

NEHALEM BAY HEALTH DISTRICT

2021/2022 BUDGET MEETING

April 29, 2021 7:00 pm

Location: Internet Zoom Meeting

The meeting was called to order by Chairman, Marc Johnson at 7:04 pm.

Attendance: Board Members: Attendees were present via Zoom as follows: Marc Johnson, Lynda Chick, Debbie Moberly, Barbara Edwardson and Tom Mock.

CEO: Jeff Slamal

Budget Committee Members: Mary Marken, Lloyd Lindley, Tom Ayers, Mark Roberts, Andrew Worsey.

1. Nomination to elect Mark Roberts as the presiding officer made by Tom Mock and seconded by Tom Ayers. Mark Roberts was elected presiding officer by unanimous vote.
2. Public Comment: No members of the public were present. Notification of the meeting was published with invitation to attend.
3. Review of the Budget Message for 2021-2022: Jeff described the process and indicated that it is prescribed per Oregon Local Budget Law. The District accounting is on a modified cash basis and Wheeler Care Center, a disregarded entity, is on an accrual basis.

Mark Roberts asked for clarification of the boundaries of the District. Simply put it runs from just north of Rockaway Beach east to the county line and north to Clatsop County line.

There was clarification of the Restricted Reserve Fund: Authorization will expire on May 15, 2022. At that time an additional resolution will need to reaffirm the original Resolution 2001-1 of May 15, 2002 that established the Fund.

Mark Roberts recommended that a separate analysis of current assets be completed in the near future. Marc Johnson noted that because of current projects the analysis is critical.

Lynda Chick commented that she would like to get a better understanding of the financial relationship of the Care Center and the Health District and it should be outlined in the Budget Message in the future. Jeff noted that the Care Center is currently a disregarded entity of the Health District and that the Health District has the obligation to cover expenses for the Care Center in the case of financial issues. Marc Johnson indicated that a sub-committee of the Board comprised of Debbie, Jeff, Marc and Lynda are working on a comprehensive explanation

of the relationship to be published soon. Tom Ayers asked how the Reserved Fund is spent and suggested a line item be dedicate to the Care Center to act as a cushion.

Debbie noted that it would be a good idea to move some of the large amount in the General Funds to the Reserve Fund in order to build that fund back up. Barbara noted that board members meet regularly to review the Care Center budget.

Jeff presented the **LB-20 Resources** page and explained the column headings.

Andrew Worsley questioned about the Hwy 101 property project. Short explanation of progress.

Lloyd Lindley asked about the Strategic Plan that was crafted several years ago. Marc noted that the outcome of the Plan was to improve primary care facilities in the community and to help encourage workforce housing.

Budget LB-20 Resources with a total of \$885,129 was approved with no changes.

Jeff presented **LB-31 Requirements**.

#1. It was pointed out that Personal Services has increase significantly for the CEO wages. Marc Johnson indicated that more hours will be required in order to complete the expected tasks, therefore, the increase.

#3. Linda asked about the Maintenance line item being blank. Our current Maintenance person is ill and plans to retire. Jeff feels that small tasks can be accomplished in-house with occasional contracted work so no amount is in the 21-22 budget.

#11. Mark Roberts asked for clarification of what is covered under Building Maintenance. Jeff reported that the interior of the Care Center and Rinehart Clinic are covered by those entities, however the exterior is the responsibility of the Health District. The Annex (Old Hospital) is also the responsibility of the District. Lynda noted that the foundation of the Care Center has visible cracks and should be addresses. Marc Johnson indicated that a capital reserve fund should be establishes after an analysis is done to handle that and other potential issues. General maintenance can be handled with the funds indicated. It was urged to have a Reserve Fund study with clarity of expense for the Care Center and the Health District. Lynda asked if the Professional Services line item was sufficient to handle a study. It was deemed an appropriate amount.

#15. Debbie asked if the \$40,000 reimbursement from CARES Oregon will be reflected in this budget. Jeff explained it is a wash since the District expended money to perform due diligence on the Hwy 101 property project with contract understanding that it will be reimbursed during the current budget year.

Tom Ayers asked if a survey of the campus has been done. Yes it was done recently.

Budget LB-31 Requirements with a total of \$885,129 was approved with no changes.

LB-11 Reserve Fund. Total reserves are in the amount of \$411,800.

Debbie suggested that an amount from the General Fund be transferred to the Reserve Fund and asked if the Care Center rent should be increased. Jeff reported that the rent has been the same since 2012.

Marc Johnson noted that there are few avenues to raise additional revenue and increasing the Care Center rent could be one but it would be a fairly modest amount. He said that it is important for the Health District to be able to demonstrate to tax payers that the Health District has value to justify an increased levy. He acknowledged that the Reserve Fund needs to be built back up.

Budget LB-1 Reserve Fund with a total of \$411,800 was approved with no changes.

Tom Roberts made the following motion: **“I move that the Budget Committee of Nehalem Bay Health District approve the budget for the 2021-22 fiscal year in the amount of \$885,129.”**
The motion was seconded by Andrew Worsley. The motion was approved unanimously.

Tom Roberts made the following motion: **“I move that the Budget Committee of Nehalem Bay Health District approve the permanent rate tax levy for fiscal year 2021-22 at the rate of .0309 per \$1,000. The motion was seconded by Andrew Worsley. The motion was approved unanimously.**

Marc Johnson noted that there will be a public hearing of the budget at the June 2021 Board Meeting. He extended thanks to Mark Roberts and the other members of the Budget Committee for their work.

The meeting was adjourned at 8:33 pm.

Respectfully Submitted,

Jennie Meyers, Recording Clerk