

WILLAMETTE FALLS LOCKS AUTHORITY

Authority Meeting

December 4, 2024 – 2:00-3:00 PM

Meeting Minutes

(Minutes: Pat Vivian and Reed Wagner)

Authority Members Present:

Russ Axelrod [*Geologist, former West Linn Mayor*]

Mary Baumgardner [*West Linn Council President*]

Sandy Carter [*Advocates for Willamette Falls Heritage*]

Robert Kentta [*Tribal Council Treasurer, Confederated Tribes of Siletz*]

Christine Lewis [*Metro Council*]

Denyse McGriff [*Mayor, Oregon City*]

Excused Absences:

Chris Mercier [*Vice Chair, Confederated Tribes of Grande Ronde*]

Mini Sharma Ogle [*PGE – resigned as of 12-30-24*]

Tootie Smith [*Chair, Clackamas County – currently resigned*]

Unexcused Absence:

David Penilton [*Clackamas County Tourism/MERC Commission*]

Staff:

Reed Wagner [*WFLA Executive Director*]

Nicholas Cooley [*Metro, Authority Intern*]

Pat Vivian [*Notetaker*]

Doug Riggs [*Public Affairs*]

Keith Hobson [*Keith Hobson Consulting*]

Ex-Officio Legislative Representatives Attending:

Oregon Senator Mark Meek

Will Worth (Oregon Rep. Walters' office)

1. Welcome, Meeting Minutes and Treasurer's Report

1a. Chair's Welcome. Chair Christine Lewis opened the meeting, noting a quorum was present. for voting purposes.

1b. Approval of Meeting Minutes (October 2024). Sandy Carter made a motion to finalize the October minutes with edits suggested by Russ Axelrod and the addition of Mary Baumgardner to the attendance list. Denyse McGriff seconded the motion and the October minutes were unanimously approved.

1c. Treasurer’s Report (Budget vs. Actuals, July-September 2024). Treasurer Denyse McGriff asked if members had any questions; there were none. Russ Axelrod moved to accept the Treasurer’s report as presented, seconded by Sandy Carter. The Treasurer’s report was unanimously accepted.

2. Executive Director’s Report

2a. Final June 30, 2024, Financial Statement. Executive Director Reed Wagner invited Keith Hobson to report on the final June 30, 2024, financial statement (with monthly statements included).

The financial statements include budget-to-actuals and meet reporting requirements, Keith said. They are unaudited but comply with agreed-upon procedures (attestation) that were established to meet legal requirements more cost-effectively than a traditional audit. This practice is generally consistent with a public entity the size of the Authority.

The only change since the most previous statement presented to the Authority members is the addition of \$103,000 passed through PSU in June, which was not included in the previous June revenue statement. It won’t affect long-term cash flow. The final fund balance is approximately \$39,000 more than the estimated fund balance.

2b. Presentation by TKW Auditors. Reed thanked Dan Miley, TKW Auditors, for completing the FY24 audit sooner than anticipated. Dan explained the difference between a full audit and an agreed-upon procedures report, which lists findings/recommendations but doesn’t confirm actual numbers. TKW Auditors findings/recommendations included:

1. Add the \$103,000 deposit from PSU.
2. Develop an ethics policy and procedures and ensure that everyone involved knows the rules. The ethics policy should address potential conflicts of interest.
3. Establish an independent review of purchases, regardless of dollar amount. Currently, the person reviewing the bank statements also holds the credit card for the Authority; these should be two different individuals.

Chair Lewis asked how an organization as small as the Authority can conduct an independent review. Reed said he will set up a distribution of monthly expenses to Keith and Treasurer Denyse McGriff, who agreed to take on responsibility for noting anything out of the ordinary.

Chair Lewis suggested using the League of Oregon Cities model of ethics on our letterhead; Russ and Denyse thought this was a good suggestion. It was noted that any Authority member might encounter a conflict of interest based on the organization they represent.

ACTION: Treasurer Denyse McGriff made a motion to approve the unaudited June 30, 2024 financial statement with corrections along with the agreed-upon auditing procedures. Mary Baumgardner seconded the motion, which was unanimously supported.

A process will be in place for review of bank statements by the next WFLA board meeting, Reed said. There will probably be similarly agreed-upon procedures for the FY24-25 budget but will likely need to move to a full audit the following budget cycle.

3. Discussions

3a. Authority Membership. Chair Christine Lewis noted that member reappointments will coincide with three vacancies as of January 1. She expects action soon from the Governor's office, possibly by January. Full membership is 11 seats. Russ Axelrod's position is up for renewal now. Reed will submit paperwork by Dec. 20 to the Governor's office.

Denyse asked for clarity on which member slots will be filled. Many attributes can lead someone to be appointed, not just their organizational affiliation, Christine said. Representation of local, county, city or regional governments, and tribes is specifically included in the statute. Sandy noted that maritime industry representation is still needed.

Russ Axelrod asked, does the Authority need to approve recommendations for membership today so they can be presented to the Governor on Dec. 20? Should there be a vote? Our votes from last session carry over into this one, Chair Lewis said.

ACTION: Sandy Carter made a motion to recommend to the Governor that Russ Axelrod be reappointed to the Authority in January 2025. The motion was seconded by Denyse. All members present voted in favor except Russ, who abstained from voting.

Christine Lewis reminded everyone that the Willamette Falls Locks Commission established a goal for the Governor to fill seats with people who, as a whole, represent the following:

- a. Federal agencies or Native American Tribes that have interest in the Willamette Falls area
- b. Regional or municipal governments
- c. The maritime industry
- d. The tourism industry

- e. People with experience in finance, marketing and economic development
- f. Adjacent property owners
- g. Abutting utility owners

3b. State Legislative Agenda. Doug Riggs gave an update. The state revenue forecast released a few weeks ago is very positive. The Governor has hired a new state economist who uses a different model to predict revenue in an effort to improve forecast accuracy and avoid the wild swings that lead to large kickers.

The Governor's recently released budget includes significant investments in housing and social support. Also, this year's session will be six months long, giving legislators more time to pass bills.

A bill has been drafted to make the budgetary changes discussed in previous meetings. The initial request was for \$14.5 million, which Ways and Means cut in half. At the time, it was generally understood by lawmakers that \$7.25 million would be insufficient; legislators need to be reminded of this fact.

Because Rep. Hieb won't be returning to the Legislature in 2025, the Authority will have a new ex-officio House representative, either Rep. Christine Drazan or whoever she appoints.

Sen. Mark Meek said use of better methodologies and assumptions in the state revenue forecast will help ensure that any dollars allocated to the Authority for Locks restoration are actually available when needed. Timing of the state funding request will be critical. It needs to coincide with work the Corps of Engineers is doing.

Reed discussed the expenditure of capital funds from the state and the use of funds from the current biennium versus the future biennium.

4. Adjourn Meeting

The next Authority meeting will be at 2 pm, January 22, at the Oregon City Council Chambers.