



**MINUTES
DEVILS LAKE WATER IMPROVEMENT DISTRICT
BUDGET MEETING**

**DLWID OFFICE
May 10, 2010
10:00 P.M.**

PRESENT: Don Sell
Jim Hoover
Doug Pirie
Brian Green
Randy Weldon
Jack Strayer
David Skirvin

ABSENT: Joe Barnes

AUDIENCE: Donna Elsasser
Mitchell Moore

STAFF: Paul Robertson, Budget Officer
Seth Lenaerts, RARE Program

MEDIA: None

Green called the meeting to order at 10:00 A.M. for Fiscal Year 2010-11.

[Changes recommended in verbiage and motions to change budget items are shown in bold type.]

Robertson said the first thing they need to do is elect a chair and a vice chair. Green nominated Strayer as chairman of the budget committee. Pirie seconded.

Vote: Unanimous. Motion carried.

Pirie nominated Hoover as vice chairman. Skirvin seconded the motion.

Vote: Unanimous. Motion carried.

Paul Robertson began an explanation of the budget. (Note: Many values are given in round numbers, for actual values please consult the budget available online at www.DLWID.org)

Page 3 reveals larger goals. Figure 1. Taxes collected vs. taxes budgeted. He said that 3% to 6% of growth is standard. Discussion began on the relevance of the table depicting taxes collected vs. taxes budgeted annually. Hoover asked if revenues exceeded expectations. Robertson replied they are at 97% at this time.

Robertson: We are budgeting as we are receiving revenue. We are able to look at our potential incomes and match that to what is received. Weldon and Green said the more information, the better.

Discussion ensued on whether some of the initial budget priorities on Page 4 and some of the entities the District partners with on Page 5 are relevant.

Strayer said that he didn't feel some of the information was important enough to be placed on the first few pages. He feels the most important case for the budget should be on the first pages.

Hoover: How much time do we spend with these people and how much return do we get from interaction with these agencies? He would like to see the most important items in the first two pages. Although he agrees there should be as much information as possible, maybe it could appear later in the budget.

Green: Feels that it should be written as if someone is reading the budget for the first time. Do we want an executive summary at the beginning of the budget? He feels that the report is pretty close to what you would want.

Robertson: Page 6. General Fund. These two charts are new. These are to show where the dollars come from and where they go. He tied the net working capital—what can be expected May 10 through June 30—to the amount that will be remaining. That is the net working capital as of July 1. By Resolution the Net Working Capital, money left over from the previous year, is transferred into Reserve. An additional \$75,000 has been saved from the expiring budget to spend beginning in July 1. No current year tax funds are received until November, so there needs to be \$75,000 to spend the first part of the fiscal year. If the Board wanted to add \$10,000, they would have to do a Resolution to increase the amount to \$85,000 of this Unappropriated Ending Fund Balance.

Further Resources. We get some delinquent taxes during the year, along with grants, donations, etc.

Robertson continued to walk the group through other items of the budget.

Contingency funds tend to be 10 to 15%. Last year, it was basically 1%. Material Services is at 29%.

Page 7. LB20 is the work sheet. It is basically Table 1 showing the dollars. Net working capital minus what we will spend. \$117,000 is total resources, not including taxes to be levied. Taxes of 177,000 are expected to be received for the General Fund.

Total taxes to be received are on Table 4.

Property inside the watershed pays taxes at approximately 25 cents a thousand, while properties in other parts of the city pay 12.8 cents per thousand. Table 5, shows the subtraction of uncollected taxes generally 6% to 8%, but in this budget 8% was used. \$177,336 is the "to be received" estimate. There are \$294,911 total resources for the general fund.

Personal services are employees of the district. The budget includes a 3% COL increase. There is also a growth in health insurance for a total of 3.21% increase.

Material and Services on Page 12 represents a 2.16% increase.

Debt service has a dollar amount budgeted, so you can move money into the “place holder tool.”

Capital Outlay. The City will receive \$1,000 towards a grant to purchase wetlands.

Transfers. When funds remain, they are moved into Reserve. Instead of having an inflated general fund, we create an end point and spend for the operational expenses of the District. Other items or projects can be funded out of the reserve fund.

Contingency Fund is another holding box from which you can move funds.

Deleted: ¶

Hoover asked how much time someone would have to spend on this budget to understand what is going on.

Weldon asked if there could be a simple graph or table to indicate actual expenditures, a balance graph or table.

Green pointed out that on the bottom of Page 12, the date should indicate 2012 rather than 2011. **(Later, a couple of additional date discrepancies were pointed out.**

Robertson will check them all).

Robertson explained the columns on the LB-31 and how they contain actual audited figures—two years of historical data, then budgeted items, the item expenditure description, followed by the proposed, recommended and adopted for the upcoming year.

This layout is the same for the LB-10, LB-20 and the LB-30.

Page 13. Consulting. Internship goes in this category. Seth is scheduled to leave mid-August. To continue monitoring, we need mid-August through September. Robertson listed the interns from past years. This year, the RARE program’s participant is the intern; therefore, budgeted funds were saved by using the RARE program funds. With RARE expiring, we are void that intern in the last half of the sampling season.

Elections: Held every two years. **Strayer indicated the need to make some changes on the election dates and amounts. Historical data needs to be checked for errors.**

Equipment Maintenance and Repair. \$1,690 is for storing the boat.

Erosion and Sediment Control. Sponsorship for the workshop attended by contractors at City Hall is now part of the PR budget. This line item would be only for a small item.

Insurance and Bonds. Didn’t expend these funds.

Lake Level Management. \$5,000 for the lake contractor’s budget. This year, the D River was dredged twice. Some years it has been dredged up to seven times, so it is difficult to budget for. That is where the Contingency Fund is helpful.

Hoover asked why the actual expenditures are not included.

Green: Page 13 explains why the budget amount and expenditures are different.

Robertson: Table 3. These forms are meant to show two years of history—one year of budgeted values from the current year and one for forecast. The reason the actual is in this item is because there is still part of the year remaining. Local Budget Law asks for this information. Government budgets are not simple documents. He tried to make the tables clearer this year by adding additional information. Two of the Committee members told Robertson that these are the best budgets they have seen.

Hoover asked if this could be explained within the first couple of pages of the budget—a summary that will explain to people that everything is fine; something similar to an executive summary.

Green added that the tables in the back are mandated by law, and the rest of the information is included as explanation for the items in the back.

Strayer added that these are established in the Legislature

Pirie said we need an executive summary up front to explain a five- or ten-year plan. Explain why we are saving so many hundreds of thousands of dollars. What are we planning to do with the funds?

Hoover: There is a line item that says \$1.9 million is budgeted for expenditures. Where is it? That money wasn't received. But the public might wonder where it might be spent. We need people to see what is going on in the first page.

Robertson: What is mandated for publication are the LB1, LB2, and LB3. When we put these things in the papers, we inform people that the budget is on line where they can find additional information. Annual audits are also online as are the District's priorities.

Discussion ensued on what was budgeted last year and what was spent last year, grants with large numbers that did not materialize, the fact that government budgets are not a simple process.

Robertson: Budget Law requires the public to be part of this process. The public should be able to digest these items. Unappropriated Ending Fund Balance is difficult to comprehend. We are not going to be able to ease the process, but we can provide some clarifying language. The public should participate. This is the fifth budget for Robertson, but there are always items that can be improved.

Hoover said there should be a couple of paragraphs explaining items that are hard, detached or non-transparent. We need a summary.

Strayer asked for the committee to move on and make decisions and resolutions at the end of the meeting.

Robertson: LB31, with the narrative on page 13 budgets \$900 for Legal. We are budgeting six hours at \$150 an hour. Additionally There are mandated costs to publish the budget—it is \$400 or \$500 to place these in the paper which is included in this appropriation. If we are going to add a couple of paragraphs, the amount will need to be increased.

Monitoring. This is for standard monitoring, but we are going to bump that up to add Thompson Creek monitoring along with DNA work.

Nutrient control. \$5,000 didn't have a large expense budgeted before, but if the District wants to look at issues that affect the water quality, projects such as Save our Shoreline would be good.

Office Operations. Includes office expenses.

Public Relations. This represents a \$2,000 increase for two more printings of water bill mailings that cost about \$1,000. That will be contingent on the City's approval.

E-mail service, Lake Steward award, association memberships. Lenaerts said six Listserve e-mailings have been sent. There is no additional cost for additional e-mail mailings.

Training. Hazmat Training. Oil slicks on Devils Lake might need training to prevent oil issues. \$1,000 is budgeted.

Transportation. \$4,857 for this item. We have not budgeted in the past for replacing the vehicle. If it is wearing out, we need to spend more for maintenance or the maintenance

budget gets thrown into the reserve fund so that if we do not invest the \$4,800, the rest would be dedicated to transportation in the future. This does not include the boat.

Skirvin asked if money needs to be accrued for maintaining or replacing the boat.

Pirie: You have four pieces of capital equipment—boat, truck, trailer and motor. Need to consider replacement costs and whether the boat, engine and trailer are appropriate for the District's needs.

Vegetation Management. Small item of \$2,500 is being carried over. This is not for an entire restoration, just a small project.

The Committee took a break prior to moving on to the Reserve Fund.

Page 16. Improvement Fund. Local budget law requires that the item can be removed after three years of showing a zero balance, this is why the other reserve funds are no longer included as they were transferred to the Improvement Fund in 2007. . LB11 follows the same format other worksheets; except the Resources and Requirements are on the same page-
-\$273,662 is reserved for future expenditures.

Robertson explained that you must read the narrative to understand these two pie charts.

Existing Reserve is cash that the district has available.

We probably won't need to purchase grass carp this year, but it is there as a holding fund in the Vegetation Management Reserve of 21%.

Resources: Table 6. \$360,000 is held at the State Treasury, less some expenditure for an ending balance of \$348,000. Then add the transfer from the General Fund, plus we will receive some interest at a low rate of .5% that will amount to about \$2,000.

Discussion ensued about the pie chart and whether the Vegetation Management Reserve of 21% was necessary (\$100,000). Hoover questioned the "title."

Weldon suggested Vegetation Management and Control might be more descriptive.

Robertson agreed and will make the change.

Unsecured Grants. This provides an opportunity for the District go after some of the dollars available with OWEB, SOS and NOAA Fisheries that still have funds out there for restoration work and for education that has not been applied for. If you don't have a place holder for Unsecured Grants, you cannot spend them should you receive them without doing a supplemental budget. Additional staff would aid in working on this acquisition. \$70,000 is just an estimate. Targeted shoreline or educational outreach projects would have a positive effect on the way people live in the watershed.

Next came Requirements, Bank Fees at \$125.

Watershed Protection. \$25,000 for ongoing Save our Shoreline projects. We want to continue the work for applying and expending the funds. If the District invests in additional staff and the grant does not get funded, the staff might use some of the existing reserve funds.

Education and Communication. (In the Communication Draft Plan). Most of those things are funded in the general fund. One project that was discussed earlier is a video on DVD entitled, "Keeping our Lake Healthy." We could put it on Channels 4 and 21 and send one out to everyone around the lake to give them something tangible. Production costs would be about \$6,000, and the total project could be completed for a lot less than \$10,000. It could be as low as \$2,500. It is a place holder at this time. Local people would be contacted for bids. The Board will decide.

Hoover asked about the Improvement Fund and how much was spent. Robertson said that the Native Vegetation Planting guide for \$12,000 will be out of that budget. Hoover said the \$100,000 would be a red flag.

Strayer: Last year we were applying for permits and they were denied.

Pirie asked how Robertson determined who was qualified to submit bids. Robertson said you don't want to spend a lot of funds to advertise for contractors. The Government level for limits is \$125,000, but the State level is \$5,000. If it costs \$500 to save 10%, you've spent that.

Pirie: For a quality study for street runoff, you would probably want to go to a CCB database.

Vegetation Management and Native Vegetation. Robertson said were "not active."

Strayer: Vegetation Management is not on hold. When we get the TetraTech report, we will sit down and one of the controls will be grass carp.

Robertson: We recently heard direction that instead of looking at grass carp, we should look at completing the Devils Lake Plan and methods to control invasive species or vegetation management control. This budget was prepared before the last Board's decision to change the title.

Robertson: The item was placed in as a place holder. My understanding was that the five-member board decided that it would be on hold as concerns arose about control of vegetation which should be resolved ahead of planting vegetation..

Strayer: We need to place funds in it.

Grass Carp.: \$100,000 placed in this section of Vegetation management.

Consulting. U of O is charging us in quarterly sections for RARE. \$4,750 will be paid off in the next fiscal year.

Data Management. We were granted \$15,000 by DEQ to do a database. We are currently revising the plan and the bulk of the database will be completed by September, 2010.

Personal Service. Project Manager Position. We have been developing a shoreline plan and want to do more outreach and communication. The District has for at least four or five years been saving approximately \$40,000. If the District wants to continue, let's get some more work completed on the ground with shorelines improved. We need funds for this—grants for education outreach. \$35,000 is being suggested. It's less than \$15 per hour.

Hoover: Is this a recommendation from the Board?

Robertson: I've suggested to the Board that I feel we should consider it. It's coming from the executive director/budget officer/lake manger. We have been saving money for future projects. These funds that have been accumulating were appropriated in the general fund with a vision to expend those dollars. We have not had the staff to run those programs and we need to get those projects off the ground and running.

Skirvin: This is in the event the Board should decide to create the position.

Green: What could we have completed with additional staff?

Robertson: More projects for nutrient control and erosion control.

Capital Outlay.

Transportation. Up to \$8,000.

Debt Service. None.

Reserve Fund. \$348,000 working capital. There is the potential of having more in reserve than we do today.

Skirvin: Do we need to place some funds in the bucket for native vegetation to spend in the current year? Can you move money from the buckets?

Strayer: Native Vegetation is one of the top five goals and is a method of controlling invasive weeds.

Green: You are creating a place holder for the vegetation plus the grass carp.

Skirvin: Would you want to split some off the grass carp?

Strayer: First of all, I don't think we need to specify that it is "on hold." This is a draft and it should be changed. Let's put in an amount of \$25,000.

Strayer: The bucket should be \$125,000. \$75,000 for the grass carp and \$50,000 for native vegetation.

Skirvin moved to add \$25,000 to Native Vegetation line item section for a total of \$125,000 in Vegetation Management and Control, Item 19 on LB11.

Pirie seconded the motion.

Hoover: How is that different from what we have in vegetation management?

Robertson: Vegetation management was for spraying for knotweed and for smaller projects.

Robertson said he would strike the last sentence indicating the native vegetation is "on hold."

Vote: Unanimous. Motion carried.

Strayer asked for public input.

Mitchell Moore:

The budget is easier to read. He agrees with the comment about putting something up front as a description of the variances with no detailed dollars, just summarizing how we are doing based on this year's budget.

Two main points: Moore said he disagrees appropriating funds for which you have no plans.

Tax base: Plan assumes there is a 3% increase in valuation, but there are decreases in real market value. Suggests calling the assessor's office to determine if you should show a 3% increase. (Robertson replied that he had conferred with the assessor's office).

Personal Services. The budget was increased last year. He is assuming that there will be an increase this year; however, the 2010 COLA is 0%. Oregon PERS COLA in 2010 is 1.2%.

State government employees took 14 unpaid furlough days. Oregon cancelled the increase of minimum wage. This needs a second look.

Salary might increase, but no 3% COLA should be included. What percentage do employees contribute to the health plan? Was it bid out to check on the escalation? That might be looked at.

Consulting. The District needs help during the summer, but let's help young students with internships, but earlier. By waiting until August, everybody will have a job. The internship needs to run the normal period. You might want to expand the time.

Legal funds need to be increased. DNA testing needs to be on Rock Creek, Thompson Creek and D River. The District should spend money on this, but fund it at a higher level.

More funds might be allocated for PR on this project.

A professional on the planting plan should be brought in to supervise the early planting projects in conjunction with the grass carp. Enclosures need to be discussed. Is it an experiment? Are the cages in? Couple it with the grass carp permit application.

Public Relations. Review and adopt the Communication Plan. More extensive expenditure needs to be placed here.

Strayer: What would you like to see done?

Moore: The video is a good idea. That is below in the reserve fund.

If there is a particular program you are intending to push this year, you have no funds to promote it.

Moore said more has been accomplished this year than ever before.

When you settle on specific items, pull money from one item to promote the projects.

Reserve Funds should not be included; you have no idea what you will go after. It is misleading. If you wind up having something happen, it's great. You can amend the budget. Shoreline Restoration. The use of the \$25,000 has not been explained. A good deal of effort has been put forth on this issue and the project should continue. You could include a paid consultant for lake planting—that plan can be used for the application of grass carp. The program should be promoted by an intern.

Native Vegetation. Native planting guide. To be coupled with the grass carp application to show comprehensive research and background.

You have no plans to buy the grass carp. The funds should not be listed here.

The funds for the legal budget should be increased.

I recommend against hiring a project manager. It would be an ongoing program. The budget suggests the loss of the summer intern program as a way of hiring the employee. The intern program provides the District the help it needs. It provides students an opportunity to learn. You can touch a lot more people with an intern. Moore would like to see more interns rather than hiring a permanent employee.

Donna Elsasser. Mitchell Moore covered most of the items. The Committee needs to consider seriously the expenditures because the public is watching.

Strayer: Do we want to review specific line items? Those that make up the general fund? Improvement Fund? Address any line items that need to be changed.

The first question is whether we need a transition from prior years to this year explaining the situation and giving someone a place to look on the other pages. Any discussion?

Hoover: He does not know what is the responsibility of the Budget Committee and what is the responsibility of the Board. The Board's message needs to be there as an explanation.

Strayer: People can give feedback on what should or should not be in the budget.

Hoover: The budget needs to have a half page or more listing goals.

Strayer: Do you have list of the items you want included?

Hoover: No. 1 would be a message outlining last year's goals and our plans for this year; the transition, then No. 2 would be highlights in this year's budget; the \$100,000 needs to be explained if it stays in there for grass carp.

Strayer: Possibly what we are trying to accomplish for the year.

Hoover: High priority items and any large line item changes.

Green: Explain major variances. Explain why capital outlays didn't get spent—because budget priorities have changed and here they are.

Hoover: Would like to put these explanations on the first page. It would get lost if it is not on the first page.

Green: Put that in and take out the partners/affiliations. Change the graph to add the third line for money actually spent. That gives another method for visuals. Add the overall amount between what's budgeted and what's spent.

Strayer: Do we need a resolution to change a draft? Robertson: No

Skirvin: You are not just moving numbers, you are asking for a narrative to be built. Do we have to plan for an additional meeting?

Robertson: You are only affecting changes in the dollars and adding a summary. It's enough to adopt a budget.

Strayer: So you have enough direction?

Robertson: Yes.

Green: Leave it with saying the major differences. We budgeted this amount, but didn't spend it because. The segue is that the reason for those changes is because the Board changed direction. Further details are contained in the balance of the budget narrative.

Robertson: You don't need to duplicate it; introduction, body and conclusion.

Hoover: So long as it's clarified. If you are giving it to John Q. Public, the first paragraphs need to supply concise information.

Green: Take page 3 and do an introduction or executive summary; show major variances. We didn't spend that because; the end sentence and the reason for the changes is that the District's priorities have changed to the following: 1, 2, 3, 4, 5. Plug in the draft then the list of the current programs and delete the partners.

Strayer: Began to read off each line item.

LB31.

Legal: Green said they should increase the amount slightly. He feels that this amount should be \$5,000 in Legal. This year, not much was spent. Robertson said under \$400 for attorney fees. About \$1,000 for attorney fees and legal publication.

Green: He is surprised that it is being done for that amount. Grass Carp issue might not increase the budget that much.

Strayer: Depends on how much we have to appeal.

Moore: Appeals are running usually \$2,000 to \$3,000. This is a more formal process.

Green: Knows what the appeal would entail, and it is more about the science rather than legal. Whether we would need a lawyer there for the actual hearing or procedure there is on the appeal.

Green moved to increase the Legal line item to \$3,000. Hoover seconded.

Vote: Unanimous. Motion carried.

LB30.

Hoover: Questions the 3% increase in the assessed values in the District. Green says the 3% increase will continue because the assessed values are way below the fair market value.

There are some that have matched up, but most have outpaced assessed values.

Gym membership: For budgeting purposes this is fine; this will be included in the maximum that we will spend on the manager's contract.

Pirie: There should be a job description and a formal evaluation.

Green: The manager's performance is evaluated in June. We can consider any increase at the appropriate time.

Hoover: We should just place an amount in the budget with no detail.

Green: a 3.21% increase has been budgeted and leave out the rest of it.

Hoover: It is not a COLA or a performance review increase.

Strayer: The Board will determine the compensation of the lake manager. Remove the details of the amount.

Green: 3% increase is a maximum of \$2,000.

Hoover moved to add 4% to last year's amount and let the Board determine the amount to be awarded.

Weldon: Let's just say \$76,000.

Hoover amended his motion to omit everything after the first paragraph and to budget \$76,000. Green seconded.

Vote: Unanimous. Motion carried.

Hoover: I'm not following some of these transfers. What are we trying to tell people here?

Strayer: This is to move the \$75,000 for working capital.

On Consulting, Hoover asked, "Does it start in August or start at the beginning of the summer?"

Robertson: It's July 1 through August 15. What we don't have is an allocation from August 15 through the summer monitoring program. I would assume that Lenaerts would fill that void. If the improvement fund is funded, the need for a month and a half person disappears. Then the need comes from May through the end of the fiscal year.

Strayer: We should extend Seth for a month and a half.

Pirie: What is the cost of the intern?

Robertson: It is \$6,000 or \$7,000. \$14 x 40 x 12 weeks. It's between \$7,000 and \$10,000. The \$10,000 makes more sense.

Pirie: He would rather see Robertson hire summer interns rather than add a permanent employee.

Robertson: Agrees the internship has been a real positive. All the interns have been very talented. The reason he proposed a 10.5-month winter employee is because the work that would be done on restoration, needs to be September, October, November, March, April, and May. If a person were on next year, they would finish off the monitoring, and then pick up the SOS program, which is a fall and spring—actively working in the field type of work.

Green: Did we budget for that?

Pirie: Why hire them on as a full-time staff?

Robertson: It could be under the improvement fund under consulting. If you are paying them for a few months at a time, it saves the District money by having them as an employee. The reason for the improvement fund is because there is money in there. There is a limited amount of funds through November. By funding it out of the improvement fund, we can start July 1. We already have staff until August 15. We could pay this person through Contractors Clearinghouse hourly or whatever the Board decides.

Pirie: Rock Creek, Thompson and D River need to be tested for *E.coli*. With this increase in activity, would that go into consulting?

Robertson: No, he would be taking on that project. It would come under monitoring for the cost of analyses.

Maintenance. Hoover: We have not discussed accruing funds for replacement or for maintenance of the boat and motor.

Robertson: We have the contingency fund and if you have to replace it, you have some dollars in contingency.

Strayer: How big is contingency fund?

Robertson: It is nearly \$20,000. That number has come down a bit with the few changes already passed by the budget committee. It is in the general fund.

Pirie: Is that little boat appropriate for the plans for the District?

Robertson: Yes. A couple of kayaks might be useful also. This is a good vessel. It fits the trailer. We have no plans for the boathouse. Maintenance costs were prohibitive.

Monitoring. Pirie: How much additional is this going to cost?

Strayer: Depends on the samples.

Pirie: Do we need some increase?

Robertson: It will take more than one sample at \$400.

Hoover: How much is it going to take to get actual samples?

Robertson: To begin with, a few thousand dollars is a good start. We start bracketing by using \$12 samples. Then we can say we have completed sampling with some high level of certainty to pin point the location.

Strayer: He read some old documents back in 1972 that said they knew there was *E.coli* on Thompson Creek. Robertson will bracket with the low cost monitoring, then move it to the high cost monitoring if something is found.

Green: If there is no resolution, we can drop it. How much more should be allocated to include the other two Creeks?

Robertson: He recommended \$20,000 for the total amount.

Hoover: He would like to see the Board oversee a plan. We need a plan with a goal and a plan for spending the amount and what they are trying to achieve.

Green: When the time comes for the higher level of testing, we would want assurances that this monitoring is going to bear some results.

Robertson: From the contingency funds, we would change it from \$12,000 to \$20,000.

Pirie: You will need to change the wording to include all three Creeks. You can take a look at the last few years.

Hoover and Green: Both stated they would like to leave the funds in contingency until it is needed.

Strayer: It would be harder to borrow, but we don't have any plans to borrow at this time.

Hoover: Add some verbiage that says this is a high priority for the Board and it will be a special project.

Robertson: Will add language into the improvement fund section indicating that DNA fingerprinting is planned.

Green: I would suggest leaving it the way it is. Additional monies may have to come out of the improvement fund to test all three creeks for DNA.

Pirie: Are we ever going to get involved in street water and runoff water?

Robertson: Storm water is a No. 1 pollutant everywhere in urban areas.

Skirvin: The City is working on that issue right now.

Vegetation Management. Strayer: Would like to see more of a plan on Shoreline Restoration.

Discussion ensued regarding the placement of a line item for grants. Robertson wishes to leave it as is in the event grants are obtained.

Green: Does not feel that place holders are ambiguous. He explained that to not budget anything requires the possibility of staff's needing to create an entire supplemental budget at a later date.

Strayer: I would change the designation here of “small mouth” bass to “large mouth” bass.

We should add \$25,000 to be used at the discretion of the board.

Hoover: On the \$100,000 for grass carp, if it is not going to be spent in this budget year, it should be placed back in the general fund.

Skirvin: Is there a potential for it to be used before July 1 of next year?

Moore: It isn't for buying the carp; it is for “getting there.”

Hoover: Feels that it will be confusing next year when it hasn't been spent.

Robertson: It could be done.

Green: Nobody is going to be upset about a place holder. The entire argument of not doing the place holder is so that you do not have to do the supplemental budget.

Skirvin and Weldon: They said they were happy with it as is.

Consulting. The last quarter of the RARE program needs \$4,750 to pay for it. The third quarter will be paid by June 30. Last quarter will be paid by August; this will reduce the improvement fund.

Contracting/Data Management. Robertson: District is contributing \$9,000 in kind and the \$15,000 will be received from DEQ. This is a database for the District to review the monitoring plan and all the existing data. It was funded knowing that the district would contribute \$9,000 in staff. We haven't billed them yet, but we have it available. The \$15,000 database section will be contracted out, although the contractor has not yet been RFP'd. Since the State of Oregon requires that their contracts go through an RFP process, we cannot do the project with Dr. Ford without going to bid. The database is the net result of existing data—graded, qualified and dated and entered into a digital database that we can use for a nutrient budget.

Personal Services project management specialist.

Hoover moved to eliminate this item. Pirie seconded.

Robertson. You could put it into contracting or material and services contracting. That would be another step if you wanted to address the work that is detailed without the burden of actual staff. The budget contains the amount of \$35,000 for part time labor should it be necessary for grants from NOAA, OWEB or the SOS program. This time frame begins in the fall and again in the spring for planting. Summertime is not the best time for this work.

Strayer: Another way to perform the work is to scale down and let it be done by another person.

Hoover said he is trying to leave an open door so that the Board could have the funds to utilize if they so chose.

Skirvin said it is not necessary to define this as a project manager. It's just supplemental labor. Some may be physical.

Strayer: Leave it as “assistance for labor in lake activities.”

Hoover withdrew his motion; Pirie withdrew his second.

Hoover moved: The Budget committee realizes that in the course of meeting its goals, supplemental labor may be necessary and this budget item up to \$35,000 is included to allow the Board to make the decision about how to spend available funds and to seek grants to supplement the goals as stated by the Board. Skirvin seconded.

Vote: Unanimous. Motion carried.

Robertson: Robertson will change all the numbers and repost the document to the web, along with some narrative changes. It will indicate, "The Budget Committee recommends that the Board approve this budget as amended."

Skirvin moved: The Budget Committee recommends that the full Board approve this budget as amended by the Committee. Green seconded.

Votes as follows: Approved: Sell, Weldon, Pirie, Green, Strayer, Skirvin. Opposed: Hoover.

The next budget hearing will be held in conjunction with the June 3 Board meeting.
The budget committee meeting adjourned at 2:27 P.M.

Respectfully submitted,
Linda Burt