



**Minutes**

President Huffman called the meeting to order at 9:05 a.m. and Mr. Leonard called roll.

**Directors:**

Gene Huffman, President  
Kirk Rathbun, Vice President  
David McKenzie  
Arland War  
Griffin Hanberg

**Staff Present:**

Shane Leonard, District Manager  
Jason McShane, Assistant District Manager  
Stuart Dezember, Comptroller/Treasurer  
Seth Defoe, Land and Water Resources Manager  
Ben Woodard, Engineering and Operations Manager  
Lori Gibson, Executive Assistant  
Melissa Olheiser, Accounting Supervisor  
Matthew Berglund, Public Relations Coordinator  
Mardi Perry, Executive Assistant

**Other Persons Present:**

John Crotty, Western Legal

**APPROVAL OF AGENDA: Director McKenzie moved to approve the agenda. Vice President Rathbun seconded. The motion carried.**

**WORKSHOP: 2025 Budget**

Materials distributed at the meeting:

1. Kennewick Irrigation District Workshop projected Operating Revenues and Operating Expenses (2015 to 2025) and Increase in Selected Expense (2022 to 2025)
2. KID Assessment Increase vs. CPI Increase
3. Insurance and Payroll Cost Increases
4. 2025 – Wages, Payroll Taxes, and Benefits

Mr. Leonard briefly reviewed the overall financial position of the District, highlighting the major factors affecting the current revenues and expenses, including payroll, interest income, and insurance costs. He spoke about the need to determine the Board's direction regarding assessments, and the past use of reserves to cover operating expenses.

Mr. Dezember reviewed the handouts, which were discussed at length by the Board and staff. Vice President Rathbun raised the question of whether the Gordon model of assessments was followed and if it was adjusted as needed. Mr. McShane explained that adjustments had been made, and are still ongoing, to reflect the actual costs to the District for each tier. Discussion ensued.

President Huffman called a break at 10:23 a.m. and the meeting resumed at 10:50 a.m.

Mr. Dezember shared various calculations of prospective revenues and use of reserves. Director McKenzie inquired as to the projected expenses. There was a discussion regarding these projections. Mr. Leonard summarized several projects needed and explained the effects of delaying these projects. President Huffman expressed his desire to have covered parking for the fleet. Mr. Leonard continued, requesting further direction from the Board regarding assessments.

**EXECUTIVE SESSION:** At 12:00 p.m., Mr. Leonard announced on behalf of the presiding officer that the board would go into executive session to discuss with legal counsel potential litigation, in

the form of litigation or legal risks of a proposed action or current practice pursuant to RCW 42.30.110(1)(i)(iii), beginning at 12:00 p.m. for approximately 30 minutes unless extended.

There were no members of the public on Zoom or in person.

At 12:30 p.m., Executive Session was extended for 50 minutes.

**OPEN SESSION:** At 1:20 p.m., the meeting resumed in open session.

Mr. Leonard stated that staff had sufficient direction from the Board to bring an approximate 16% general increase in assessments on the assessment roll, targeted to the tiers with the highest associated operations and maintenance costs. The remainder of the 2025 budget will be brought to the Board at a later date.

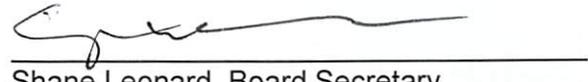
President Huffman called for a motion to adjourn.

**Vice President Rathbun moved to adjourn at 1:23 p.m. Director McKenzie seconded the motion. The motion carried.**

Attest:

Witness:

  
Gene Huffman, Board President  
Minutes Approved November 19, 2024

  
Shane Leonard, Board Secretary

Prepared by Lori Gibson