

Board of Directors Work Session October 24, 2023

Board of Directors (BOD) President Molly Gutilla, Secretary John McKay, Treasurer Joseph Prows, and Assistant Treasurer Erin Hottenstein were present.

Executive Director Liane Jollon and Deputy Director Lorraine Haywood were present.

The work session was called to order at 7:05pm.

Staff presented the 2024 Health District DRAFT Budget noting that the 2024 DRAFT budget aims to:

- Reflect revenue increases due to increased property tax revenues and (to the best of our ability) account for significant last minute revenue unknowns related to the upcoming ballot initiative, Prop HH.
- Reflect stability, with few operational changes next year other than those already under construction
- Provide clarity for better short-and long-term planning
- Facilitate shared knowledge for improved shared decision-making
- Begin building a stronger foundation of financial and human resources that enables the Health District to meet current challenges, as well as prepare for future challenges, planned or unplanned
- Add operating and capital reserve fund goals

Board members asked for more detailed explanations of program, services and functions including specific questions related to reserve fund needs, staff safety, staff compensation, FTE changes and allocations, and BOD expenses. Staff agreed to provide more detailed information regarding the District's program and services.

Staff also explained that fund balances for operational and capital reserve funds currently do not meet best practices. Additionally, in recent years the District budgeted for much higher annual expenditures than revenues. That said, the District did not fully spend down operational funds as reflected in recent budgets, which resulted in more overall financial stability than anticipated.

Finally, staff added that the 2024 Health District proposed budget format is a more typical presentation for a governmental organization budget in order to help the BOD better understand costs of all programs, services and functions. The adjustments to Health District budget process are part of a larger agency-wide commitment toward infrastructure that enables staff at all levels to operate with clarity and confidence, and less uncertainty.

The work session was adjourned at 8:54pm.