

4/6/2022 Budget Committee Meeting Notes

Recorded by B. Sanchez

The following people were in attendance:

Public	Board Directors	Staff
Bob Dettwyler	Dave Budeau	Amy Boyd
Ralph Fisher	Terry Hsu	Brenda Sanchez
Karen Garst	Rochelle Koch	Susan Ortiz
Tim Johnson	Darin Olson	
Kenneth Palke		
Brent Stevenson		

9:13 AM Stevenson Called Meeting to Order

Budget Committee Chair Election

Koch nominated Stevenson as Budget Committee Chair, 2nd by Fisher. No further nominations. Stevenson called to close nominations and cast a unanimous ballot. Passed unanimously.

Budget Message and Budget Presentation

Boyd presented the Budget Message with proposed budget and answered questions.

Public Comment: No public comment

General Deliberations

Johnson asked: How did the savings in rent get allocated? Boyd answered: Outlay on front end and used the funds to purchase the building. Saved rental funds are in the General Fund and will help add staff and training funds.

Palke asked: When building the budget, did you build in considerations for inflation? Boyd answered: We did consider change and budgeted conservatively.

Stevenson asked: \$200,000 unappropriated end balance is that different than contingency? Ortiz answered: Page 29 in Budget Message "Contingency" is defined. We can have one line for operating contingency. Stevenson followed: What is the difference from unappropriated ending balance reserve expenditure? Ortiz responded: Reserve for future is not appropriated in the current fiscal year but can be appropriated in the event we had a natural disaster or COVID. Unappropriated ending fund balance is a set aside amount to operate until we have received tax funds.

Fisher asked: What has the district budgeted for to include salary increases? Boyd answered: We created the budget to allow for a 10% increase in salary increases. Koch added we are doing a compensatory study. Boyd replied we are in the mid-range, factored 10% for non admin staff and 20% for admin.

Why is cash on hand zero (Multipurpose fund)? Boyd answered we had \$1,000,000, we purchased the building and what remains is the difference in cash. Under requirements, broken out to unanticipated projects and catastrophic loss.

Fisher noted that he looks at the available cash on hand, is it growing or decreasing? We need an adequate available cash on hand to operate between July 1 and November 30, look at taxes estimated to be received, which doesn't change very much but tells you how many resources we need to allocate and in the last couple of years b/c of COVID, the staff did not spend the allocated funds. In the near term it looks like we are spending more than the resources coming in, but we have enough resources to cover. I think this budget is good.

Garst adds that this was a very good discussion and like what you are doing for staff in raising health insurance coverage. Very pleased with the budget and Boyd did a very good job explaining it.

Stevenson adds that budget looks good overall but would like to see the Board understand, we have a set tax rate and employee costs have risen, considerable over the last few years, overall staffing over program dollars, want to avoid tax compression issues or reaching overall bonding authority and staff costs eating that up. Need a long-term plan/ vision to understand rising staff costs. Olson replied that the Board has had several conversations regarding this and working to balance.

Budget Motions

- Garst moved to adopt the Marion Soil and Water Conservation District Budget Committee approve the total budget for the 2022-2023 fiscal year of \$3,840,759 of which the General Fund is \$3,259,681; Multipurpose Reserve Fund is \$316,271; Building Fund is \$264,807, 2nd by Fisher. Passed by unanimous vote.
- Fisher moved to approve the permanent tax rate of \$0.05 per \$1,000 of assessed value for operating purposes, 2nd by Johnson. Passed by unanimous vote.

Budget Hearing

Will be held on May 5th- Board Directors must attend in person. COVID emergency rules are no longer in affect May 1, 2022

Fisher motioned to adjourn the meeting; Stevenson adjourned at 10:38 AM