



Molalla Aquatic District (MAD)
Board of Directors
BUDGET COMMITTEE MEETING
TUESDAY, May 25th, 2021, 7:00 pm

BUDGET COMMITTEE MINUTES

1. **Call to Order:** Paula Beck called the online Budget Committee meeting via Google Meet to order at 7:17 pm.

1.1 Roll Call:

Board of Directors (BOD):

Paula Beck, Board President Chair (PB)
Rick Gano, Board Vice-President Chair (RG)
Claire Ferlan, Board Treasurer and Secretary (CF)
Neal Lucht, Board Member (NL)

Staff:

Melissa Georgesen, Aquatic Director (MG)
Jenniffer Swink, Recording Secretary (JS)
Debbie Rabidue, Bookkeeper (DR)

Budget Committee:

Hendy Appleton, Committee Chair (HA)
Geri Monroe (GM)
Sue Gee (SG)
Nancy Kylo (NK)
Pam Lucht (PL)

2. **Public Comments**

2.1 None

3. **2021-2022 Budget**

3.1 Budget Committee Public Meeting: On May 19, 2021 the 2021-2022 Proposed Budget was uploaded to the MAC website and emailed to the Budget Committee and MAD BOD. It was included in the Board Packet, which was emailed the Friday prior to the Board Meeting.

PB asked for nominations for the Budget Committee Chair positions. Hendy Appleton (HA) volunteered to be the Budget Committee Chair. PL seconded. PB called for a vote. Motion carried, unanimously by a show of thumbs, 9-0.

HA called the Budget Meeting to order at 7:20 pm. HA presented the 2021-2022 Proposed Budget. MG read out loud the from the Budget "Who We Are" (Mission and Vision statements) and the "Budget Message". MG also pointed out the Mission and Vision statements can always be updated or changed.

HA thanks MG for her proactive work. She appreciates MG's creativity. HA likes the new pool covers and the affect it will have on the energy especially after the first night turning the pool into a hot tub increasing the temperature to 88 degrees.

JS screen shared the Budget as HA reviewed it page by page asking for comments or questions through the process. The lack of use of the pool was pointed out. There are no private parties and the lack of swim lessons which are due to COVID and the Governor's restrictions. MG plans to increase the number of Red Cross trainings offered at the pool. This summer she would like to include babysitter courses with CPR and First Aide for ages 11 to 14 year old and junior lifeguard courses (mini-camps) with less than 10 kids per course. She also will have one to two water safety classes.

Page 1 of 4 is Resources (revenue expecting to receive). RG asked why line 8 had decreased. MG explained because of COVID swim lessons are much smaller. Plus, there is a staff shortage, so we are limited on the number of private swim lessons we can offer.

Page 2 of 4 is Requirements (what we are going to spend). Lines 1-12 are staffs' salary. MG explained the decrease in some of the staff salaries. Minimum wage will go up in July, but the staff's hours are down. There are no rentals, less programs and we are closed on Sundays. So, MG plans to increase the number of staff and their wages will increase with minimum wage; however their hours will be less. MG explained line 12 Workman's Comp Insurance is new. We have been paying the Workman's Comp Insurance, but it was not broken out as its own line item. This is a new budget line item which was recommended by DR. Workman's Comp Insurance is based on the number of employees and the hours they work. CF asked if it came out of line 11, Payroll Taxes. MG introduced DR. DR answered the Worker's Comp Insurance was combined with the general liability and building insurance. DR recommended to move it to the personnel costs. There will be a decrease in the insurance. It was never included with the payroll taxes. DR used historical data to get a good percentage on the payroll tax line. On line 6, Receptionist/ Admin will steadily increase in the next several years. MG and JS have been the only ones on payroll during the COVID shutdown mandate from the Governor's office. The Care's Act helped to cover their salaries. JS worked way more hours than initially budgeted. JS setup the behind the scenes work for the registration and communication, because classes now have to be pre-registered. MG feels very in-line with the budgeted figures. HA stated, "It is very important to have someone available to answer the calls." RG added, "People have to be screened when they come in to use the pool." Line 18, Accounting & Legal includes the two fiscal audits from this year which cost about \$8,000 to \$9,000 per year. Line 19, Bookkeeping/ Payroll Services reflects the upgrade needed for touchless payroll services due to COVID. We now have a bookkeeper that is putting in the time and doing the work that is needed. Plus, DR helped with the two audits. MG told the BOD she can bring up at a BOD meeting a review of the bookkeeping service. Line 23, Security System increased because of repairs of damages from the ice storm and a buffer is included for additional security. Line 25, Natural Gas Fees budget was kept the same, but we should see a decrease with the new pool covers. MG is being conservative in case there is a rate increase. HA is hoping to see the benefit of the new covers next year. MG did not have enough data on the bills to make any changes.

Line 28, Garbage/ Recycle has a typo at \$7,000, which should be \$2,000. RG moved to correct Line 28 to read \$2,000. CF seconded. Motion carried, unanimously by a show of thumbs, 9-0.

On page 3 of 4 is a continuation of Requirements (what we are going to spend). Line 33, Office & Computer Supplies increased because we are updating and upgrading our computers and software. RG wondered if the cost of paper has been affected by the cost increase for lumber. MG has not noticed an increase. NK asked if there is going to be a pool chemical shortage. MG has been in contact with the pool supplier. He said there is no issue; the media is tried to hype the issue. MG has no concern, plus MAC uses chemical control which helps reduce chemical usage.

Line 53, UV Upgrades + Pool Blankets has a typo at \$15,000, which should be \$56,000. This is for the UV System, not the blanket. This ended up being two separate projects. The UV has been approved and ordered. The UV will cut down on chemical usage. UV also eliminates the chloramines and makes the water crystal clear. It will eliminate the chlorine smell, too. NL moved to change Line 53 from \$15,000 to \$56,000. RG seconded. Motion carried, unanimously by a show of thumbs, 9-0. This amount will change Line 57, Total Capital Outlay from \$90,000 to \$131,000.

Line 54, Water Heater Upgrade is for three domestic hot water heaters for the locker room showers. Currently one hot water heater is not working and the second one is on the fritz. MG is looking for quotes. Oregon Energy Trust (OET) has no rebates. MG is looking at on-demand water heater versus the tanks. It will be a good upgrade. Water heaters now compared to 2002 should be more efficient. Line 59, Contingency changed from \$200,000 to \$160,000 to offset the errors above in the budget. SG

moved to adjust Line 59, Contingency from \$200,000 to \$160,000. RG seconded. Motion carried, unanimously by a show of thumbs, 9-0.

On page 4 of 4 is a continuation of Requirements (what we are going to spend). HA mentioned possible future projects like the splash pad and a hot tub. She asked what other facility improvements could be included in Line 69, Reserve for Future Expenditure and how would MG recommend funding these projects? Would you use grants or set funds aside every year in the budget? MG explained the process. She goes to the BOD to decide on projects and amenities. The BOD has talked about strategic planning and creating a Strategic Planning Committee to research issues like:

- How we want to grow
- Where to go from here
- Offer programs beyond swimming lessons

MG said the committee should take an accurate pulse by creating a survey. HA volunteered to be a part of MAD's Strategic Planning Committee. PL would like to be in the committee as well. PL shared about the Community Visioning Project for the City of Molalla, there will be a Branding meeting at the high school this Thursday. NL told the BOD with today's world of interest rates an organization can get a loan as cheap as bonds. Bonds take time and are costly. First you need to get approval of the bonds and then promote them for a vote. HA said alternate resources of funding are needed.

4. Upcoming Meeting

4.1 Next Board Meeting is our Budget Hearing on June 22, 7:00 pm via Google Meet online. JS will post the details including a link to join the meeting on MAC's website.

5. Adjournment - HA closed the meeting at 8:02 p.m.

RESPECTFULLY SUBMITTED:



Jennifer Swink

Recording Secretary

Rick Gano

Claire Ferlan

Claire M. Ferlan