

**Tentative Budget Hearing Minutes**  
Indian River Mosquito Control District  
September 13, 2024 @ 5:01 PM

The Indian River Mosquito Control District Board of Commissioners held the tentative budget hearing on September 13<sup>th</sup>, 2024, at the District Office.

**Present:** Anna Kirkland (Chair), Matt Erpenbeck (Vice-Chair) and Janice Broda (Secretary/Treasurer)

**Visitors:** Victor Recendez, Judy Avril and Tom Lowther

**Staff:** Sherry Burroughs (Executive Director), Michael Hart (Director of Operations), Peter Jiang (Director of Science), Johanna Avril (Community Relations Specialist), and Kevin Kinney (IT Manager).

**I. Call to Order:** Chair Kirkland called the hearing to order at 5:01 PM.

**II. Determination of the Millage Rate**

Sherry reported that the first order of business was the determination of the millage rate for the Indian River Mosquito Control District for Fiscal Year 2024-2025. The Board was supplied three separate budgets in their tentative budget packages:

- Option 1 with 0.2400 millage rate
- Option 2 with 0.2300 millage rate
- Option 3 with 0.2226 millage rate (Rolled Back Rate)

At the September 10<sup>th</sup> regular meeting, the Board approved Option 1 with a millage rate 0.2400. This millage rate is 7.82% above the rolled back rate of 0.2226.

**Commissioner Erpenbeck made a motion to adopt a millage rate of 0.2400 for fiscal year 2024-2025. Commissioners Erpenbeck and Kirkland approved; Commissioner Broda was opposed. The motion passed.**

Sherry announced that for FY2024-2025, the District will use a millage rate of 0.2400, which is 7.82% above the rolled-back rate.

**III. Discussion of Reasons for Inability to Use Rolled-back Millage**

Sherry provided the following key points on the proposed budget:

- **Transparency and Accountability:** Designed with full transparency to ensure taxpayers have a clear understanding of how their contributions are being utilized, fostering trust and accountability in the District's financial management
- **Economic Uncertainty:** Addresses fiscal responsibility, transparency, and aligns with strategic goals despite uncertainties. Given the District's reliance on property tax payments and the unpredictability of extreme weather events, effective risk management is critical.
- **Growing Community:** Reflects the District's responsibility and duty to serve the expanding community effectively, keeping pace with increasing demands on public services
- **Funding Priorities:** Aligns with the Board-approved strategic plan (February 2023), which aims for sustainable funding and adequate reserves (Reserve Policy July 2023), and the CIP (April 2024), which outlines key infrastructure investments.

- **Risk Management:** Proactively allocates funds to manage risks from severe weather, revenue volatility, and public health emergencies.
- **Historical Lessons:** Avoids repeating past financial crises caused by underfunded reserves, like in 2007-2008.
- **Rolled-back Rate Risk:** Opting for the rolled-back rate, while temporarily reducing the tax burden, would compromise the District's ability to maintain financial health in the face of potential challenges.
- **Long-term Stability:** Maintains adequate reserves to ensure operational stability and continued public service, in accordance with the Board's Reserve Policy (July 2023).

The Board was urged to consider the lessons from past financial difficulties and the importance of adequate reserves to support operational stability and public service commitments. Adopting the recommended budget ensures that the District is prepared for future uncertainties and can continue to serve the community effectively and sustainably.

#### **IV. Presentation and Discussion of Proposed Budget and Millage**

- The tax base for FY 2024-2025 will total \$29.2 billion, which equates to a 10.47% increase over last year's tax base figure of \$26.4 billion.
- The proposed millage rate is 0.2400, which is 7.82% higher than the rolled-back rate of 0.2226. This rate will generate an ad valorem tax revenue of \$6,673,869.

This budget option includes

- A 3% pay increase is included for all employees.
- Contingency funds amount to \$252,000, covering post-hurricane treatment, emergency repairs (infrastructure, facilities, equipment, and pumps), and cybersecurity recovery response.
- Reserve funds total \$1.7 million, allocated as follows:
  - \$770,000 for future capital outlay.
  - \$736,000 to be carried forward as cash balance.
  - \$72,000 for sick and annual leave appropriations.
- The total balanced budget for FY 2024-2025 is \$10,755,470, which includes general, state, and OPEB funds.
- From FY 2016-2017 to FY 2021-2022, the millage rate was consistently at 0.2515.
- In the last two years, the Board has reduced the millage rate to 0.2500 and then to 0.2400, respectively.

This budget plan addresses operational needs, salary increases, contingencies for emergencies and cybersecurity, and sets aside reserves for future needs while maintaining a conservative millage rate that still supports increased revenue from the growing tax base.

#### **V. Comments or Questions from the Public or Press - none**

#### **VI. Separate Orders of Business**

##### **A. Adoption of the Proposed Millage Rate**

**Commissioner Erpenbeck made a motion to adopt proposed millage rate of 0.2400 for FY 2024-2025 in relation to Resolution #2024-005 (which is 7.82% above the rolled back rate of 0.2226).**

Commissioners Erpenbeck and Kirkland approved; Commissioner Broda was opposed. The motion passed at 5:11 PM.

**B. Adoption of the Proposed Budget**

Commissioner Erpenbeck made a motion to adopt proposed budget of \$10,755,470 for FY 2024-2025 budget in relation to Resolution #2024-006. Commissioner Kirkland seconded with discussion. Commissioner Kirkland commented that since last Tuesday she had spoken to 25 to 30 people from various areas in the County to inquire what they wanted. She provided examples of what was being done and the associated cost. Everyone responded the same way, "don't change it, if anything, we want more". She stated that was the reason she seconded the motion and wanted it on record.

Commissioners Erpenbeck and Kirkland approved; Commissioner Broda was opposed. The motion passed at 5:12 PM.

VII. Date of Final Budget Hearing – September 24<sup>th</sup>, 2024 at 5:01 PM

VIII. Adjournment

Commissioner Erpenbeck made a motion to adjourn. The Board unanimously approved; motion passed at 5:14 PM.

Attest:   
