



BOARD OF DIRECTORS BUSINESS MEETING MINUTES

1750 W. McKinney Butte- PO Box 2215 - Sisters, OR 97759 | ph: 541-549-2091 | sistersrecreation.com

April 27, 2021- 4:30-6:30 p.m.

Board of Directors meetings are open to the public via Zoom by following this link: <https://us02web.zoom.us/j/4594870728?pwd=YVJlOVmFOTJhLMkhtUjh0YjgzZGs0QT09>

Members of the public that are not able to call in to the meeting may submit a written question or comment by emailing SPRD@sistersrecreation.com or mailing a letter to SPRD c/o Jennifer Holland, PO Box 2215, Sisters, OR 97759. All written submissions must be received by end of business the day prior to the scheduled meeting. Written submissions will be read out loud during the designated public comment period.

- 1. Call meeting to order - Bob Keefer, Board President.....5 min.
 - a. Adjustments and approval of agenda

President Keefer called the meeting to order at 4:32 PM

Board Member Attendees: Bob Keefer, Board President, Rosemary Vasquez, Board Secretary, Heath Foott, Board Member

Board Member Attendees via Zoom: Jeff Tryens, Board Vice President

Absent Board Members: Peggy Tehan, Board Treasurer

SPRD Staff Attendees: Jennifer Holland, Executive Director, Sarah Hyatt, Business Operations Manager, Kelsi Erickson, Recording Secretary

Visitors via Zoom: Tracy J, Pauly, Rogers, & CO representative

To respect Tracy’s time item 5 on the docket would be discussed first. No other adjustments were presented.

- 2. Welcome visitors - Bob Keefer, Board President.....5 min.
 - a. Public comment period (read any public comments submitted via email or mail)

No visitors present.

- 3. Review and consider approval of consent calendar - Jennifer Holland, Executive Director.....5 min.
 - a. Meeting minutes: March 23, 2021
 - b. February financials

The March 23, 2021 work session minutes have been reviewed and edited by Vice President Tryens due to Board Secretary Vasquez being gone.

Draft February financials were presented to the board at the March 23, 2021 business meeting. At that time, the February financials had not yet been thoroughly reviewed by Board Treasurer Tehan per district internal control policy. This internal review was completed on April 22 with no major areas of concern identified.

Director Holland wanted to point out that the financials in February, as presented to the board, did not include the personnel expenses; those have been adjusted as the month-end was completed. February financials are now reflective of the adjusted budget as well.



BOARD OF DIRECTORS BUSINESS MEETING MINUTES

1750 W. McKinney Butte- PO Box 2215 - Sisters, OR 97759 | ph: 541-549-2091 | sistersrecreation.com

Board Member Foott motioned to approve the consent calendar. Secretary Vasquez seconded the motion. Motion carried unanimously.

- 4. Receive March draft financials - Sarah Hyatt, Business Operations Manager.....10 min.
 - a. Cover memo and supporting documents

The items presented in this packet are in draft form and have not been reviewed or discussed with Treasurer Tehan and the staff. Presenting the March draft financials allows for the board to have up-to-date financial situational awareness. The numbers on the balance sheet and profit & loss statement include revenues but do not encompass payroll, employer 401k contributions, or merchant fees. However, the percentages on the profit and loss statement do include these items but are subject to change once the month-end process has been completed.

President Keefer asked if the pay in full option for SPRD preschool would be going away. Director Holland explained that the district will be changing its policy to reflect a 5% discount for families who enroll in ACH (auto-billing) compared to installment billing.

President Keefer asked what the final tax payment was for the year prior. Operations Manager Hyatt answered that it was almost the exact amount they received this year, to the dollar.

- 5. Consider accepting FY19/20 audit report from Pauly, Rogers, & CO.....30 min.
 - a. Cover memo and supporting documents

The board is responsible for the fiscal management of the district and is asked to accept the findings of the FY2019-2020 audit from Pauly Rodgers & CO PC.

The goal of an audit is to ensure that an organization’s financials are free from material misstatements and that the district complies with ORS and GASB standards. The audit found that there were no material misstatements in SPRD’s financials.

Tracy explained during Pauly Rogers & CO’s audit, it was noticed that journal entries are not being independently reviewed by personnel. She stated this issue had already been discussed with Operations Manager Hyatt and Director Holland. A solution has been implemented for future audits.

Director Holland gave more context to the reconciliation Tracy mentioned. She explained journal entries were all reviewed by Treasurer Tehan during a monthly internal review. However, where signatures were placed, these documents were not pulled for the audit and therefore not seen. The district has decided to put all signatures and dates on a single form that will be included in future audits.

***Action item:** Vice President Tryens would like to compare the findings from SPRD’s past three audits to see how the district has improved or still needs to improve. He asked Director Holland if this would be something she could do in the future and present her findings to the board. Director Holland confirmed she would do this.

Tracy left the board meeting at 4:50 PM

- 6. Consider approving a \$35,000 transfer from the General Fund to the Capital Improvement Fund as budgeted this fiscal year- Jennifer Holland, Executive Director.....5 min.
 - a. Cover memo

During the FY19/20 budget process, the budget committee approved, and the board of directors adopted the FY19/20 budget which included a new Capital Improvement Reserve Fund. The board formalized this fund during the budget adjustment with Resolution 2021-08 which officially created the fund. Earlier this month, Treasurer Tehan worked with First Interstate Bank to open a new account for the district to manage these reserve funds. Now that this account is open, monies need to be transferred into the account to keep it active.

In the FY19/20 budget, \$35,000 was allocated to be transferred into this new fund. It should be noted that once these monies are in the reserve fund, they can only be spent on capital improvement or equipment valued at over \$3,000 per Resolution 2021-08. Staff request that the board approves the \$35,000 transfer from the General Fund to the Capital Improvement Fund as budgeted. As the board can see in the attached draft 5-year capital improvement plan, this amount of money must be set aside to meet future district capital improvement needs.

Additionally, staff requests that the board discuss the future timing and recommended process for these transfers in the coming fiscal years. Staff will take the recommendations from the board to develop a draft policy which will be presented to the board at a future meeting.

Board Member Foott asked how the district derived \$35,000. Director Holland answered that it was established for unanticipated projects and aligns with the five-year outlook.

President Keefer added that \$35,000 is being put into the Capital Improvement Reserve Fund this year, but it does not mean SPRD will need to put that same amount in the following year.

Vice President Tryens asked if the district is obligated to spend the full \$35,000 in one fiscal year. Director Holland explained that the district does not need to spend the allotted \$35,000 in one year, the district just needs to spend it per the Resolution guidelines.

Vice President Tryens explained that the Coffield Center's future was unknown, and it may be premature to set aside such a large sum of capital improvement money. President Keefer explained that the account had already been created and the \$35,000 was flexible in terms of how it is spent, so long as it abides by the Resolution guidelines.

Director Holland commented that the Coffield Center still has a lot of work that needs to be done. She explained a lack of maintenance on the facility would result in the Coffield Center losing value. Should the school district or anyone else want to purchase the facility, they would have to buy it at market value. Any improvements SPRD makes on the facility will come back in the market value assessment.

Secretary Vasquez motioned to approve a \$35,000 transfer from the General Fund to the Capital Improvement Fund as budgeted in FY19/20. Board Member Foott seconded the motion. Motion carried unanimously.

Director Holland asked the board how they would like to see documentation on processes and policies with matters such as this to ensure there is consistency in the future. She sought guidance from the board on how they would like to see transfers and the timing of said transfers to occur so a policy can be developed and added to the district's fiscal management manual.



BOARD OF DIRECTORS BUSINESS MEETING MINUTES

1750 W. McKinney Butte- PO Box 2215 - Sisters, OR 97759 | ph: 541-549-2091 | sistersrecreation.com

Board Member Foott advised not to transfer money until the end of each fiscal year to ensure all bills are paid and the year is looking good. He also requested to push the discussion back as he felt he could not give a definitive answer on the matter until more is known. President Keefer explained that transfers such as the one being discussed were not typically done until after most taxes were in. He stated this may mean not transferring funds until after January 1st.

***Action item:** President Keefer requested that Director Holland add the capital improvement plan to the docket for a work session. (Potentially September).

7. Receive an update on the district's new scholarship policy- Jennifer Holland, Executive Director.....15 min.
 - a. Cover memo and supporting documents

At the July 28th, 2020 board meeting, the board adopted Resolution 2021-02 adopting a district scholarship policy. Before this date, there was no formal policy in place leading to inconsistent practices. In addition to documenting the district's practice in awarding scholarships, the policy also established numerous other improvements.

At the time that this policy was approved, the board requested a follow-up from staff specifically regarding the new in-district requirement for scholarship eligibility. The staff is happy to report that since the policy has been adopted, there have been minimal challenges. Adding the exception for students who reside in and attend Sisters School District to be eligible to apply if they meet other requirements has helped address concerns staff were hearing from families when they started to implement the in-district requirement. For families who are now eligible with this exception, the scholarship is then applied and covers half of the in-district rate for qualifying programs. SPRD does not use scholarship funds to cover the increased out-of-district fee.

President Keefer was happy to see the number of families who receive scholarships going up.

8. Executive Session: In accordance with ORS 192.660(2)(e) the board will meet to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

Board Member Foott motioned to move into executive session ORS 192.660(2)(e) at 5:34 PM. Vice President Tryens seconded the motion.

Board moved out of executive session at 6:01 PM

9. Executive Director report
 - a. Upcoming budget committee meeting reminders

Director Holland wanted to announce that Deschutes County will be moving back up into Extreme Risk. This does impact programming, but most can adapt and move outside. Mat Club is the only club that cannot move outdoors and so it will be paused.

There was a positive case of COVID at the SPRD preschool. Two out of the three classrooms were deeply sanitized and allowed to reopen but the class with the positive case was required to shut down for 2 weeks from the date of exposure.



BOARD OF DIRECTORS BUSINESS MEETING MINUTES

1750 W. McKinney Butte- PO Box 2215 - Sisters, OR 97759 | ph: 541-549-2091 | sistersrecreation.com

Director Holland expressed that, due to the extreme risk recategorization, she would like to move board member meetings back to being virtual until further notice.

President Keefer agreed with Director Holland by stating anytime the county is put into extreme risk, they will conduct board meetings over zoom.

10. Board Member updates

Vice President Tryens had a conversation with Director Holland about SDAO training opportunities on how to read a balance sheet. He wanted to know if there was a way to outsource training. He also had a comment about the skate park. He hopes that a story can be generated on SPRD's facilities and what the district offers to the public. Director Holland stated that she would reach out to The Nugget for a story. She also explained that she would speak to Treasurer Tehan about offering training on the PNL, balance sheets, and budgeting.

Secretary Vasquez announced that SOAR did not have a meeting in April but will be meeting in May. President Keefer requested that Secretary Vasquez give the board an update on how the public can donate to SOAR after her May meeting.

11. Board President updates

The Work Session on May 11th will be pushed until further notice. The regular board business meeting will remain on the 25th.

12. Other business

13. Adjourn meeting

President Keefer Adjourned the meeting at 6:13 PM

Upcoming meetings/important dates:

April 29, 2021	Budget Committee Orientation
May 11, 2021	Board Work Session
May 12, 2021	Budget Committee Meeting, Day 1
May 13, 2021	Budget Committee Meeting, Day 2- if needed
June 19, 2021	Crest the Cascades

Respectfully submitted,

Kelsi Erickson, Recording Secretary

Approved by the Board of Directors on May 25, 2021