



## Budget Committee Meeting Minutes

Wednesday, May 27, 2020 5:30 PM

*This meeting was held in-person and telephonically*

Draft  Board Approved

### I. Call to Order

President James called the May 27, 2020 Budget Committee meeting to order at 5:30 p.m.

### II. Roll Call

**Board Members Present:** President Greg James, Vice President Denise Bean, Director Lee Beyer, Director Renee Jones, and Director Chris Wig.

**Budget Committee Members Present:** Eva Schaeffer, Mark Molina, Matt Sorensen, Andrew Buck, and Gino Grimaldi.

**Staff Present:** Superintendent Michael Wargo, Kendall Reid, Paula Davis, Eric Adams, Teri Gutierrez, Kenny Weigandt, Jo Schutte, David Kieffer, Tracy Kribs, Mert Mansur, Ken Randall, Damon Crume, Daniel Schewlakow, Ryan Taxara, Brandon Lemcke and Joyce Shepherd.

**Guests Present:** Shawn Walker, Legal Counsel.

### III. Flag Salute

President James led the group in the Pledge of Allegiance.

### IV. Adjustments to the Agenda

None

### V. Election of Budget Officers for FY2021

#### A. Chair

***Vice President Denise Bean, seconded by President James, moved to approve Gino Grimaldi as the Budget Chairperson for fiscal year 2021.***

#### B. Vice Chair

***Director Beyer, seconded by Director Jones, moved to approve Mark Molina as the Budget Vice Chairperson for fiscal year 2021.***

### VI. Remarks by President James

President James thanked the new budget committee members for their interest and commitment to Willamalane's budget process. He welcomed all guests and passed the gavel to Gino Grimaldi, Budget Chair.

### VII. Superintendent's Budget Message

Superintendent Wargo thanked the Business Operations department, management team, and program managers for their hard work during the FY21 budget process, especially because much of the budget preparation was during to pandemic where budget officers were working remotely.

The Superintendent reported that although COVID-19 created unprecedented challenges, Willamalane continued to be financially stable due to prudent planning, solid revenue growth in previous years, and strong reserves. Additionally, he said that the District acted quickly to mitigate a financial crisis by instituting a hiring freeze, implementing cost-saving measures, and reducing the workforce.

In closing, Superintendent Wargo said that Willamalane would undoubtedly face additional financial challenges in FY21 due to the pandemic, however, Willamalane would continue to persevere and serve the community during challenging times.

#### **VIII. FY21 Budget Review/Five-Year Projections/Review of Budget Process**

Paula Davis, Business Operations Division Director, briefly reviewed the FY21 budget and five-year projections and assumptions information. She then walked the group through the budget review process.

#### **IX. Public Input**

None.

#### **X. Budget Presentations**

*Each board of director and budget committee meeting member received a copy of the FY21 Proposed Budget book prior to the meeting.*

#### **A. General Fund**

##### **1. Administrative Services Division**

##### **a. Board/Superintendent**

Superintendent Wargo presented the proposed budget for Board/Superintendent under the Administrative Services Division. He reported the following significant changes for FY2021:

- No change in FTE (2.0). Proposed budget of \$419,588.
- Training & Conference (61711) was reduced 60% for non-essential travel and conferences.
- Miscellaneous (61737) was reduced by 20%.
- External Sponsorships (61762) were decreased by 20% based on anticipated reduction of community special events.
- Marketing (61756-used for 75<sup>th</sup> Anniversary) were reduced based on limited public gatherings for FY2021.

##### **b. Community Engagement**

Kenny Weigandt, Community Engagement Manager, presented the proposed budget for his department which was moved from Recreation Services to Administrative Services for FY2021. Significant changes included the following:

- No change in FTE (6.0). Proposed budget of \$429,355.
- Sponsorships/Donations included \$44,000 expected from existing partners. Kenny expects to secure an additional \$45,000 in additional sponsorships.

- The 1Pass program may not run in FY2021 due to COVID-19 pandemic which would affect revenues in fund 43000-Recreation Fees, however, most of the revenue loss would be reflected in FY2020.
- Advertising budget (61704) was moved to Marketing budget (61763).
- Postage/Distribution (61713), Contractual Services (61714), Printing and Binding (61717), and Marketing (61763) funds were reduced due to cancellation of the Fall Recreation Guide.

**c. Rental Properties/Business Operations/Information Services**

Paula Davis reported the following significant changes in FY2021:

- A decrease in Rental Properties compared to FY2020 was due to the sale of the Memorial Building.
- FTE was modified to reflect increased hours for a payroll clerk and removal of a limited duration Accounting Clerk.
- \$20,000 from Telephone (61708) were reallocated from Recreation Services Division to Information Technology.
- A final payment in the amount of \$39,250 for the new accounting software (Caselle) was carried forward to Equipment (73500-capital outlay) from unspent funds in FY2020.

**d. Human Resources**

Teri Gutierrez, Human Resources Manager, explained the following significant changes for her department:

- FTE increased from 4.25 to 5.55 due to a division reorganization and transfer of staff from Recreation Services Division. Proposed budget of 749,567.
- Decrease of \$4,000 in Technical Supplies (61702) was to better align with prior years actuals.
- Insurance (61724) increased by 17% due to general liability, property and auto insurance.
- Capital outlay cost (73500) for implementation of the first year costs of a new human capital management system.

**2. Recreation Services Division**

**a. Administration**

Kendall Reid, Recreation Services Division Director, gave a brief overview of the programming budgets since the reorganization that took place in 2019. For the RSD administrative budget, Kendall reported the following:

- FTE decreased from 3.0 to 2.0 due to moving 1.0 FTE to Business Operations Division. Proposed budget of \$352,895.
- Decrease in Advertising (61714) and Marketing (61763) costs which were shifted to Community Engagement.
- Increases to better align with prior years actuals: Contractual Services (61714), Printing & Binding (61717), Licenses, Permits & Certificates (61729), Duplicating (61734), Job Postings (61764).

**b. Recreation Programming**

David Kieffer reported that due to the recreation services division reorganization, FTE for the new Recreational Programming department totaled 8.0 full time and 7.7 part time employees. Increases were made to the Training & Conference (61711) for

professional development and travel costs, and an increase in Staff/Volunteer Recognition/Orientation (61756) funds. Proposed budget of 717,298.

**c. Early Childhood & Youth Recreation**

Ryan Taxara, Early Childhood & Youth Recreation (ECYP) Program Manager, explained the following decreases to the ECYP budget for FY21 due to COVID-19:

- Decrease in FTE from 33.78 in FY20 to 27.6 for FY21. Proposed budget of \$345,908.
- \$246,016 in total department revenue due cancellation and decrease of summer programming.
- \$86,245 in total personnel services.
- \$61,099 in materials and services.

**d. Aquatics**

Brandon Lemcke, new Aquatics Program Manager, reported the following significant changes to the Aquatics department for FY21:

- FTE decrease a bit to 34.48 from 39.83 in FY20. Proposed budget of \$641,639.
- Prediction of a 20% decline in revenue due to COVID-19 closures.
- Eliminated a full time Supervisor position saving approximately \$60,000 in wages and \$17,000 in benefits.
- Decrease of over 19,000 in funds from Technical Supplies (61702), Training and Conference (61711), and Merchandise for Resale (61725).
- Increase of \$2,000 to replace the Lively Park BBQ.

**e. Special Events & Program Operations**

Tracy Kribs, Special Events and Program Operations Program Manager, explained that the recent RSD reorganization resulted in the creation of new departments including a rentals department which would oversee all rentals for the District, as well as a guest services and volunteer program department. Additionally, the restructure resulted in 6.0 full time and 16.6 part time positions. Proposed budget of \$658,211.

**3. Planning, Parks & Facilities Division**

**a.-b. Administration/Natural Resources/Park Services/Fleet**

Eric Adams, Planning, Parks and Facilities Division Director, reported the following significant changes for PPF administration and Natural Resources funds.

Administration:

- FTE increase from 2.8 in FY20 to 3.0 FTE due to making the park ranger from part-time to full-time. Proposed Admin budget of \$379,471.
- Decrease of \$8,000 for Rental-Equipment & Facilities (46010) due to the transfer of all rental revenue streams to RSD for FY21.
- Decreases proposed to Technical Supplies (61702), Training and Conference (71711), and Miscellaneous (61737) to assist with balancing the District budget in response to COVID-19 and to reflect actual expenses from FY20.
- An increase of \$900 proposed for Rental Equipment & Facilities (61715) for copier expenses, and an increase of \$2,000 for Licenses, Permits and Certs relating to operating expenses for the former Weyerhaeuser Road Landfill and other facility safety systems.

Natural Resources:

- FTE decrease from 3.25 in FY20 to 2.5 in FY21 due to a reduction in seasonal staff. Proposed budget of \$225,643.
- A decrease of \$13,000 in Contractual Services (61714).

#### Park Services

- Proposed budget of \$288,600.
- Decrease of \$2,300 in Technical Supplies (61702) to reflect FY20 actual expenses and assist with balancing the District budget in response to COVID-19.
- Increase of \$12,700 in Sewer (61707) due to rate increase and \$10,000 allocated for Weyerhaeuser Haul Road Landfill FY20 actuals.
- Increase of \$4,280 in Telecommunications (61708) to reflect FY20 actuals and anticipates rate increases.
- A 30% Decrease in Water (61710) expenses compared to FY20 due to a decision to reduce irrigation at most District parks.
- Increase of \$3,000 for garbage service (61730).
- A decrease of \$11,758 to Contractual Services (61714) as a result of transferring \$4,000 to Security (61758) and a savings expected from restructuring the contract with on-site and alarms response service provider.

#### Fleet

- No change in FTE. Proposed budget of \$239,716.
- A reduction of \$18,900 for Technical Supplies (61702). FY20 budget included proceed from vehicle auction. It is not known whether similar revenue will be generated during FY21.

### **b. Structures & Systems**

Ken Randall, Structures Program Manager, reported the following significant changes for the FY21 Structures and Systems department:

- No change in FTE. Proposed budget of \$802,142.
- Eliminated \$4,000 of revenue due to transfer of shelter rentals to RSD.
- Decrease in anticipated cost of Janitorial Supplies (61701) due to reduced number of park restrooms open to the public due to COVID-19.
- Increase in Technical Supplies (61702) of \$3,164 for replacement of locks, bollards, gates, and electrical retrofitting.
- Reduction of \$5,911 for Training & Conference (61711) to help reduce costs and to align with FY20 actuals.
- \$3,500 reduction to Rental Equipment and Facilities (61715) for the elimination of porta potty units due to construction of new installation of restrooms at Dorris Ranch and Heron Park.
- \$6,100 increase to Repair and Maintenance-Surfacing (61773) for engineered wood fiber chips at playground.
- Increase of \$2,700 for Repair and Maintenance-Sealing/Paint (61774) for painting of park restrooms and parking lot restriping.

### **d. Landscape & Grounds**

Damon Crume, Landscape & Grounds Program Manager, reported the following for the FY21 proposed budget for his department:

- A small increase in FTE (11.25 in FY20 to 11.50 proposed) due to reclassification of a position. Proposed budget of \$961,862.
- Decreases in Technical Supplies (61702), Contractual Services (61714), and Equipment Rentals (61772) to reflect actuals in FY20.

**e. Planning & Development**

- Eric reported that FTE stayed the same in Planning & Development. Proposed budget of \$403,183.
- Decrease of \$7,400 in Materials & Services to reflect FY20 actuals and assist with balancing the District's budget in response to COVID-19.
- Increase of \$3,000 in Legal Services (61750) to reflect FY20 actuals.

**f. Facility Operations**

Daniel Schewlakow, Facilities Operations Program Manager, reported that maintenance and preservation of the pools were removed from facility operations department and share the following significant changes for FY21:

- An increase of \$15,166 in Full-Time NBU Wages (51000) due to pay equity adjustment and a change in position from supervisor to program manager.
- A decrease of \$36,788 in Full-time BU Wages (52000) due to change in personnel.
- An increase of \$80,064 due to staff changing from NBU to BU position.
- Increases in both Social Security (56602) and Retirement (56604) due to increase in wages and benefited employees.
- An increase of \$6,144 for Janitorial Supplies (61701) to reflect what is being spent.
- An increase of \$15,053 in Contractual Services (61714) due to shifting funds from repair of equipment and buildings.
- A decrease of \$24,780 for Repair & Maint-Equipment (61721)
- An increase of \$2,374 for Licenses, Permits & Certifications for permits that were previously accounted for in RSD.
- An increase for Chemicals (61713) of \$33,725 to realign expenses and reflects actual costs.

**g. Aquatics Maintenance**

Mert Mansur, Aquatics Maintenance Program Manager, reported that aquatics maintenance programs were removed from the Facility Operations department budget to accurately account for costs associated with the pools. FTE for aquatics operations for FY21 was 8.5. Proposed Budget \$1,173,498.

**Other Funds**

Paula Davis and Eric Adams reported on significant changes for FY21 for Bonded Debt Fund, Building and Construction Fund, Bond Construction Fund, System Development Charges, Dorris Ranch Special Revenue Fund, BPA Stewardship Fund, and Other Funds (Aquatics Reserve Fund and Technical Equipment Reserve Fund).

**XI. Public Input from the Audience**

None.

**XII. Approval of Proposed Budget**

***Director Wig, seconded by President James, moved to adopt the Willamalane Park and Recreation District's FY2021 tax rate of 2.0074 per \$1,000 of assessed value. The motion passed unanimously, 10:0.***

***Director Wig, seconded by Director Beyer, move to approve the Willamalane Park and Recreation District's levy in the amount of \$1,431,963 for payment of General Obligation Bond Principal and Interest. The motion passed unanimously, 10:0.***

***Director Wig, seconded by Director Beyer, moved to approve the Willamalane Park and Recreation District's FY2021 budget for a total of \$23,214,085. The motion passed unanimously, 10:0.***

**XIII. Adjournment**

Chairman Grimaldi adjourned the meeting at 9:04 p.m.