

4/12/2023 Budget Committee Meeting Minutes

Recorded by B. Sanchez

The following people were in attendance:

Public

Bob Dettwyler
Ralph Fisher
Tim Johnson
Kenneth Palke
Brent Stevenson

Board Directors

Dave Budeau
Darin Olson
Peggy Hart
Scott Walker

Staff

Brenda Sanchez
Linda Lovett

9:06 AM Stevenson Called Meeting to Order

Budget Committee Chair Election

Walker nominated Johnson.

Action: Johnson **motioned for Stevenson as Budget Committee Chair**, 2nd by Fisher. No further discussion. MOTION PASSED (Aye-8 [Stevenson, Palke, Olson, Johnson, Fisher, Hart, Dettwyler, and Budeau] Opposed-1 [Walker]).

Budget Committee Meeting Minutes

Action: Fisher **motioned to approve the April 6,2022 Budget Committee meeting minutes**, 2nd by Johnson. No further discussion. MOTION PASSED (Aye-9 [Walker, Stevenson, Palke, Olson, Johnson, Fisher, Hart, Dettwyler, and Budeau], Opposed-0).

Budget Message and Budget Presentation

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

General Deliberations

Discussion began by discussing budget law and what the process would be to change the budget after approval. Sanchez shared the process.

Stevenson brings up that the not allocated funds and contingencies continue to rise year over year. As a public budget elector, it concerns Stevenson that the money budgeted in the not allocated is appropriated in a way that the Board could use without discretion. Walker adds that not allocated contingencies is making sure that the budget covers District costs. Olson explains that we have been short on staff and COVID really impacted how we spend and foresee that costs will go up. Palke asked for clarification on not allocated and how it can be used in the general fund. Sanchez explained it could be used in other program areas, if necessary, of the general fund, because it is a budget within the General Fund. Discussion continued regarding how allocated funds are used to appropriate funds within the General Fund and those budgeted

items are not allocated because they are costs not directly associated with the other program areas. Sanchez stated she will work on the not allocated term for next year's budget.

Palke was concerned about the budget not being appropriated as it is used, asking why the Partner Grant funds are in the "not allocated" instead of Natural Resources. Stevenson agreed that the "not allocated" budget appears as a budget for unused funds. Sanchez explains that "not allocated" appropriations are to be used funds in the fiscal year. Walker adds this is Sanchez's first budget and it is a complicated process to learn. Hart explained that there was a large carryover and the Partner Grants in "not allocated" is a new grant process to spend funds in an equitable way. Olson explains that the funds are allocated just not to the other program areas. Each line item is explicit in its use. Lovett pointed out that "not allocated" budget form states "not allocated to an organizational unit or program".

Budeau explains that our income is around 1.4 million dollars and as we maintain full staff monies will be spent and over time, we will close the carry over gap. Fisher adds that staff is what the District must have to provide the services. Stevenson says this should be stressed in the Budget Message and that way the tax rate is justified and needed.

Discussion moved on to the Administration budget and costs. Sanchez explained some of the changes, and the program area costs went down because we were able to streamline administration costs. Johnson asked what the changes were to dues and subscriptions. Sanchez explained we broke it out separately by dues and memberships and noticed there were some software costs included, we moved subscriptions to the specific program areas they applied to.

Johnson brought up that funds cannot be moved between program areas and there may be a better way to budget. Sanchez explained we did look at a unified budget but felt it was too much of a change in format with a new manager.

Sanchez reviewed the Building and Multipurpose Fund Reserves. Olson adds that the Building Reserve Fund will be dissolved once it serves its purpose, as we still have renovation activities to complete. Walker explains how the Building Reserve Fund has worked for the District and purchasing the building will save the District a lot of money on rent and pay for the building within four years.

Budget Motions

- **Action:** Fisher motioned to approve fiscal year 2023-2024 General Fund budget of \$3,676,819, Building Reserve Fund of \$322,713, and Multipurpose Reserve Fund of \$316,271 with a change to the term of "Not Allocated", 2nd by Dettwyler. Discussion by Fisher to state that the best budget is done with consistency and that the changes from the past were not consistent but Fisher is confident that there will be consistency and that the Board will make the correct choices. Stevenson adds that he is pleased with the budget and the work Sanchez and Lovett completed. The budget was easier to understand this round. MOTION PASSED (Aye-9

[Walker, Stevenson, Palke, Olson, Johnson, Fisher, Hart, Dettwyler, and Budeau],
Opposed-0).

Public Comment

Public comment was moved in the agenda because it was overlooked earlier. No public comment.

- **Action:** Fisher **motioned to close the public comment period**, 2nd by Hart. MOTION PASSED (Aye-9 [Walker, Stevenson, Palke, Olson, Johnson, Fisher, Hart, Dettwyler, and Budeau], Opposed-0).

Budget Motions Continued

- **Action:** Walker **motioned to approve the permanent tax rate of \$0.05 per \$1,000 of assessed value for operating purposes**, 2nd by Fisher. MOTION PASSED (Aye-9 [Walker, Stevenson, Palke, Olson, Johnson, Fisher, Hart, Dettwyler, and Budeau], Opposed-0).

Budget Hearing

Will be held on May 3rd- at 6:00 PM just prior to the May monthly Board meeting. Board Directors must attend in person.

Stevenson states that no second meeting will be needed and adjourned the meeting at 10:52 AM