

**Board of Directors
Regular Meeting
Wednesday, December 14, 2011, 6:30 p.m.
Willamalane Community Recreation Center
250 S. 32nd Street, Springfield, Oregon**

Call to Order

President Gary Ross called the meeting to order at 6:35 p.m.

Roll Call

Superintendent Bob Keefer called the roll. Present were President Ross, Directors Anne Ballew, Lee Beyer, Denise Bean, and Greg James.

Staff present included Mr. Keefer, Jason Genck, Pam Caples, Joel Miller, Greg Hyde, Rebecca Gershow and Rita Grimes

Others present: Legal Counsel Dwight Purdy, Eric Mieriter, CPA, Pauly, Rogers and Co., P.C.

Flag Salute

President Ross led the Board and audience in the flag salute and Pledge of Allegiance.

Adjustments to the Agenda

None

Oral Requests and Communications from the Audience/Staff

None

Consent Calendar

Minutes

Regular Board Meeting of November 9, 2011

Claims

11/04/11 through 12/08/11 Disbursements for Approval
Checks #88627 through 89000

Financial Summary

July 1, 2011 through November 30, 2011

Other

- Renew Property and Liability Insurance Policy
- Clearwater Lot Covenant

Director Beyer moved, seconded by Director Ballew to approve the Consent Calendar as presented. The motion passed unanimously 5:0.

Unfinished Business

1. FY 11 Audit Review

Administrative Services Director Pam Caples introduced Eric Mieriter, Certified Public Accountant at Pauly, Rogers and Co., P.C.

Mr. Mieriter introduced himself and said that he was the lead auditor on Willamalane's FY 11 audit and he thanked the Board for giving Pauly, Rogers the opportunity to do it.

Mr. Mieriter explained that the audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation or compliance with generally accepted accounting principles and auditing standards and the Oregon Municipal Audit Law and the related administrative rules.

He went on to state that Willamalane was issued an unqualified opinion on the financial statements; meaning that Pauly Rogers gave a "clean" opinion with no reservations. In addition, they found that Willamalane met state minimum standards for an audit meaning that they found no exceptions or issues requiring comment, except as indicated on page 8 having to do with over expenditures of budget accounts.

Mr. Mieriter stated that two letters were: SAS 114 which includes information that must be conveyed to the Board; and SAS 115 which includes recommendations for improving some quality controls. He then asked for questions.

Mr. Beyer asked Mr. Mieriter to talk a little bit about the recommended separations in reconciliation and payroll controls. Ms. Caples said she would like to come back to the board in January to explain the controls that have been put into place. Mr. Mieriter said that the auditors tested the areas where they had concerns and found no problems.

Mr. Ross noted that as businesses flatten, it gets harder to create those separations.

Mr. Beyer asked Mr. Mieriter if he was satisfied that the deficiencies are being addressed and Mr. Mieriter said he had not looked at them again.

Ms. Bean said she appreciated the common sense approach taken to divisions and recommendations.

Mr. Ross stated the practices have been in place for a while and have not been noted by previous auditors. He went on to say that it was good to have new set of eyes look at how Willamalane does things.

Director Ballew moved, seconded by Director James to accept the FY 11 Audit Review as presented. The motion passed unanimously 5:0.

Mr. Mieriter complimented staff on their assistance during the audit saying they were a pleasure to work with.

2. Five Year Financial Plan

Administrative Services Director Caples reviewed the updated Five Year Financial Plan based on the revised FY 11 ending fund balance and the assessed value information received from the County in late October. The FY 11 ending fund balance was approximately \$156,000 higher than was budgeted in FY 12. The FY 12 budget anticipated a 2% growth in assessed value. The actual growth came in 3.4% higher than FY 11 resulting in additional tax revenue of approximately \$120,000.

Staff is recommending the following one-time expenditures amounting to \$150,000 in FY 2012 because of the additional ending fund balance:

- Technical Equipment and Software Upgrade and/or Support \$50,000
Includes replacement of plotter, phone servers, minor software, and consultation for maintenance management software.
- Voters Survey and Image Campaign \$20,000
- Willamalane Center Equipment and Improvements \$40,000
Includes purchase of fitness equipment, ADA door openers, storage cabinets, and painting the north exterior wall.
- Increase transfer to B & C Fund \$40,000

Ms. Caples went on to say that assumptions within the Five-Year Financial Plan need to be adjusted to reflect the most recent changes in the economy, assessed value, and other projections that impact future budgets. The following changes in the assumptions are recommended to better reflect future budget projections:

- No changes in AV or uncollectable amounts – current assumptions show 2% in FY 2013 and 3.5 in the remaining years. We are continuing to budget a 94.5% collectable rate.
- Zero rate change in health insurance for FY 2013. Future years are still assumed to grow at 10% increase.
- Changed wage increases by 0.5% because of increased CPI figures.
- Increased transfer to B & C Fund back to previous level of \$320,000.

With these changes in assumptions, the District will continue to meet the Board's ending fund balance goal of 12% of tax revenue. In addition, the District will have approximately \$125,000 per year of unallocated funds to support additional operations throughout the District.

Mr. Keefer reminded Board members that these are assumptions. The Five Year Plan is a great tool and has been very useful in keeping Willamalane's financial situation healthy. He thanked Pam for her work on it.

Mr. Beyer said he was curious about the assessed value growth of 3.4% as market value had gone down. Ms. Caples replied that even as market value decreases, assessed value is still allowed to grow. Mr. Beyer went on to ask what her assumptions were on the CPI in next 3 years and she replied that it will probably be 3%.

Relative to the one time expenditures in the amount of \$150,000, Mr. Ross noted that there was nothing to address future expenses. Mr. Keefer stated that the \$125,000 in unallocated funds is for contingencies.

Director Ballew moved, seconded by Director Bean, to accept the Five Year Financial Plan as presented. The motion passed unanimously 5:0.

3. SDC Annual Rate Adjustment Resolution

Planner Rebecca Gershow reminded Board members that Park and Recreation System Development Charges are adjusted annually based on changes in costs through a specific methodology adopted by the Board in 2006. The 2012 rate is based on a cost adjustment (inflation) factor of 2.36 percent, and a debt service credit for a single family detached dwelling unit of \$668. In comparison, last year the cost adjustment factor was negative 8.07 percent and the debt service credit was \$736. Proposed 2012 SDCs for all dwelling unit types are shown in the following table:

Dwelling Unit Type	2011 SDC Rate	Proposed 2012 SDC Rate	Difference
Single Family Detached	\$3,409	\$3,499	\$90
Single Family Attached	\$3,404	\$3,437	\$33
Multi-Family	\$2,800	\$2,839	\$39

Ms. Gershow noted that if the District implements the proposed 2012 SDCs, it would yield a single family detached SDC of \$3,499, and 2012 revenue of approximately \$269,423.

Mr. James asked if the District hadn't deferred SCD collection until the property was sold or inhabited. Ms. Gershow agreed that was true but no one had requested the deferral so there was no impact and that the agreement has since expired.

In reply to Ms. Bean's question about the increase affecting commercial SDCs, Ms. Gershow replied that they were not affected; only residential SDC charges fund Park and Recreation SDC income.

Director James moved, seconded by Director Beyer, to approve Resolution #11-12-08 Adjusting Parks and Recreation System Development Charge Rates to reflect changes in costs as presented. The motion passed unanimously 5:0.

Mr. Beyer commented that the District will probably need to meet with the homebuilders in the next couple of years to talk about it the SDC methodology. Ms. Gershow replied that once the Comp Plan Update is completed, staff will review the SDC methodology and will invite public involvement.

4. FY 12 COLA for Non-union Part-time Employees

Ms. Caples explained that the Board gave non-union full-time employees a 1.25% COLA effective July 1, 2011, and union employees a 1.75% COLA effective October 1, 2011. Staff recommended in June to postpone the non-union part-time COLA until January 1, 2012 to

coincide with a potential increase in the minimum wage rate. The minimum wage rate is increasing from \$8.50 to \$8.80 per hour (3.5%) effective January 1, 2012.

She noted that the lowest two ranges of the non-union wage scale are becoming compressed, leaving \$0.11 between the two ranges. In addition, the lowest range in the scale is compressed from bottom to top as minimum wage has been increasing at a greater rate than the District's COLA. These issues will require more analysis as to how to adequately address them and Ms. Caples anticipates making a report to the Board with recommendations prior to the beginning of the new fiscal year.

Director Beyer moved, seconded by Director Bean to approve the FY 12 COLA for Non-union Part-time Employees as presented. The motion passed unanimously 5:0.

5. Award Dorris Ranch Orchardist Contract

Park Services Division Director Joel Miller introduced this topic saying that he had received only one bid for the contract from current orchardist Don Hansen. Mr. Hansen has been an excellent orchardist, increasing volume by 38% and with a higher per pound price. In addition, he has been very good about working around programming and events held at the Ranch.

Mr. Beyer asked if spraying is going to be a problem in the future once the Middle Fork Path is open through the ranch. Mr. Miller assured him that it will be possible to close off the orchard when spraying.

Ms. Bean wondered if there was squirrel management plan in place at the Ranch. Mr. Miller replied that nature has been good at the Ranch. Mr. Beyer noted that there hadn't appeared to be a population increase.

In answer to Ms. Ballew's question about a tree replacement schedule, Mr. Miller noted that a replacement plan was addressed in the proposal. The biggest issue is the Eastern Filbert Blight but it hasn't hit the orchard much. Short term plans include replacing pollinator trees.

Director Ballew moved, seconded by Director Beyer, to accept the Dorris Ranch orchard management proposal submitted by Hansen's Coast Fork Farms and authorize staff to enact a contract commensurate with the proposal. The motion passed unanimously 5:0.

6. Natural Resource Management Plan Update

Planning and Development Manager Greg Hyde stated that past and current input indicates that Willamalane residents value opportunities for nature-based recreation within their local park system. To that end, the adopted five-year Capital Improvements Program calls for development of a district-wide natural resources management plan in fiscal year 2012. He referred the Board to the district-wide Natural Resource Management Plan's proposed Work Plan which was developed by a staff team including Bob Keefer, Joel Miller, Jason Genck and Mr. Hyde, with assistance from Jeff Krueger of Lane Council of Governments. Among the key objectives of the project are:

- to identify achievable natural resource management goals, objectives and priorities;

- to balance natural resource management and recreation;
- to prioritize sites for future site-specific natural resource management plans; and
- to identify processes for deciding upon natural resource management issues, actions, or controversies.

Mr. Hyde expects to have the plan completed by June 2012.

Mr. James stated that Mr. Krueger is very competent and asked if he is on contract. Mr. Hyde replied that Mr. Krueger helped with the current proposed Work Plan and is prepared to create an IGA between Willamalane and LCOG based on feedback received from the Board tonight.

Mr. Beyer asked if this is a voluntary plan. Mr. Hyde replied that it is voluntary and not a requirement in any way.

Ms. Ballew asked if all natural areas will be mapped and wondered if it hadn't already been done by the City. Mr. Hyde said the City has mapped those areas that fulfill the Goal 5 resource and that Willamalane will be looking at its properties only. Staff will look at what other entities are doing on their sites and how Willamalane can support them.

7. Vehicle Replacement Plan Update

Deputy Superintendent Jason Genck informed the Board that one of the District's goals is to evaluate the use of the vehicle fleet to identify efficiencies in vehicle use in programs and park operations. The vehicle fleet is categorized into two main areas which include patron/program support (primarily recreation services) and operation support (primarily park services). Key highlights include:

- Partnership with Springfield Public Schools – Willamalane is fully integrated into Springfield Public School's bus transportation schedule and resources, eliminating the ongoing expense of operating and maintaining school buses. The aging 72-seat school buses have been surplus.
- Activity Buses – Over the past several years, staff has been replacing outdated vans with updated activity buses. These vehicles easier to maintain, improve passenger safety, and support efforts to reduce potential liability.
- Vehicle Reserve Fund – Staff has fully aligned the vehicle reserve fund with the District's Cost Recovery Model to ensure we are keeping up with vehicle needs. Vehicle cost allocation is reviewed and updated each year to ensure costs are up-to-date.
- Grants – Staff continue to be successful in achieving grants for vehicle funding. Most recently, the Adult Activity Center, led by Diane Pergamit, successfully received an LTD grant for a new wheelchair accessible vehicle. Willamalane was responsible for 10.35% (\$7,051) of the \$68,000 vehicle.
- Purchasing – Last year, staff replaced the District's station wagon with a high efficiency van for our purchasing staff. This van includes a graphic "wrap" to promote afterschool programs.

It is currently not cost effective to purchase energy efficient vehicles for the Park Services fleet. However, staff is continually searching for ways to increase efficiencies and utilize existing resources to the maximum. Some highlights include:

- Currently, PSD has five small electric vehicles that are used for special events and maintenance at our community parks. These vehicles were federal and state surplus vehicles that Park Services' maintenance staff rebuilt.
- Staff is currently evaluating replacement of the 16-foot gang mower with an 11-foot gang mower that can be transported on a trailer in order to reduce the wear that the current mower experiences as it is driven from site to site.
- Staff uses two vans retired from the Recreation Division to transport staff, a cleaning crew for restrooms, and two 72" mowers on a trailer during peak park season.

Mr. Genck went on to say that staff will continue to update the Vehicle Replacement Plan on an annual basis to focus on new technology, vehicle efficiencies, new partnerships/grant opportunities, risk management needs, new programs, and cost recovery efforts.

Mr. James suggested collaborating with other TEAM Springfield agencies to make large purchases such as the large mower recently purchased. He questioned why the WAAC travel bus was listed for replacement as one had been recently purchased. Ms. Caples explained that funds are being reserved to eventually replace that new bus when it becomes necessary.

Ms. Ballew noted that the central fuel depot has been a big success for the TEAM Springfield agencies and wondered if the same centralization could be done with vehicle maintenance. Mr. Keefer answered that it hadn't been looked at during his tenure, but the agencies are looking at how to pool an electric fleet. He said he would bring it up to TEAM Springfield.

Mr. Miller pointed out that in joint vehicle maintenance ventures, parks' vehicles tend to come in line after police and fire fleets.

Mr. Ross complimented WAAC Manager Diane Pergamit for working with LTD to acquire the replacement handicapped vehicle at a minimal cost to the District.

Business from Legal Counsel

None

Standing and Special Committee Reports

LCOG – Mr. Ross reported that Mr. James was appointed to LCOG's Executive Committee and that LCOG has an ambitious schedule for replacing their retiring Exec Director. Interviews will take place in April or May. In addition, the reduction in funds for Senior Meals program will impact what goes on at WAAC.

Mr. Keefer suggested appointing Ms. Bean to be the official Board representative to Friends of Willamalane.

Director Beyer moved, second by Director Ballew, to appoint Director Denise Bean to be the official Board representative of the Friends of Willamalane. The motion passed unanimously 5:0.

Friends of Willamalane – Ms. Bean reported that the Friends met on Monday and approved two projects for the next year – upgrading the Dorris Ranch self-guided nature tour and funding for a NEOS Play System. Mr. Keefer explained that Barbara Hasek donated \$25,000 to be used at Dorris Ranch and that \$15,000 of that money will be used to update the 1993 self-guided nature tour at the Ranch including signage as well as an application enabling patrons to use their smart phones on the self-guided walk. They also donated \$1200 to purchase new mats for the climbing and bouldering wall.

Superintendent's Business

1. Superintendent's Report #130 dated November 30, 2011

Mr. Ross noted that staff is getting ready to put the Clearwater Park boat landing out for bid. He complimented Park Services for the 300 trees that went into Rob Adams Park last weekend. Mr. Miller explained that Friends of Trees solicited the donation as well as soliciting and training the volunteer tree planters.

2. Staff Updates

Mr. Keefer pointed out correspondence in the Board books from Michael Balk relative to a 1.18 acre piece of property on South 2nd Street he is offering to sell to the District. Staff is still evaluating the offer and will do more research then Mr. Keefer will respond to Mr. Balk.

3. Upcoming Meetings/Work Sessions/Events

- December 16 Winter Wonderland, Willamalane Center, 6-8:30 p.m.
- December 16-17 Radio Redux presents "It's a Wonderful Life," Wildish Theater, 7:30 p.m.
- December 18 Radio Redux presents "It's a Wonderful Life," Wildish Theater, 2 p.m.
- December 25 Christmas Day, all facilities closed
- December 26 Christmas Day Holiday (observed) administrative offices closed
- January 1 New Year's Day, all facilities closed
- January 2, 2012 New Year's Day Holiday (observed) administrative offices closed
- January 11 Regular Board Meeting, Willamalane Center, 6:30 p.m.
- January 28 TEAM Springfield Joint Elected Officials Annual Meeting, Ken Long Room, 8:30 a.m.

Written Communications

None

Remarks from the Directors

Mr. Ross showed the Directors a book of Willamalane photos that staff put together for former Director Danelle Ralston to reward her for her service.

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Mr. James asked where the Wildish Community Theater management proposal was in the evaluation process. Mr. Genck said the WCT Board received only two proposals and that the schedule says the review process will be complete by the end of December with a final decision by the end of January.

Messages and Papers from the President

None

Adjournment

The meeting was adjourned at 8:21 p.m.



Robert W. Keefer, Secretary

Rita F. Grimes, Recording Secretary

