

Board of Directors – Budget Work Session  
Wednesday, April 24, 2019, 6:00 p.m.  
Bob Keefer Center for Sports and Recreation  
250 S. 32<sup>nd</sup> Street, Springfield, Oregon

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I. **CALL TO ORDER**

Vice President James called the meeting to order at 6:12 p.m. and chaired the meeting until President Bean arrived at approximately 6:25 p.m..

II. **ROLL CALL**

*Board Present:* Vice President James, Director Ballew, Director Wig, President Bean

*Board Absent:* Director Beyer

*Staff Present:* Michael Wargo, Kendall Reid, Paula Davis, Eric Adams, Jennifer Holland, and Jo Schutte, Executive Assistant/Recording Secretary

*Guests:* Shawn Walker, Thorp Purdy Jewett Urness & Wilkinson, Renee Jones, Darlene Raish.

III. **FLAG SALUTE**

Vice President James led the group in the flag salute.

IV. **ADJUSTMENTS TO THE AGENDA**

There were no adjustments to the agenda.

V. **AUDIENCE PARTICIPATION**

There were none.

VI. **WORK SESSION**

**A. Budget Committee Candidate Interview & Appointment**

The board members conducted an interview with Renee Jones who applied for the open budget committee seat.

*Director Wig, seconded by Anne Ballew, moved to appoint Renee Jones to Willamalane Park and Recreation District Budget Committee. The motion passed unanimously, 3:0.*

**B. Capital Improvement Program (CIP) Update**

**Building and Construction Fund** - Eric Adams, Planning, Parks and Facilities Division Director, presented the proposed Five-Year Capital Improvements Program Update for FY2020-

FY2024. The CIP included three separate schedules including the Building and Construction fund (B&C), Systems Development Charges (SDC), and the Bond Fund.

Eric said anticipated B&C fund revenue was approximately \$551,065 for FY20, which included \$300,000 transferred from the General Fund. The proposed adjusted subsidies were \$310,000 for FY21, \$315,000 for FY22, \$320,000 for FY23, and \$300,000 for FY24.

Eric reported that the B&C Fund expenditures over the next five-year period totaled approximately \$1.2 million and included the following facility and park improvements:

Facilities:

- ADA Transition Plan Implementation
- District-wide Asphalt Repair and Seal Coating
- Condition Assessments and Facility Upgrades
- Roofing and Pool Equipment Upgrades

Parks:

- ADA Transition Plan Implementation
- District-wide Site Furnishing Replacement
- Douglas Gardens Drainage
- Fort Park Parking Lot Upgrades

**System Development Charges** - Eric said proposed SDC collections based on trends over the next five years was anticipated to average approximately \$310,000. He added that total SDC revenues, which included beginning fund balance and interest earned were projected at approximately 5 million. The anticipated beginning balance for FY 2020 would be \$1,255,753.

**Bond Fund Projects** - Eric went over the Bond Projects, which included the following:

- Dorris Ranch restroom and entryway improvements
- Thurston Hills Natural Area Trail Development - \$182,000 in FY2020
- Thurston Hills Path Maintenance - \$60,000 for FY2020 and FY2021
- Middle Fork Path Project - \$286,000 (final payment)
- Glenwood Riverfront Path & Park - Carried over to FY2020. Remainder of the \$900,000 would be allocated in FY2021 and FY2022
- Design Feasibility Assessments - \$80,000 for multiuse path and trails identified in the 2012 Park and Recreation Comprehensive Plan
- Dorris Ranch - Allen Property Preliminary Design and Permitting - \$60,000 in FY2023 to secure land use approvals

Eric noted that of the \$20 million Bond Fund, approximately \$275,500 remained and would fund the Dorris Ranch improvements in FY2020.

### **C. FIVE YEAR PLAN BUDGET UPDATE**

Paula Davis, Business Operations Division Director, presented the five-year financial plan and referred to the attachment titled *Five-Year Financial Projections*. She reported assessed property value for FY2019 was higher than expected at 4.21%, and revenues in Recreation Services went up 11% compared to last year.

Paula shared the following recommendations and expenses:

- Reduce the growth rate to 3.25% for FY2021-FY2024
- Feather the impact of the minimum wage increase (\$0.50) over the bottom five ranges of the wage scale
- Cost of Living Adjustment increases: 7.5% for FY2020; 5% for FY2021; 3% for years thereafter
- Medical Insurance increase of 5% with a five-year projected increase of 8%
- PacificSource Dental would stay the same, however, the second dental plan would increase 3.6%, with a total increase of 3% over five years.
- The District would pay off full faith and credit bonds for FY2021 which would free up \$175,000 of the general fund in FY2022.
- Dorris Ranch Nut Harvest Revenue was projected at \$50,000 for FY2020, with future years reduced to \$25,000
- FY2020 Building & Construction Fund recommended increase was \$300,000 and \$310,000 for FY2021

In closing, Paula added that Willamalane operated consistently with budget expectations and that Willamalane was in a good position for the FY2020 budget process. She then answered several questions from the Directors.

#### D. DISTRICT OPERATING PRINCIPLES

Paula referred to the attachment entitled *District Operating Principles* that was included in the board packet.

#### E. BUDGET TIMELINE

Paula referred to the attachment entitled *FY20 Budget Process Timeline* that was included in the board packet.

It was noted that the first and second budget committee meetings would begin at 5:30 PM, not 6:00 PM.

### VII. 75<sup>TH</sup> ANNIVERSARY UPDATE

Superintendent Wargo referred to an agenda memo to discuss two items, Creation of a Willamalane Hall of Fame, and Naming of the Willamalane Swim Center. He explained that the Hall of Fame would provide recognition for professionals and special individuals who have made an outstanding, unique, lasting, and extraordinary contributions through service to Willamalane Park and Recreation District. The individuals would be selected by a committee of volunteers and the Hall of Fame would be displayed in the Bob Keefer Center lobby. Superintendent Wargo envisioned that if approved, the Hall of Fame wall would be introduced at the 75<sup>th</sup> Anniversary event on September 29<sup>th</sup>.

Regarding the naming of the Willamalane Swim Center, Superintendent Wargo felt that past superintendent Irene Squires was a true pioneer in the field of parks and recreation for many reasons and recommended that Willamalane Swim Center be renamed the Squires Swim Center at

Willamalane Park. If approved, the change would be announced at the 75<sup>th</sup> Anniversary event as well.

#### VIII. ADJOURNMENT

President Bean adjourned the meeting.