

**Port Ludlow Drainage District (PLDD)**  
**October 20, 2022**  
**Board of Commissioners Special Meeting - #0298**  
**Public Hearing Regarding the Port Ludlow Drainage District 2023 Budget**

**1. WELCOME FROM THE CHAIR:**

**2. CALL TO ORDER:** Chair Gary Rygmyr called Meeting #0296 of the Port Ludlow Drainage District to order at 5:30 p.m. at the Beach Club Gallery Room, Port Ludlow, Washington.

**3. ROLL CALL:** Commissioner 1, Gary Rygmyr, Commissioner 2, Dean Cole, and Commissioner 3, Michael Nilssen present. No absences. Administrative Coordinator Mary Paxton were present.

**GUESTS:** Correy Bushman, Phil Racine, Carol Primson-Reed, and Diane Garrison.

**CALL IN:** Katie Smith and one unidentified caller joined after roll call.

**4. AGENDA APPROVAL:** Chair Rygmyr introduced the agenda.

**MOTION:** Commissioner Rygmyr moved to approve the agenda and Commissioner Cole seconded. The motion passed unanimously.

**5. STAFF OVERVIEW OF THE 2023 BUDGET AND ASSESSMENT:** Commissioner Nilssen presented the proposed 2023 Budget and Assessment. He summarized proposed line-item increases and the basis for the recommendation. He explained that historically the budget always included a five percent override in case of unexpected expenses. He said he will be comparing budgets over the past couple of years to assess the need for the override.

Commissioner Nilssen presented the 2023 Budget Request form to Jefferson County. He explained that Jefferson County Assessor and Auditor manage all the District revenue. The form includes the 2022 and 2023 budget line items with the county account numbers and the request for a \$70,000 assessment in 2023 compared to \$60,000 in 2022.

Commissioner Nilssen presented a six-year projected budget with three percent increase in expenses that summarized the District's cash account surplus and the beginning and end of the year with three scenarios: 1) no assessment, 2) a \$10,000 progressive increase in assessment each year until 2027 where it would cap at \$110,00; and 3) \$95,000 assessment each year with a \$10,000 capital improvement project each year.

Commissioner Nilssen presented a chart showing the history of assessment with the Port Ludlow Drainage District. He noted the assessments were higher between 2003 and 2014 during construction of capital improvements. He explained that the prior Commissioners requested to liquidate last year but Jefferson County denied the request. He explained that Jefferson County appointed the three current Commissioners late last year, and the

Commissioners were elected this year.

**6. GENERAL PUBLIC TESTIMONY:** Chair Rygmyr opened the public hearing to receive public testimony on the 2023 Budget and Assessment. Correy Bushman stated that an unknow party excavated and lowered the ditch in front of his residence. Consequently, his front yard is eroding. He asked whether a repair could be part of the budget. There was consensus with the Commission that Mr. Bushman should work with Chair Rygmyr to collect facts and learn more about his inquiry.

Phil Racine said that he recently received an assessment letter from the Jefferson County Assessor documenting the changes to assessment of his property and wanted to know how the county assessment rate will affect the Port Ludlow Drainage District assessment.

There were no comments from the two call-in attendees.

Chair Rygmyr closed the public hearing.

**7. DISCUSSION OF THE PAY RAISE FOR THE ADMINISTRATIVE COORDINATOR, THE LETTER OF ENGAGEMENT FROM FALGE FINANCIAL FOR BOOKKEEPING SERVICES AND DISCUSSION OF THE 2023 PORT LUDLOW DRAINAGE DISTRICT BUDGET AND ASSESSMENT:** Commissioner Nilssen explained Jefferson County property assessment has no bearing on the Port Ludlow Drainage District Assessment. Commissioner Nilssen said that the County Assessor will collect a total of \$70,000 from all properties in the District. Jefferson County uses a formula developed for each parcel based on a combination of the size of the property and lot coverage to derive the assessment for each property. The assessment information can be found in Jefferson County Ordinance NO. 06-0817-20

The Commissioners discussed the increase in pay for the Administrative Coordinator. Commissioner Nilssen noted that there has been inflation and the pay scale would be consistent with the pay scale for similar positions in Jefferson County based on a salary survey he conducted.

Chair Rygmyr asked about the “What we don’t do” clause in the Falge Financial letter of engagement. Commissioner Nilssen explained that Falge Financial does not perform accounting services for the District, but only bookkeeping services. Falge use the financial numbers provided by Jefferson County Auditor’s Office to prepare monthly District financial statements and assist the PLDD with preparation of the State Audit using information from the Jefferson County Auditor.

**MOTION:** Chair Rygmyr moved to approve Resolution 2022-03 approving the District 2023 budget and assessment with a change to the amount in the budget from \$107,190 to \$107,890 and an Assessment of \$70,000. Commissioner Cole seconded. The motion passed unanimously.

**MOTION:** Commissioner Nilssen moved to approve an hourly pay raise for the

Administrative Coordinator from \$24.75 to \$27.29 and to increase the number of hours per month from 31 to 35. Commissioner Cole seconded. The motion passed unanimously.

**MOTION:** Commissioner Nilssen moved to approve the letter of Engagement from Falge Financial for 2023. Commissioner Cole seconded. The motion passed unanimously.



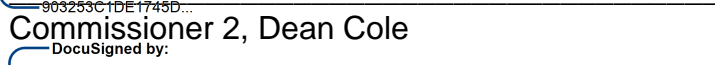
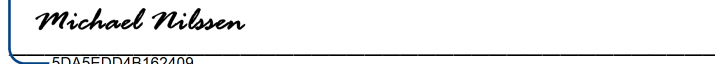
8. **SIGNING OF THE DOCUMENTS** will be done via Docu-Sign within five business days of the approval as provided for in Resolution 2020-01 and 2020-02.

**9. MEETING ADJOURNMENT:**

**MOTION:** Chair Rygmyr moved to adjourn the meeting and Commissioner N seconded Cole The Motion carried. The meeting adjourned at 6:15 p.m.

Minutes prepared by Mary Paxton, Administrative Coordinator

Approved:

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*The minutes and recordings of meeting are posted on the District website.*