**BUDGET COMMITTEE MEMBERS PRESENT**

Deb Schoen

Nathan Hovekamp

Donna Owens

Jodie Barram

Cary Schneider

Daryl Parrish

Joanne Mathews

Corey Johnson

Abigail Schneider

**BUDGET COMMITTEE MEMBERS ABSENT**

Cara Marsh Rhodes

**STAFF PRESENT**

Don Horton

Michelle Healy

Kristin Toney

Julie Brown

Matt Mercer

Sheila Reed

Theresa Albert

Brian Hudspeth

Eric Baird

***Director Barram made a motion to nominate Joanne Mathews to chair the Budget Committee meeting, it was seconded by Director Owens and approved unanimously, 9-0.***

Ms. Mathews asked for public comment, there was none and the visitor comment period was closed.

Executive Director Horton reviewed the agenda for the evening, the budget timeline, the budget process, key factors: including SDC funding over $9.6 million in projects, change and transition of staff and re-organization.

Ms. Toney explained the budget book is broken up in to a summary, fund summary, department detail, capital summary and appendices. She said the district received the Distinguished Budget Presentation Award for last year’s budget from the Government Finance Officers Association (GFOA).

She shared the proposed budget and then explained where the district money comes from and where it is spent. She said that personnel is largest annual expenditure.

Ms. Albert spoke about personnel. She said the Benefits Committee meets annually to make decisions about COLA and performance increases and increases to health insurance. This year the COLA will be 4%, with performance increases at 0-3% and health insurance increased 7.95%.

She said there was a decrease in unemployment taxes that saves the district money, no change to workers comp, Paid Leave Oregon and PERS. She reviewed the staffing remarking that the district averages 625 headcount. She noted the age demographics of the district and employee tenure.

Ms. Healy reviewed the organization chart that showed some new changes to the executive level team, adding three new directors: Director or Community Engagement, Director of Planning and Development and Director of Park Services.

Mr. Mercer shared the 2023-24 key successes in recreation:

* Increased facility 15%
* Increased program visits 8%
* Provided $750,000 in needs-based assistance to over 1,250 households
* Year-end tax subsidy under budget by $500,000

2023-24 Key Challenges

* Demand exceeds capacity
* Front line staffing
* Escalating behavioral issues
* Balancing financial sustainability and affordability

2024-25 Key Goals and Objectives

* Increase capacity where feasible
* Maintain strong quality and customer service
* Expand food & beverage operations
* Develop a sustainable strategy to support financial assistance

2024-25 Major Budget Items

* Revenue increase of 12%
* Personnel cost increase of 13%
* Materials & services increase of 9%
* Resulting Tax Subsidy of $3.8 million is $256,000 less than last year’s budget

Mr. Mercer said he is adding one full time position to support aquatics, one full time custodial position, and moving a half time maintenance position to full time.

Mr. Mercer reviewed the revenue, expense and tax subsidy for recreation, and overall cost recovery.

Director Schoen said the district gives out quite a bit more than other like agencies in scholarships and the board and staff should be very proud to share that with the community.

Ms. Healy reviewed the Park Services, Planning and Design summaries and personnel budgets.

2023-24 Key Successes

* Dedicated trail division
* Lighting the Outback Trail and Pine nursey pickleball courts
* Robot field painter
* Care of new parks and natural areas

2023-24 Key Challenges

* Graffiti and vandalism
* Understaffed for portions of the year and sustaining a high level of care

2024-25 Key Goals & Objectives

* Dedicated vandalism team
* New park technician classification
* Care for new parks, natural areas and trails

2024-25 Major Budget Items

* 2 Park Technicians – 1 reclass and 1 new FTE
* Vandalism program – 1.5 FTE
* Asphalt crack -filler, painter and tire changing machines
* Park Stewards program move to Community Engagement Department

Planning and Design

2023-24 Key Successes

* CIP projects
* Needs survey, started Comp Plan update and new Strategic Plan
* 1.7M in grants, +$500 more than last year
* Land acquisition policy

2023-24 Key Challenges

* Construction costs and high land prices
* Permit delays
* Acquiring easements
* Rapid population growth

2024-25 Key Goals & Objectives

* Land acquisition in underserved and growing areas
* Comp Plan update
* New Strategic Plan
* SDC project list and ordinance update
* Capital projects

2024-25 Major Budget Items

* SE Area Planning ($60k)
* SDC Update ($40K – funded with SDC funds)
* Deschutes River Trail – South UGB Bridge ($20K)

Ms. Brown spoke about the Community Engagement summary and personnel budget.

2023-24 Key Successes

* New registration website interface launched
* Improved website accessibility
* Big Sky bike park celebrated
* Learn to surf info sessions started

2023-24 Key Challenges

* Understaffed for portion of the year
* Registration project shifted priorities
* Daily workload increases in addition to special projects

2024-25 Key Goals & Objectives

* Celebrate 50th Anniversary
* Establish Community Engagement team
* Increase safety for all
* Enhance communications and marketing for patrons

2024-25 Major Budget Items

* Expanded team = personnel and materials and services increases
* Print Playbooks: twice per year to households
* Contract services: security services and communications support

Ms. Toney reviewed the summary for the Executive Director, HR and Administrative Services and personnel budget.

2023-24 Key Success

* HR – Implemented Supervisor Development Initiative
* Admin – Updated policies
* Admin – Updated public contracting rules (Board Policy)
* Executive Directors Office – New Executive Director hired

2023-24 Key Challenges

* HR – Implementing Paylocity modules
* Admin – Registration challenges but we learned from the issues and improved our process
* Admin – First Single Audit of federal awards with no findings

2024-25 Key Goals & Objectives

* HR – Hire new HR Manager
* Admin – new external auditor and GFOA’s award
* Admin – Update policies and manuals and other purchasing updates
* Admin – IT will continue its enhancements across the district

2024-25 Major Budget Items

* Increases in its liability insurance
* Increase in many of our general district items
* Increases for additional software and cloud-based services

Ms. Toney reviewed the budget fund structure, expenditures by fund, general fund (including revenues and appropriations by department), rental fund, SDC fund, facility reserve fund, equipment reserve fund and debt service fund.

She explained that it takes $35M to operate the district and $5.8M is the reserve fund balance that is required. She reviewed the rental fund, facility reserve fund, equipment reserve fund,

Director Hovekamp suggested a future negotiation with the city for SDC collection rates and district participation in SDC waivers.

Ms. Healy reviewed the Capital Improvement Plan (CIP).

2023-24 Key Successes

* Fieldstone and Drake parks
* Design for Millers, McKay and Columbia, Art Station, Park Services Shop
* Conceptual plans for Pine Nursery, Manzanita Ridge and Sawyer parks
* 90% of construction for Little Fawn Park

2024-25 Key Goals & Objectives

* Sylvan Park Playground replacement
* Land acquisition
* Design Pine Nursery, Hollinshead, Sawyer, and the whitewater park
* Construct Millers Landing river access
* Permitting and easements for North Unit Canal Trail, and collaborate with the city on the design for Riverfront street

Director Hovekamp asked the committee if it is time to add a line item for the South UGB Bridge project. He recognized that the money is already in the trails fund and he is asked if the time is right to pull out the funds a create the line item in the CIP. Staff pointed out that the money available to use if needed and staff is bringing this topic to the board the second board meeting in July.

The committee commented on the ease of the process and the new materials/charts in the budget book and slides.

***Daryl Parrish made a motion that the Bend Park and Recreation District Budget Committee approve the proposed budget for fiscal year 2024-25 for the General Fund, the System Development Charges Fund, the Rental Fund, the Facility Reserve Fund, the Equipment Reserve Fund, and the GO Bond Debt Service Fund. Corey Johnson seconded, the motion was approved unanimously, 9-0.***

***Corey Johnson made a motion that the Bend Park and Recreation District Budget Committee approve ad valorem taxes for the 2024-25 fiscal year in the General Fund at the rate of $1.461 per $1,000 of assessed value for operating purposes. Daryl Parrish seconded, the motion was approved unanimously, 9-0.***

***Abigail Schneider made a motion that the Bend Park and Recreation District Budget Committee approve taxes for the 2024-25 fiscal year debt service on the 2013 General Obligation Bonds in the amount of $2,196,335.* *Corey Johnson seconded, the motion was approved unanimously, 9-0.***

Adjourn 7:09 pm