



PACE BUDGET COMMITTEE MEETING MINUTES

TUESDAY MARCH 11, 2025

2:00 pm – 3:00 pm

AGENDA

Via Zoom

PACE Trustees/Budget Committee present: Olivia Meyers-Buch, Executive Director of Business Services, Lane ESD; George Mendoza, Superintendent, La Grande SD.

OSBA Staff present: Dave Harvey, PACE Administrator; Jaime Conder, Director of Finance and Operations; Emily Welborn, PACE Senior Administrative Assistant.

SDAO Staff present: Mike Dougherty, Chief Financial Officer

I. Welcome – *Dave Harvey*

Meeting called to order at 2:10 pm.

II. Budget Overview– Dave Harvey, Mike Doherty, Jaime Conder

- Significant increases due to expected SAM claims and uncertainty around reinsurance rates.

- 50% Increase in general liability reinsurance budgeted

- Property Insurance market softening, but a potential 15-20% increase due to recent large claims.

- New claims adjuster position (76% allocated to PACE)

- Eliminated an IT position due to retirement.

- Overall salary increase of 8%

- Proposed 18.5% average member contribution increase

- Targeting net income of \$8 million

- Aim to move retained earnings from bottom to middle of recommend range (\$50-100 million)

- George raised concern of the financial burden a 18.5% increase would bring to members during an already challenging budget year. George stated that a 15% increase would be more 'palatable'.

- Mike stated that contributions could be lowered some, but that would affect our target retained earnings. Mike stated it was mentioned in the December meeting that the Trust would prefer to



be in the mid-range for our retained earnings and we are currently at the lower end of the set threshold.

-Olivia asks if the reinsurance rates are better than anticipated, will that be factored into the potential member contribution increase?

-Mike states that since there are such 'big numbers' and unknowns that timing may not work out to adjust the contributions for this year but that it would be reflected in future budgets.

III. **Approval of Budget-**

Sample motion "I move to approve the PACE budget for FY 25-26 as presented."

George Mendoza moved to approve the PACE budget for FY 25-26 as presented conditional on further discussion of reinsurance rates and targeted equity range for the Trust at the April Trust meeting. Olivia Meyers-Buch seconded. The motion carried.

IV. **Adjourn**

Meeting adjourned at 2:40 pm.