

**BOARD OF COMMISSIONERS – SPECIAL (BUDGET) MEETING
PUBLIC HOSPITAL DISTRICT NO. 1 OF PEND OREILLE COUNTY**

November 15, 2018

In Attendance: Commissioners: Lynnette Elswick, Raymond King (via teleconference), and Terry Zakar; Tom Wilbur, CEO; Directors: Kim Manus, Chris Wagar, Susan Schwartz; Other: Casi Densley, Diane Anderson, Trina Gleese and Nancy Shaw.

Excused: Commissioners Thomas Garrett and Lois Robertson

CALL TO ORDER:

Vice Chairperson King called the meeting to order at approximately 1:00 p.m.

READING OF LEGAL NOTICE:

The regular meeting legal notice was distributed as required.

APPROVAL OF AGENDA:

The agenda was reviewed and approved as presented.

BUSINESS FROM THE AUDIENCE

Budget Hearing: A public hearing was opened at approximately 1:05 pm. to present the District's 2019 Operating Budget and approve its annual regular and excess property tax levy requests to the County for Maintenance & Operations and UTGO Bond debt service, respectively. A notice of the hearing was published to inform the public of the opportunity to comment on the District's proposed budget. A resolution to establish the District's standard M&O tax and UTGO Bond tax rate increase is also required at this meeting.

2019 Operating Budget: Kim Manus presented the preliminary 2019 operating budget and explained the information meets all requirements necessary to establish our annual M&O tax levy. She noted the preliminary budget request included approx. 324 FTE's, but that after a complete Director review, there will be some changes and an update will be provided at the November regular Board meeting.

ACTION ITEM AGENDA:

M&O and UTGO Bond Tax Assessment: Kim Manus explained that per RCW, the District's 2019 M&O property tax increase is limited to 1.0% of prior year collections, plus additions for new construction, which makes our levy request \$500,000. The 2019 excess levy request necessary to cover principal and interest payments on our 2019 UTGO bonds is projected to be \$681,744.

Via a motion made, seconded and passed unanimously, **Resolution No. 2018-12** was approved, passing the 2019 Operating Budget with expenses in the amount of \$42,017,841. Kim explained the budget projected net income of \$986,703, and pointed out that interest expenses for debt service has been accounted for in this amount; however, voted bond principal payment are excluded.

Resolution No. 2018-13 - Via a motion made, seconded, and unanimously passed, the Board approved the following 2019 property taxes levy requests:

M&O Levy in the amount of \$500,000 – includes an increase of 1% of the amount of regular property taxes levied in the highest of the three most recent years and a conservative add-on for new construction; and

UTGO Bond (special excess) Levy in the amount of \$681,744 to pay principal and interest on bonds issued to construct the new RMV– Advanced Care, residential care facility.

Kim extended her thanks for a job well done to Casi Densley and Diane Anderson for their assistance in preparing the 2019 budget during Kim's absence during the past three weeks.

No further comments were received. Commissioner King adjourned the budget/taxation hearing at 1:15 pm.

OTHER BUSINESS

There was no other business to discuss.

NEXT MEETING DATE

The next regular meeting of the Board of Commissioners is scheduled for Thursday, November 29, 2018 at 1:30 pm in the Sandifur Meeting Room at Newport Hospital & Health Services, a week later than the regular meeting date, due to the Thanksgiving holiday.

A video session has been scheduled for the Commissioners at **1:00 pm**.

Minutes recorded by Nancy J. Shaw, Administrative Assistant and Tom Wilbur, CEO.



Thomas Garrett, President
Board of Commissioners



Terry Zakar, Secretary
Board of Commissioners