

Amended

Approved

Date June 2, 2010

Recorder Susan Ortiz

Chair Ralph Fisher

## Marion Soil and Water Conservation District Budget Committee Meeting

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Location: Salem USDA Service Center Conference Room  
650 Hawthorne Ave SE, Ste # 130 - Salem, OR 97301  
Date: May 11, 2010  
Time: 7:04 PM to 8:55 PM

*Actions and follow-up items (notes) are italicized.*

### ATTENDANCE:

Emily Ackland, SWCD Director

Jayne Miller, SWCD Director

Doug Krahmer, SWCD Director

Brian McKinley, SWCD Director

Bob Dettwyler, Citizen Committee Member

Carol Storke, Citizen Committee Member

Paul Stormo, Citizen Committee Member

Myron Harper, SWCD Director Emeritus

Sarah Jane Harper, SWCD Director

Darin Olson, SWCD Director

Joanne Carr, SWCD Director

Ken Palke, Citizen Committee Member

Paula Bauer, Citizen Committee Member

Ralph Fisher, Citizen Committee Member

Jane Keppinger, SWCD Budget Officer

Susan Ortiz, SWCD Administrative Coordinator

Absent: Val J. Tancredi, Chair, Citizen Committee Member

### CALLED TO ORDER:

Jane Keppinger, Budget Officer, called the Budget Committee meeting to order at 7:04 pm.

### Introductions

Everyone introduced themselves.

### Role of Budget Committee

Keppinger reviewed the purpose and flow of the meeting. The budget message will be presented and the budget reviewed. Next any public questions and comments would be heard. Finally, the proposed budget would be voted on, as well as the recommended taxation rate. The budget hearing will be held on June 2, 2010 to approve the final budget and the tax rate resolution. Keppinger also noted that the building fund is also up for decision this year and those funds will be discussed later in the evening.

### Elect Officer (Chair)

Jane Keppinger opened the floor for nominations for the budget committee chair position. Keppinger noted that the elected chair would also need to chair the Budget Hearing which will be held on June 2, 2010.

*ACTION: Darin Olson nominated Ralph Fisher as Budget Committee Chair. Sara Jane Harper nominated Ken Palke; he declined the nomination. Jayne Miller nominated Paula Bauer; she declined the nomination. Doug Krahmer then asked that the nominations be closed and to cast the unanimous ballot for Ralph Fisher as Chairman, for the Budget Committee. Bob Dettwyler seconded. The motion was passed by a unanimous vote.*

### Historical Background Reviewed

Keppinger provided the Committee a quick overview of the history behind the tax base, which helps to support the District financially. In **2000** Myron Harper and Dan Goffin worked hard to gain voter support of a Tax Base for the Marion Soil and Water Conservation District. The voters approved allocating a portion of the tax dollars collected each year, to support Marion SWCD. The vote received was a 60/40 split. At that time, Marion SWCD was the second Conservation District in the State, to receive voter approval for a Tax Base. Since that time, eleven (11)

other Districts have followed suit, obtaining voter approval granting them revenue from tax dollars. Keppinger then went on to explain how these tax dollars actually drive 90% of the budget, how and when the monies are collected, distributed and ultimately received by the District. She also advised how the monies are invested, and allocated for use to support a large variety of projects, programs and grants. Keppinger noted that collection rates have been between 97-98% since the inception of the district tax base.

Keppinger stated that the district has a staff of eight (8) people at this time. She stated that the staff is very capable and skilled at their jobs, and works together with partner agencies to bring in funds for conservation. For example the district received an AWEF funding grant through NRCS to put conservation projects on the ground in the Zollner Creek area. The district works very closely with NRCS and FSA, along with various other partners to assist landowners to put conservation projects out. Keppinger said that the tax rate the district has allows staff to pursue other funding opportunities and leverage the tax dollars for additional funding.

The tax rate has provided the district with a modest increase in funding each year, with funds from previous tax year's still trickling in. Keppinger noted that the budget projections have been right on for the last several years with the district collecting 100% or more of the budgeted tax rate.

### **Receive the Budget Message and Review the Budget**

Keppinger presented the budget message which led the committee through the budget section by section. She pointed out how the budget is set up and explained how and why any alterations were being made to last year's figures. Attention was given to each budget line item providing clarification of what expenses are represented.

### **The Committee took a 10 Minute Break at 8:10 pm**

### **Meeting resumed at 8:20 pm**

#### ***Building Reserve Fund Discussion:***

Keppinger explained how the District in previous years had set aside monies in the Building Reserve Fund for the purpose of purchasing land to build and/or to purchase an existing office building. The cash carryover is currently \$857,342. The District is leasing office space through a contract with the USDA for the next two years. The budget committee has the opportunity to review the allocation of those funds at this meeting.

Keppinger recommended that the district maintain the building fund as is and determine how to allocate those funds in 2011, once the current financial and market situation stabilizes, noting that this is the worst downturn in the economy since the 1930's. Discussion followed regarding the need for a permanent facility for the district and the necessity of a building committee to collection information.

*ACTION: Emily Ackland moved to recommend to the district board that a building committee be formed for the purpose of investigating availability and cost of buildings and property. Brian McKinley seconded.*

Discussion followed regarding adding the interest accrued by the funds allocated to the building fund back into the building fund. Doug Krahmer noted that a supplemental budget hearing could be held, in the future, if a suitable property is found. Keppinger stated that in order to make the building fund monies available, the funds would need to be allocated either during this meeting or through a supplemental budget hearing at a later date.

*ACTION: Emily Ackland amended her motion to "include appropriating funds from the building fund for the purchase of a building". Jayne Miller seconded.*

Discussion followed regarding an amount to appropriate, specifically focused on whether the entire amount should be allocated or only a portion. Darin Olson reminded the budget committee that ultimately the decision to expend the funds would lie with the district board, and that further discussion regarding a building committee would be included in a district board meeting.

*ACTION: Jayne Miller moved to amend the motion to "appropriate the entire balance" of the building fund. Joanne Carr seconded. Motion to amend passed unanimously.*

*ACTION: Motion now reads “The budget committee recommends to the district board that a building committee be formed for the purpose of investigating availability and cost of buildings and property; and to appropriate the entire balance of the building fund for the purchase of a building.” Motion passed unanimously.*

Keppinger stated that the building fund will be reviewed again in 2011.

**Public Questions and Comment**

The Chair then opened the floor for public questions or comments. There were no questions or comments from the public.

**Approve the Proposed Budget**

*ACTION: Darin Olson moved that the Marion Soil and Water Conservation District Budget Committee approve the proposed FY 2010-2011 Budget as amended. Jayne Miller seconded. Motion was passed by a unanimous vote.*

**Recommend Rate of Taxation**

Keppinger stated that the district can ask for a maximum tax rate of \$.05 per thousand, or a lower rate; in alternate, the district could ask for a flat rate amount.

*ACTION: Ken Palke moved that the Marion Soil and Water Conservation District Budget Committee to approve the recommended rate of taxation for the 2010-2011 Fiscal Year at the rate of \$0.05 per \$1,000 of assessed value for operating purposes. Doug Krahmer seconded. The motion passed by unanimous vote.*

*ADJOURN: Ralph Fisher (the Committee Chair), adjourned the Budget Committee meeting at 8:55 pm.*

Next meeting: Budget Hearing-June 2, 2010 at 7:00 pm  
Meeting Location: Marion SWCD – Conference Room  
650 Hawthorne Ave SE, Ste # 130  
Salem, OR 97301-5894

**Minutes submitted by: Susan Ortiz**

**ACRONYMS**

<b>AWEP</b>	Agricultural Watershed Enhancement Program
<b>CLEAR</b>	Conservation Learning Education and Resource
<b>FSA</b>	Farm Service Agency
<b>FY</b>	Fiscal Year
<b>NRCS</b>	Natural Resource Conservation Service
<b>SWCD</b>	Soil and Water Conservation District
<b>USDA</b>	United States Department of Agriculture