel Policy. He said that the last time we updated our travel policy was in July of 2018, four years ago, and that was well before the pandemic of 2020. He said, as an example, that the amounts charged before were like eight dollars for breakfast, and he said he challenged anyone to find any place to get an eight-dollar breakfast. He said the previous was about ten dollars for lunch and sixteen dollars for dinner. He said that the proposed meal reimbursement for “In-State” will go \$12.00 for breakfast, \$18.00 for lunch, and \$24.00 for dinner.

Mr. Zabriskie said that the proposed reimbursement for meals for “Out-of-State-Travel” is being proposed at \$16.00 for breakfast, \$22.00 for lunch, and \$28.00 for dinner. He said that these are in line with the current IRS rates. He reiterated that this will be the first time these have been updated in the last four years. He said that another important change is the Lodging Policy. He said that the AOG has had this policy for a very long time. He said that it has remained the same amount since he started here 28 years ago, and the amount has remained at \$30. This was paid to the employee if they stayed with family/relatives or friends in lieu of staying at a hotel. That \$30 would go to the employee and then if they wanted to share that with the family, or they wanted to take them out to dinner or something like that, that was up to them, in exchange, for staying at the place. He said that hotels in Salt Lake are

no longer cheap, so when you go to a meeting and you cannot find anything less than \$125 anymore, that staying with a relative or friend is better financially for our organization. If somebody chooses to stay with the family or relatives or friends of theirs, we propose to now pay them forty dollars (\$40) versus the program budgets having to pay \$125+ for a hotel room. In this example scenario it would save the Association \$85 out of that employee's program budget. We thought now is the time to make a small adjustment in that.

Mr. Zabriskie moved on to discuss the use of fleet and personal autos. He said that for official duties, when no AOG-owned car is available, we will pay \$0.58/mile. He said it has been \$0.53 cents/mile. The new IRS rate is \$0.585/mile, but we rounded it down to keep it a round number. He went on to explain that if an employee uses their private auto, if an AOG car is available, but not used, we propose to raise that reimbursement by a nickel, as well, to \$0.40/mile. We still encourage employees to not use their own car and use the AOG cars.

Mr. Zabriskie said that we have kept the amount of \$0.35/per mile that we charge a program budget for the use of our AOG owned cars to pay for the service and everything else on those vehicles, including oil changes, replacing tires, carwashes, etc. Mr. Zabriskie said that this better brings us in line with the IRS rates and it also discourages people taking their personal car if an AOG car is available.

AGENDA ITEM # VII. LOCAL COUNTY PARTICIPATION FOR FY 2023.

Mr. Zabriskie explained that this is the final agenda item. He said we propose increasing the county participation by \$5,000 total (not per county) if it is agreeable to each of the counties. Mr. Zabriskie said that if the three commissioners in attendance today decide not to address this proposal today, we could bring this back at the June Finance Committee meeting so that we can have all five Commissioners together to discuss and decide on this item. Mr. Zabriskie stated that he thinks it would be appropriate to do that, but we just wanted to present this as a proposal here so the discussions and consideration could start.

Mr. Zabriskie showed a chart of where the local participation is currently at \$125,000 total. He asked the commissioners if they recalled from last year when they approved a base from each county of \$17,500? He said that since 1996, the amount has been \$15,000, which totaled \$75,000. He said an increase to \$125,000 in total county participation was approved by the Finance Committee last year. He said that the commissioners chose an option with a base amount of \$17,500 with the needed remainder of \$37,500 coming through a formula based on each county's proportionate share of the region's population.

Mr. Zabriskie said this item being presented is just a proposal to add an additional \$5,000 spread across the five counties using the same formula. He said that if it is agreeable to the commissioners present at this meeting you can hold off until we have our next Finance Committee meeting in June. He said that at that time you could decide if this is something you would be agreeable to. The three commissioners present all agreed that unless there was a deadline, or other reason they needed to act on this matter immediately, that it would be better to wait and have this discussed, and voted on, when the other two county's commissioners are present. Mr. Thiriote said that we wanted to recognize that Gary has

worked really hard to get this formula sent out and we wanted to get it in front of you now, but that the decision itself can wait until June.

Mr. Zabriskie emphasized that with the total of local participation funding coming from the counties each year, millions of dollars of federal grants are leveraged from that participation. He also mentioned that the formula selected by the Commissioners last year very closely aligns itself with how services are allocated in several major programs here at the Association.

Mr. Zabriskie said that we truly appreciate the way that you chose how you did the funding formula as it appears the most equitable, because of its large population, Washington County, by far, receives the most services from the Aging Services programs for in-home assistance, followed by Iron County in a smaller amount. He said that the dollar amounts in county participation seem very appropriate for those two counties, as far as the share of the services, and then likewise to the other three smaller population counties, who also do receive those same services, but not in the same quantity due to their much smaller populations.

As per the stated consensus of the three Commissioners in attendance, no action will be taken during this meeting on this agenda item, and the matter will be brought back on the agenda at the June Finance Committee meeting.

AGENDA ITEM # VIII. APPROVAL OF ITEMS III. THROUGH VII. SO THAT THE ASSOCIATION'S BUDGETS CAN BE DRAFTED.

Mr. Zabriskie reiterated that since the Commissioners have decided to not act on Agenda Item VII. it means Item VII. just dies on this agenda. He said that therefore what will be taking place instead is consideration on approving items III. through VI.

Ms. McCoy asked the group if this should be done with one motion for all those items as that is how it has been done in the past. Mr. Zabriskie stated that it could be done that way, or individually, at the prerogative of the Chair. He said that in the past that is sometimes what the chair wants to do, to just have one motion for all those previous items.

The Chair said that we can do that. He asked Commissioner Gant and Commissioner Cozzens if they had any questions or concerns. Commissioner Gant said that this looked straightforward to him. Commissioner Cozzens had no concerns.

The Chair said he would entertain a motion to approve Agenda Items III. through VI. together in one motion, which include: Item III. fringe and cost-of-living adjustment; Item IV. health insurance; Item V. indirect cost plan; and Item VI. travel policy update.

Kane County Commissioner Andy Gant moved to approve Agenda Items III. , IV., V. and VI. together, as presented. Commissioner Paul Cozzens seconded the motion.

The Chair acknowledged that there was a motion and a second. He said if there were no further questions or concerns to say 'aye', if in favor.

Commissioner Gant, Commissioner Cozzens and Commissioner Taylor all voted aye and thus Agenda Items III. through VI. were approved unanimously.

AGENDA ITEM # IX. ADJOURN.

Commissioner Taylor, seeing that there was no further business to conduct, thanked and other two commissioners for their attendance and the staff for their preparation and then using his prerogative as Chair of the Finance Committee, called the meeting adjourned at 12:03 p.m.

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