

TESTIMONY TO THE INTERIM TAXATION COMMITTEE

Prepared March 25, 2014 by
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REGARDING APPOINTED BOARD BUDGETING

Chairman Cook and members of the Interim Taxation Committee – while we didn't have the ability to widely share this bill draft among county officials, we were able to discuss it with several seasoned county auditors and commissioners. Their initial reaction was one of support with several comments:

- The February first date for boards to file financial reports for the preceding year, and especially budgets for the upcoming year, could be problematic. This would be asking these volunteer boards to project the next year's revenues and costs after only one month of the current budget year. The common practice for counties is to begin budgeting for all boards and departments in mid-summer, so information obtained in February would likely go unused for a number of months anyway. It was suggested that "February first" be changed to "*August first, or at an earlier date if requested by the county commission*".
- The auditors pointed out that three of the district boards included in the bill represent separate political subdivisions created by election and the board members are elected by the citizens of those districts. These three are identified below. It was noted that these district boards are analogous to township boards.
- There may be a reason for this, but Section 22 of the bill draft creates the budgeting requirement for rural fire protection districts created under NDCC 18-10, which appears to already be addressed in Section 13.

SECTION 10 (Rural Ambulance Service District) 11-28.3-06...Permanent organization must be effected by the election of a board of directors consisting of not less than five nor more than ten residents of the district.

SECTION 13 (Fire Protection District) 18-10-04...Permanent organization must be effected by the election of a board of directors consisting of not less than five residents of the district, at least one of whom must represent each township.....

SECTION 16. (Hospital District) 23-30-04...the electors residing within the boundaries of the district shall, by approval of a majority of those present, establish election procedures and elect a board of directors of the hospital district.....