

Commissioners Minutes

May 7, 2025 - 1:31 p.m. to 2:28 p.m.

FY2026 BUDGET WORKSHOP FOR SOUTHWEST DISTRICT HEALTH

Commissioners Brad Holton, Zach Brooks, and Leslie Van Beek

Auditing Supervisor Sarah Winslow

Nikki Zogg, SWDH Executive Director

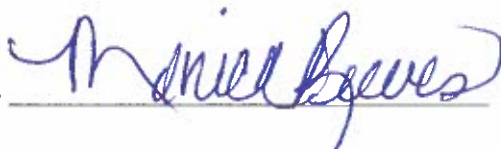
Aaron Howard, SWDH Financial Officer

Constituent Services Director Aaron Williams

Clerk Rick Hogaboam arrived at 1:51 p.m.

COO Greg Rast

Deputy Clerk Monica Reeves



FY2026 BUDGET WORKSHOP FOR SOUTHWEST DISTRICT HEALTH

The Board met today at 1:31 p.m. for the FY2026 budget workshop for Southwest District Health.

Present were: Commissioners Brad Holton, Zach Brooks, and Leslie Van Beek,

Auditing Supervisor Sarah Winslow, SWDH Executive Director Nikki Zogg, SWDH Financial Officer

Aaron Howard, Constituent Services Director Aaron Williams, COO Greg Rast, and Deputy Clerk

Monica Reeves. Clerk Rick Hogaboam arrived at 1:51 p.m. Dr. Zogg submitted the FY2026 Budget

Book as well as the Fiscal Year July 2023 to June 2024 Impact Report. Financial information was

reviewed by Dr. Zogg and Mr. Howard.

- County contributions are forecasted to rise by 2.25%
- Seven (7) new positions are requested for FY26
 - \$110.7k
- 3% COLA
- FY26 budget request is \$2,452,835*, which is a \$56,150 increase over last year. (*July through June)

Other topics of discussion were:

- *Services provided by SWDH staff*
- *Budgeted Interest:* Commissioner Brooks said it doesn't seem transparent that SWDH is putting all of the interest toward the county contribution and saying we're only requesting a 2.25% increase when that doesn't account for the 13.1% increase that they've hidden. Director Zogg said the interest is projected and is part of the revenue that helps cover the costs of services. Historically, they have never asked for more than a 3% increase and if they've needed to they have shrank staffing or services.

- *High nitrate priority areas:* Commissioner Holton said the Board receives reports as part of land use hearings about cross contamination of percolation of a drain field crossing a property line and he wants to know who enforces that, who is liable? Can the County and SWDH work together to make sure we're being fair to the public and the County going forward? Director Zogg said that would be a great conversation to have with the County and SWDH environmental staff because there are new laws regarding domestic wells that we need to be mindful about with new development, and their team is trying to encourage well water testing for residents and have better mapping so we can make better land use decisions.
- *Pre-Prosecution diversion program:* Commissioner Holton noted this is an important program.
- *Cost of restaurant inspections:* In response to a question from Commissioner Van Beek, the Director Zogg said there are things SWDH does that are regulatorily required such as the food protection program, which is subsidized by the taxpayers where half the cost is covered by taxpayers and there is a philosophy on the health board and staff that it should be the cost of doing business, but unfortunately those fees are set in statute and they have worked a few times, successfully, over the last 30 years to try to change the fees closer to cover the costs, but that's where we are today. She said last fall the health board adopted several policy positions and resolutions and one of those was related to the food protection program. They will try to work with the legislators on it this summer ahead of the upcoming session to try for change. A resolution was passed that bans the marketing of illicit drugs like marijuana.
- *Use of fund balance:* Commissioner Brooks wants the increase to come out of fund balance. There is an ask of \$45,000 and we have enough to cover it in health district fund balance and it would be nice if the board would go along with that. They had \$1.7M in fund balance and the proposed overall budget is around \$17M. He wants this year's request to be soaked up by fund balance rather than any additional increase or decrease to the counties in the district. Director Zogg said they are working through it as part of work group that Commissioner Brooks sits on. Commissioner Holton said the County is trying to dig out of a \$14M deficit and he recommends Director Zogg challenge her board to get a clear policy so a future board can understand why you have fund balance and why it needs to stay. Director Zogg is thankful to have the conversations so they can set up the organization for future success.

The meeting concluded at 2:28 p.m. and an audio recording is on file in the Commissioners' Office.