

**MINUTES OF THE REGULAR MEETING AND BUDGET HEARING OF THE BOARD OF TRUSTEES OF THE SOUTH DAVIS WATER DISTRICT HELD DEC. 13, 2023 AT THE DISTRICT OFFICE LOCATED AT 407 WEST 3100 SOUTH, BOUNTIFUL, UTAH**

Trustees Present:

M. Jerry Hawley	Chairman
Ron Mortensen	Trustee
Kathy Thurston	Trustee

Also present:

Jake M. Ferguson	Manager
Tracie James	District Clerk
Elaine Oaks	Resident
Cullen Irvine	Resident

The meeting was called to order by Trustee Hawley at 6:01 p.m., after which he welcomed all those present.

Minutes of Previous Meeting:

Trustee Mortensen moved that the regular meeting minutes from Nov. 8, 2023 be approved as written. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye". Trustee Thurston motioned that the election canvass meeting minutes from Dec. 6, 2023 be approved as written. Trustee Mortensen seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Expenditures Update:

The expense report for November was reviewed. Trustee Mortensen moved that the expenses for November be ratified and approved. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Consider Approving the 2024 Annual Meeting Schedule as Presented to the Board:

The 2024 annual meeting schedule was presented to the Trustees. After reviewing the proposed dates, with December 18, 2024 being scheduled as the budget hearing for 2025, it was moved by Trustee Mortensen that the 2024 meeting schedule be accepted. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Consider Motion to Adopt Resolution #75 Amending the District's 2023 Final Budget:

Mr. Ferguson explained that any grant money received by the District is required to be counted as revenue, therefore the 2023 budget needs to reflect an increase of revenue in the amount of \$108,296 for ARPA grant monies received, and \$280,000 for CDBG grant monies received. Mr. Ferguson explained that the expense account also needs to be increased by \$50,000 to pay the restocking fee for parts ordered for the

secondary metering project that are being returned due to the Districts decision to postpone the secondary metering. Trustee Thurston motioned to adopt Resolution #75-Amending the Adopted Budget of the South Davis Water District for Budget Year 2023 increasing revenues by a total of \$388,296 and expenses by a total of \$50,000. Trustee Mortensen seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Public Hearing to Discuss 2024 Tentative Budget:

Trustee Mortensen motioned to open the public hearing to discuss the 2024 tentative budget. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Mr. Ferguson explained that the only change to the tentative budget is an increase of \$40,000 to the capital budget to potentially purchase the backhoe, mini-excavator and loader. The cost to lease this equipment has more than doubled in price. Mr. Ferguson explained that it would be in the best interest of the District to purchase the equipment versus signing another 3 year lease. This would save the District about \$17,000 per year for the next 3 years, and much more beyond the 3 years.

The public hearing was closed at 6:26.

Consider Adopting Resolution #76-Adotion of the 2024 Tentative Budget as the Final Budget for the 2024 Fiscal Year:

The Board agreed that it would be in the best interest of the District to increase the capital budget amount on the tentative budget by \$40,000.

There will be no water rate or tax rate increases for 2024.

It was motioned by Trustee Thurston and seconded by Trustee Mortensen as follows: Be is resolved that the 2024 budget of the South Davis Water District, along with Resolution #76-Approving the 2024 Budget, a copy of which will be attached, be and hereby is adopted. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Manager's Report:

Construction and Maintenance Projects:

Mr. Ferguson reported that the new conference room is completed except for some small things such as furniture, pictures and a tv for presentations and training.

Mr. Ferguson reported that District personnel have drained and are currently cleaning out irrigation reservoir #2. The road has been reconstructed around the reservoir.



Mr. Ferguson reported that he will be applying for the CDBG grant soon, and the project he will present to the County will be to replace main line and service lines from 500 West headed West on 3000 South.

Mr. Ferguson reported that he has spoken with Senator Hinkins again and the Senator has filed an amendment to bill SB 251. The amendment will state that if an irrigation water provider has less than 2,500 irrigation connections it will not be required to install irrigation meters, but will come up with another method of conserving water. The amendment also states that if an irrigation water provider has a creek diversion the ARPA grant money may be used for other approved water conservation projects.

Mr. Ferguson reported that the District just finished 25 of the 29 PFAS chemical tests that are required to be eligible for a settlement from the PFAS lawsuit. The State of Utah paid for this testing, which saved the District around \$80,000. The District will have to test for the remaining 4 PFAS chemicals which will cost around \$30,000 but could possibly be reimbursed from the lawsuit. Results will take around 4 or 5 months.

Mr. Ferguson reported that District personnel have been counting and organizing the inventory or the yearly audit. The auditors will be coming to perform the inventory audit in a couple of weeks.

Mr. Ferguson presented an estimated cash flow statement for 2023-2026 which shows that for 2024, 2025 and 2026 the District will have around \$122,000 available for each of those years to put in a reserve fund.

There being no further business, the meeting adjourned at 6:55 p.m.

  
District Clerk

**SOUTH DAVIS WATER DISTRICT**  
**RESOLUTION AMENDING THE ADOPTED BUDGET OF THE SOUTH DAVIS WATER DISTRICT FOR**  
**BUDGET YEAR 2023**  
**Resolution #75**

**WHEREAS**, the South Davis Water District has adopted Resolution #72 for the calendar year starting January 1, 2023 and ending Dec. 31, 2023.

**WHEREAS**, the South Davis Water District wishes to amend the calendar year 2023 budget according to *Utah Code 17B-1-630*; and

**WHEREAS**, the South Davis Water District hereby finds this action in the best interest of the District's health, safety, and general welfare.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SOUTH DAVIS WATER DISTRICT, STATE OF UTAH, AS FOLLOWS:**

**SECTION 1.** **Purpose.** The purpose of this resolution is to amend the budget of the South Davis Water District, as approved and finalized by South Davis Water District Resolution #72.

**SECTION 2.** **Adoption of Amendments.** The budget amendments attached hereto and made a part of this resolution shall be, and the same hereby are adopted and incorporated into the budget of the South Davis Water District, Utah for the calendar year 2023, in accordance with the requirements of the Utah Code Annotated.

**SECTION 3.** **Filing of copies of the budget amendments.** The General Manager is authorized and directed to certify and file a copy of said budget amendments with the District Clerk, which amendments shall be available for public inspection.

**SECTION 4.** **Severability.** If any section, part, or provision of this resolution is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this resolution, and provision of this resolution shall be severable.

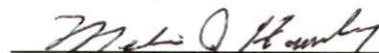
**SECTION 5.** **Effective Date.** This resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE BOARD OF TRUSTEES OF THE SOUTH DAVIS WATER DISTRICT, STATE OF UTAH, ON THIS 13<sup>TH</sup> DAY OF DECEMBER, 2023.**

ATTEST

BOARD OF TRUSTEES

  
District Clerk

  
Chairman

**SOUTH DAVIS WATER DISTRICT**  
**RESOLUTION APPROVING 2024 BUDGET**  
**RESOLUTION 76**

**WHEREAS**, the Board of Trustees of the South Davis Water District (the "District") has reviewed, considered and tentatively adopted a Tentative 2024 District Budget;

**WHEREAS**, the Tentative Budget and all supporting schedules and data have been available for public inspection for a period in excess of seven days;

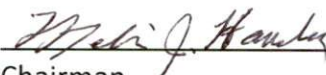
**WHEREAS**, a public hearing has been held concerning adoption of the District's 2024 Budget at which time all interested persons in attendance were given an opportunity to be heard on the estimates of revenues, expenditures, and any other item contained in the District's Tentative 2024 Budget; and

**WHEREAS**, the Board of Trustees has made such adjustments to the Tentative 2024 Budget as deemed desirable and is prepared to adopt the District's 2024 Budget.

**NOW, THEREFORE**, be it resolved as follows:

1. That the 2024 Budget of the District, a copy of which may be attached to this Resolution, be and hereby is adopted.
2. That the District's 2024 Budget shall be in effect during calendar year 2024, subject to later amendment as provided by law.
3. That the General Manager of the District, acting as the budget officer and with such assistance from staff as he deems desirable, shall file a copy of the final 2024 Budget with the Utah State Auditor within thirty days after the date of this Resolution.
4. That a certified copy of the 2024 Budget shall be filed in the District's office and be available to the public during regular business hours.
5. That this Resolution shall be effective immediately upon its passage.

Passed and approved by the Board of Trustees of the South Davis Water District this 13 day of December, 2023.

  
\_\_\_\_\_  
Chairman

Attest:

  
\_\_\_\_\_  
Clerk





# 2024 Final Budget

	2024 Tentative Budget	2023 Forecast	2023 Budget	2022 Actual	2022 Budget	2021 Actual	2021 Budget
<b>Revenues</b>							
<b>Operating Revenues</b>							
Irrigation Sales	\$519,000	\$519,000	\$519,000	\$361,917	\$396,000	\$343,479	\$363,000
Culinary Sales	\$1,081,000	\$1,081,000	\$1,081,000	\$1,040,119	\$1,081,000	\$1,025,181	\$1,060,000
Fire Protection	\$2,000	\$2,000	\$2,000	\$1,972	\$2,000	\$1,982	\$2,000
Bountiful City Water Sales	-	-	-	-	-	\$25,117	-
NSL City Water Sales	\$91,000	\$88,000	\$88,463	\$86,667	\$86,667	\$84,069	\$81,000
Hook-up Fees	-	-	-	\$28	-	\$205	-
<b>Total</b>	<b>\$1,693,000</b>	<b>\$1,690,000</b>	<b>\$1,690,463</b>	<b>\$1,490,703</b>	<b>\$1,565,667</b>	<b>\$1,480,033</b>	<b>\$1,506,000</b>
<b>Non-Operating Revenues</b>							
Property taxes	\$100,000	\$96,000	\$96,000	\$101,958	\$100,000	\$81,247	\$100,000
Redemption's	\$12,000	\$12,000	\$12,000	\$12,304	\$12,000	\$17,707	\$12,000
Property Tax Penalties	\$500	\$500	\$500	\$249	\$500	\$226	\$500
Personal Property	\$7,000	\$7,000	\$7,000	\$6,004	\$8,000	\$7,063	\$8,000
Interest Income	\$6,000	\$4,000	\$2,000	\$3,235	\$2,000	\$856	\$5,000
Penalties, fines, other	\$1,000	\$1,000	\$1,000	\$1,080	\$1,000	\$5,098	\$1,000
Gain on sale fixed assets	-	-	-	-	\$11,000	-	\$11,000
<b>Total</b>	<b>\$126,500</b>	<b>\$120,500</b>	<b>\$118,500</b>	<b>\$124,829</b>	<b>\$134,500</b>	<b>\$112,198</b>	<b>\$137,500</b>
<b>Total Revenue</b>	<b>\$1,819,500</b>	<b>\$1,810,500</b>	<b>\$1,808,963</b>	<b>\$1,615,531</b>	<b>\$1,700,167</b>	<b>\$1,592,230</b>	<b>\$1,643,500</b>
<b>Expenses</b>							
<b>Operating/NonOperating Expenses</b>							
Water Purchase	\$291,000	\$281,000	\$281,000	\$271,470	\$272,000	\$263,764	\$264,000
Telemetry	\$2,000	\$1,500	\$2,000	\$2,125	\$2,000	\$1,085	\$2,000
Inventory	\$28,000	\$28,000	\$28,000	\$25,787	\$26,000	\$28,470	\$26,000
Employee Wages	\$412,000	\$410,000	\$422,000	\$390,670	\$387,000	\$360,496	\$361,000
Meter Reading Expense	\$17,000	\$9,000	\$16,000	\$13,574	\$15,000	\$13,327	\$14,000
Power and Pumping	\$104,000	\$93,000	\$90,000	\$88,654	\$89,000	\$93,712	\$81,000
General Operating	\$130,000	\$130,000	\$130,000	\$99,790	\$130,000	\$126,527	\$130,000
General Administrative	\$20,000	\$20,000	\$20,000	\$20,303	\$21,000	\$13,824	\$14,000
Water Samples	\$35,000	\$11,000	\$7,000	\$11,714	\$11,000	\$5,650	\$6,000
Trustee Fees	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$6,000
Payroll taxes	\$36,000	\$35,000	\$35,000	\$31,569	\$31,000	\$29,037	\$31,000
Employee Benefits	\$161,000	\$170,000	\$187,000	\$183,342	\$179,000	\$175,543	\$168,000
Pension Expense	\$20,000	\$20,000	\$20,000	-\$101,721	\$20,000	-\$52,474	\$20,000
Truck and Auto	\$9,000	\$9,000	\$9,000	\$8,651	\$9,000	\$5,747	\$11,000
Technical Service Expense	\$8,000	\$3,000	\$3,000	\$1,976	\$2,000	\$740	\$4,000
Tractor Maint. Expense	\$1,000	\$2,000	\$2,000	-	\$2,000	\$102	\$3,000
Equipment Lease Expense	\$5,000	\$3,000	\$33,000	\$1,431	\$30,000	\$29,819	\$29,000
Office Supplies	\$2,000	\$1,600	\$2,000	\$1,702	\$2,000	\$1,841	\$2,000
Utilities	\$7,000	\$5,000	\$5,000	\$3,474	\$5,000	\$2,960	\$5,000
Telephone	\$6,000	\$5,500	\$8,000	\$5,833	\$8,000	\$6,416	\$12,000
Computer Expenses	\$25,000	\$23,000	\$23,000	\$21,119	\$23,000	\$21,814	\$23,000
Legal Fees	\$20,000	\$3,500	\$4,000	\$3,635	\$4,000	\$1,400	\$3,000
Audit	\$15,000	\$13,400	\$14,500	\$13,378	\$13,400	\$11,634	\$11,000
Insurance	\$24,000	\$23,500	\$24,000	\$27,928	\$24,000	\$23,192	\$22,000
Election Expense	-	\$6,000	\$6,000	-	-	\$5,032	\$5,200
Engineering Fees	\$6,000	\$5,000	\$6,000	\$4,285	\$6,000	\$5,521	\$6,000
Bad Debts	\$3,000	\$2,800	-	\$2,800	-	-	-
ROU Amortization Expense	\$25,000	\$26,100	-	\$26,089	-	-	-
Property Maint. Expense	\$8,000	\$6,300	\$8,000	\$9,799	\$10,000	\$3,915	\$10,000
Online Bill Pay Fees	\$4,000	\$8,000	\$8,500	\$9,268	\$8,500	\$8,070	\$8,000
Food	\$1,200	\$650	\$1,200	\$624	\$2,500	\$1,371	\$3,000
Employee Training & Cert.	\$6,000	\$5,300	\$6,000	\$5,534	\$6,000	\$3,735	\$8,000
Membership Dues	\$4,500	\$4,500	\$5,500	\$4,291	\$5,500	\$5,241	\$6,000
Bank Fee Expense	\$2,000	\$3,200	\$3,500	\$3,104	\$3,500	\$3,085	\$3,000
<b>Total</b>	<b>\$1,441,700</b>	<b>\$1,372,850</b>	<b>\$1,414,200</b>	<b>\$1,196,197</b>	<b>\$1,351,400</b>	<b>\$1,204,595</b>	<b>\$1,297,200</b>
<b>Capital Expenses</b>							
Building	\$17,000	\$16,000	\$14,000	\$13,230	\$12,000	\$10,922	\$14,000
Water Treatment	\$27,000	\$25,000	\$22,000	\$20,627	\$21,000	\$20,780	\$20,000
Water Lines, Infrastructure	\$105,000	\$99,000	\$107,000	\$88,875	\$90,000	\$84,890	\$86,000
Telemetry	\$1,000	\$1,000	\$2,000	\$1,948	\$2,000	\$1,948	\$2,000
Tools & Equipment	\$11,000	\$10,000	\$12,000	\$11,760	\$15,000	\$7,322	\$12,000
Office Equipment	\$8,000	\$7,000	\$8,000	\$9,233	\$10,000	\$11,540	\$9,000
Vehicles	\$25,000	\$23,000	\$29,000	\$31,390	\$36,000	\$41,453	\$45,000
Backhoe/Mini-ex/Loader	\$40,000	-	-	-	-	-	-
<b>Total</b>	<b>\$234,000</b>	<b>\$181,000</b>	<b>\$194,000</b>	<b>\$177,064</b>	<b>\$186,000</b>	<b>\$178,855</b>	<b>\$188,000</b>
<b>Total Expense</b>	<b>\$1,675,700</b>	<b>\$1,553,850</b>	<b>\$1,608,200</b>	<b>\$1,373,261</b>	<b>\$1,537,400</b>	<b>\$1,383,450</b>	<b>\$1,485,200</b>
<b>Operating Gain (Loss)</b>	<b>\$143,800</b>	<b>\$256,650</b>	<b>\$200,763</b>	<b>\$242,271</b>	<b>\$162,767</b>	<b>\$208,780</b>	<b>\$158,300</b>