



Marion Soil and Water Conservation District (MSWCD)

Budget Committee Meeting Minutes April 24, 2024

9:11 AM to 10:57 PM

Facilitator: Brenda Sanchez

Recorded by: Brenda Sanchez

Approved: 04-14-25

Committee Member Attendance

Brent Stevenson-Public	Present
Ralph Fisher-Public	Present
Tim Johnson-Public	Present
Member #6 – Vacant	Vacant
Member #7 – Vacant	Vacant
At Large 1-Peggy Hart-Director	Present
At Large 2-Scott Walker-Director	Present
Zone 1-Director-Vacant	Vacant
Zone 2-Director-Vacant	Vacant
Zone 3-Darin Olson-Director	Present
Zone 4-Dave Budeau-Director	Present
Zone 5-Rochelle Koch-Director	Present

Staff

Brenda Sanchez
Linda Lovett

Guests

Note: All documents and materials displayed or referenced are retained in the Budget Committee Meeting file at the Marion Soil and Water Conservation District (Marion SWCD or District).

Minutes

Call to Order-Chair: AM

The Pledge of Allegiance was conducted

Agenda Additions or Changes - None

1. Elect Chair

Action: Walker nominated Brent Stevenson as Budget Committee Chair, 2nd by Fisher. No further discussion. MOTION PASSED (Aye-8 [Walker, Stevenson, Olson, Koch, Johnson, Fisher, Hart, and Budeau] Opposed-0).

2. Role of Budget Committee

Sanchez reviewed committee conduct:

1. Listen actively, respect others while they are talking.
2. Seek to learn each other's perspectives; refrain from personal attacks and focus on ideas.
3. Encourage respectful constructive discussions.
4. Seek to resolve differences and reach consensus.
5. Turn off cell phones, or place in silent mode.
6. Participate to the fullest of your ability; organizational growth depends on the inclusion of every individual voice.
7. Be conscious of body language and nonverbal responses. They can be as disrespectful as words.

And the Role of the Budget Committee.

1. Receives the budget document from the Budget Officer.
2. Hears the budget message.
3. Hears and considers public comment.
4. Discusses and revises the budget as needed.
5. Approves the budget.
6. Approves the property taxes to be levied.

Sanchez went over the FY 23-25 District accomplishments. Describing the grant program accomplishments, staffing, program development and services. See Budget Message or the presentation slide deck for details.

3. Budget Message & Proposed Budget

Sanchez began by noting a few minor edits to the budget sheets. Specifically, the estimated taxes for the upcoming fiscal year had not yet been updated to reflect the actual figures from the worksheet. Additionally, adjustments were made to the General Fund entries related to the Native Plant Sale income and expenses, based on newly available information.

Fisher pointed out an error on the Financial Summary: Column G should be labeled "Proposed," not "Adopted."

Sanchez then reviewed the updated budget projections, highlighting an increase in potential carryover. While overall spending for the current fiscal year has increased, it remains within budget.

Regarding levied taxes for the current year, Sanchez noted that the District is slightly behind in collections, though tax revenue continues to come in on a monthly basis. The county's collection rate is approximately 97%. Upon request, Sanchez verified that this rate remains consistent with previously available information.

Sanchez reported that the District has averaged approximately \$3.1 million in the Local Government Investment Pool this fiscal year. She also provided an overview of other funding sources. The Native Plant Sale was profitable, and grant income from the Oregon Department of Agriculture has remained stable. The District will continue participating in the Pesticide Stewardship Partnership, Strategic Implementation Area program, and the Western Oregon Cascadia Recovery Effort Regional Conservation Partnership Program initiatives.

Sanchez shared that the District is considering the purchase of a new vehicle and plans to sell the current truck.

The projected General Fund resources for fiscal year 2025–2026 total \$4,182,482.

Fisher noted that with over \$2 million in carryover funds and approximately \$1.4 million in tax revenues, some may perceive the District as being in strong financial shape—raising questions about whether a tax levy is necessary. However, he emphasized that the District does not begin receiving tax revenues until November, and the carryover funds are critical to covering operational expenses during the interim period.

He also pointed out that rising interest rates have positively impacted the District's interest income. Drawing on his experience from serving on another board, Fisher shared that increased interest earnings enabled them to expand services by hiring additional staff. He stressed the point that if the District aims to increase services, it must ensure it has adequate staffing capacity to deliver them. The current budget reflects this, supporting the hiring necessary to maintain and expand service levels.

Johnson suggested noting that the District currently has sufficient cash flow to meet its ongoing expenses.

Stevenson encouraged the group to reflect on what constitutes an appropriate amount for cash carryover and reserve funds. He raised important questions: What are reserves being used for? What is the right level of reserves to maintain? He added that public perception around spending remains a consistent concern and should continue to guide transparent decision-making.

Sanchez committed to completing a detailed budget forecast for the upcoming fiscal year.

The discussion continued around the importance of carryover funds. Fisher recommended that the Board consider maintaining at least one year's worth of operational expenses, approximately \$1.4 million—in cash carryover. He underscored the need to be cautious with spending, noting that as expenses grow, the carryover amount will shrink, potentially creating future shortfalls.

Walker expressed concern that available funds should have a clear and measurable impact. He encouraged the group to evaluate how funds are being spent and to ensure that expenditures align with meaningful outcomes.

Hart added that any proposed budget adjustments should be included in the broader discussion and asked for clarification regarding the carryover. Members discussed further how the District could expand on programs and hire additional personnel if we can afford it; reviewing different staffing scenarios. Budeau adds that he would like to maintain a full staff and see the carryover decrease overtime to an agreeable level from year to year. Walker adds that he would like to see the Budget Committee members see the new Strategic Plan.

Walker and Hart asks for formatting changes in the spreadsheet.

Sanchez proceeded to review the projected expenses for the upcoming fiscal year by program area. She noted that personnel costs are slightly higher, while benefit costs remain generally stable, with a modest increase anticipated in health insurance premiums.

The overall categories of expenses remain consistent with prior years, though there were slight cost increases for facilities. Walker added that the District's insurance premiums have also increased.

Sanchez highlighted a few minor adjustments in the expense lines. Membership costs are being reviewed with the goal of reducing them. She also noted a slight increase in training expenses, primarily due to staff receiving training on new mapping software.

In response to a question about audit costs, Sanchez explained that the District continues to work with its current auditor, who offers a favorable rate. She noted that comparable districts report audit fees ranging from \$6,000 to \$7,000.

Walker pointed out that marketing costs have increased. Sanchez explained that this is part of a strategic effort to raise awareness of the District's services, with the goal of reaching and assisting more community members. She also noted that

some marketing-related expenses were consolidated into a single line item for greater clarity.

Walker inquired about the availability of matching funds for partner organizations. Sanchez responded that the intent was for partners to utilize the existing Partner Grant funds to meet match requirements. However, Walker expressed concern that this approach may not be clearly understood by the public and recommended creating a dedicated line item specifically for partner match funds. This, he noted, would better demonstrate the District's commitment to collaboration with its partners.

Hart requested clarification on the process for reallocating funds between line items if needed. Sanchez explained that funds can be moved between line items within an organizational unit, provided that the Board approves the change.

Following further discussion, Walker proposed additional adjustments to the budget. Stevenson agreed and stated there are line items to modify to allocate the funds from. Members reached consensus to allocate an additional \$25,000 to a new "Partner Match Funds" line item and another \$25,000 to support "Conservation Projects with Partners."

Sanchez reviewed the status of the Multipurpose and Building Reserve funds. She explained that the Multipurpose Fund is intended to cover catastrophic losses and unanticipated projects. The Board agreed to continue maintaining these reserves through the upcoming fiscal year. Currently, 12% of investment dividends are allocated to the reserves on a monthly basis.

Walker recommended transferring \$50,000 into the Building Reserve to ensure funding is available for the previously discussed bathroom renovation and other facility improvements. Sanchez confirmed the transfer of \$50,000 was made. Walker brought up that the purchase of the new building was a good move because we have paid for the building in what would have been three- or four-years' worth of rent. Hart brought up that we were gearing toward a catastrophic event program and the unanticipated projects money could be used to cover any on the ground funds needed for the program which is still under development. With this transfer, Sanchez estimates the Building Reserve will total approximately \$346,319, while the Multipurpose Fund is projected to hold \$316,271

Break

7. Public Comment – No Comments

Action: Fisher **motioned to end Public Comment Period**, 2nd by Hart. No further discussion. MOTION PASSED (Aye-8 [Walker, Stevenson, Olson, Koch, Johnson, Fisher, Hart, and Budeau], Opposed-0).

8. Budget Committee Meeting Minutes 2023

Action: Fisher **motioned to approve the 2023 Budget Committee meeting minutes**, 2nd by Hart. No further discussion. MOTION PASSED (Aye-8 [Walker, Stevenson, Olson, Koch, Johnson, Fisher, Hart, and Budeau], Opposed-0).

9. Approve the Proposed Budget

Action: Walker **motioned that the Marion Soil and Water Conservation District Budget Committee approve the total budget for the 2024-2025 fiscal year of \$4,844,972 of which the General Fund is \$3,676,819; Multipurpose Reserve Fund is \$316,271; Building Reserve Fund is \$346,319**, 2nd by Hart. Discussion. Walker asked to ensure that the partner match and conservation project line items were added. Sanchez said yes, she added them. MOTION PASSED (Aye-8 [Walker, Stevenson, Olson, Koch, Johnson, Fisher, Hart, and Budeau], Opposed-0).

10. Recommended Rate of Taxation at \$0.05/\$1000 AV or Amount

Action: Fisher **motioned that the Marion Soil and Water Conservation District Budget Committee approve the permanent tax rate of \$0.05 per \$1,000 of assessed value for operating purposes** 2nd by Hart. No Discussion. MOTION PASSED (Aye-8 [Walker, Stevenson, Olson, Koch, Johnson, Fisher, Hart, and Budeau], Opposed-0).

Budget Hearing: Will be held on May 7th- at 6:00 PM just prior to the May monthly Board meeting. Board Directors must attend in person.

Adjourn: Chair Stevenson states that no second meeting will be needed and adjourned the meeting at 10:58 AM



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