

FINAL Budget Hearing Minutes
Indian River Mosquito Control District
September 24, 2024 @ 5:01 PM

The Indian River Mosquito Control District Board of Commissioners held the tentative budget hearing on September 24th, 2024, at the District Office.

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

Visitors: 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. Chair Kirkland called the hearing to order at 5:01 PM.

II. Announcement of the Millage Rate

At the Tentative Budget Hearing, the Board set the millage rate of 0.2400.

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

Sherry provided the following key points. The proposed budget:

- ensures fiscal responsibility, transparency, and alignment with strategic goals,
- funds emergency management, capital projects, and reserves as per the 5-Year Plan and Reserve Policy,
- maintains operational stability and service quality, addressing increased public service demands,
- provides sufficient reserves for financial health and emergency readiness,
- protects against revenue volatility, extreme weather, and public health risks,
- reflects actual expenditures adjusted for inflation to ensure sustainability,
- lessons from past financial crises emphasize the need for adequate reserves, and
- provides a prudent approach that aligns with strategic goals and prepares for uncertainties, ensuring continued effective service to the community.

Choosing the rolled-back rate would undermine the Board's established policies and objectives, risking the District's financial stability and emergency response capabilities. Opting for the rolled-back rate may cover short-term operational expenses but risks a future millage increase if unexpected events occur. Past financial crises in 2007-2008, exacerbated by extreme weather and the recession, showed the dangers of minimal reserves.

IV. Presentation and Discussion of 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 the following:

- 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 Final Millage Rate

Commissioner Erpenbeck made a motion to adopt Resolution #2024-007 to set the proposed millage rate at 0.2400 for FY 2024-2025 (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 5:08 PM.

Commissioner Broda commented that the Board has the ability to raise taxes when necessary, providing examples in prior years when the taxes were increased over a two-year period for building improvements and Sebastain Inlet raising taxes this year by 63% for beach renourishment. In the event of a catastrophe, the Board can increase the tax rate. She added that setting aside the funding "in case the sky falls is a dis-service to taxpayers and just plain wrong."

B. Adoption of the Final Budget

Commissioner Erpenbeck made a motion to adopt Resolution #2024-008 setting the proposed budget of \$10,755,470 for FY 2024-2025. Commissioners Erpenbeck and Kirkland approved; Commissioner Broda was opposed. The motion passed at 5:09 PM.

VII. Adjournment

Commissioner Erpenbeck made a motion to adjourn. The Board unanimously approved; motion passed at 5:09 PM.

Attest: _____




