



Friends of Mildred Kanipe Memorial Park Association, Inc.
P. O. Box 105, Umpqua, OR 97486

Douglas County Courthouse
1036 SE Douglas Avenue
Roseburg, OR 97470
Attn: Commissioner Freeman

Re: Budget Issues, June 26, 2016

Dear Commissioner Freeman:

On Monday, June 20, 2016, Gary Groth, Parks Director and Susan Morgan of the Douglas County Board of Commissioners, invited representatives of Friends of Mildred Kanipe Memorial Park Association and representatives of the Roseburg Chapter of Oregon Equestrian Trails to a meeting set for Thursday, June 23, 2016 to discuss the budget for Mildred Kanipe Memorial Park.

Groth and Morgan provided a budget summary that estimates a \$26,000 budget shortfall for the fiscal year ending June 30, 2016. The parks department will have spent \$10,000 over budgeted expenses and will have realized \$16,000 less than revenue than the County anticipated.

Morgan stated that she wants Mildred Kanipe Memorial Park to repay the \$26,000 to the County. Morgan stated that the County has begun discussions to close, sell, or log Mildred Kanipe Memorial Park, if the County is not repaid the \$26,000 in the very near future. Morgan's expectation is that the Friends and Equestrians will develop a plan to raise and return \$26,000 to the County.

We were shocked to learn of budget issues at this late date. The County has proposed a nearly identical budget for the upcoming Fiscal year. There was no discussion about any budget issues for Kanipe Park during recent budget hearings or at recent PAB meetings. The County must have been aware of any issues well in advance of budget preparation. The County budget will be adopted June 29, 2016 and we were only just informed of potential budget issues on June 23, 2016.

The Board of Friends met today in an emergency executive session. We have serious concerns about Morgan's statements. Our concerns include:

1. Gary Groth will be replaced by a new Park Director on July 1, 2016. Susan Morgan will soon be replaced by Tim Freeman as Park Liaison. We believe it is appropriate to wait until the new park leadership is in place to address potential budget issues.
2. The campground is only available for revenue collection during the summer (closed in winter). However, last fiscal year there was no revenue generated in July because of delays on opening the campground.
3. Revenue from parking fees was lost because collection boxes were not installed by County until sometime in August.
4. Concern about the outbreak of Pigeon Fever on adjoining ranches outbreak reduced equestrian usage during the summer and fall.
5. Last year there was a \$10,000 overrun in non-budgeted expenses that Gary Groth authorized. Was the over expenditure authorized by the County Finance Department?
6. When Friends signed the agreement with the County in 2014 for construction of the campground it was done with the understanding that the County would actively look to other funding sources to support the Park (County-wide parking pass programs, grants, etc.) It was understood by all that it would take several years for the campground to establish users and for the Park to become self-sufficient. There was not ever the expectation by the County or user groups that the Park would be self-sufficient during the first (partial) year of campground operation.
7. Budget for Personnel Services at Kanipe appears to have tripled from actual expenses in FY12-13, when campground planning was taking place, to FY 15-16, the time of this current budget discrepancy.
8. The parking fees are not consistently enforced or collected by County. This reduced revenue last year. Volunteers have been awarded free parking yearly passes which has also reduced revenue.
9. On multiple occasions the County allowed multiple horse trailers to park overnight at the equestrian pavilion at the group campsite when other equestrian campsites remain empty, reducing revenue for the park.
10. Friends, in a letter dated June 16, 2014, pointed out many revenue and expenditure concerns about the FY 14/15 budget. A copy of the letter can be made available upon request. Friends received no response from the County about our budget concerns.
11. As a 501C3, The Friends of Mildred Kanipe Memorial Park Association, has no control over the County's budget process or budget projections.
12. The current budget policy provides absolutely no incentive for the parks department to administer Mildred Kanipe Memorial Park (Park) in a way to prevent this current, and/or future, budget shortfalls. No one in the public has any control or oversight with regards to how the parks department currently spends or receives revenues to operate and maintain the Park.

We have some suggestions for a balanced Kanipe budget in the future. We believe that the shortfall from last year needs to be absorbed within the overall Parks budget because of the reasons outlined above.

Our recommendations to balance the budget in the future for the Mildred Kanipe Memorial Park are:

1. Budget the operating & maintenance expenses (O&M) for Kanipe the same as the rest of the County Parks. There are no provisions in the General Judgement dated August 3,

- 2012, concerning dissolution of the trust, which require the present separate operation and maintenance budget for Mildred Kanipe Memorial Park.
2. Have ONE parking pass for all County Parks. This will increase use of the Park, increase sales of County parking passes, and decrease County administrative costs.
 3. Keep a separate Capital Improvement Fund for Kanipe. Campground fees, fund raising activities, etc., would go into the Capital Improvement Fund and would be used as match towards grants and funding for special projects at the Park.
 4. Enforce parking fees and overnight camping overflow charges.
 5. Collaborate with Friends to plan for marketing the Park and increasing Park usage.
 6. Friends will continue to support the park with special fund raisers and grant applications.

Board members of The Friends of Mildred Kanipe Memorial Park Association would like to meet with you and Mr. Houston at your earliest possible convenience to discuss the Park budget.

The Board of the Friends appreciates the strong support from each of our organization's members and from our community partners in Douglas County. We look forward to continued collaboration with the County, local communities, area businesses, and our members to identify ways to increase revenue and decrease expenses to operate and maintain Mildred Kanipe Memorial Park. We are sincerely interested in the future of the Park. Following is a summary of some accomplishments and efforts the Friends have made to support the Mildred Kanipe Memorial Park:

1. The Friends has secured over \$98,000 to benefit the Park during the last 10 years.
2. Provide thousands of hours of volunteer work.
3. Made improvements to English Settlement School. Fundraising and grants have resulted in a new foundation, painting, fencing, new roof, new windows, and acquisition of era appropriate school desks, which are in storage until the restoration of the English Settlement School is complete.
4. Construction of an information kiosk in the day use area.
5. Created and produced descriptive signs in the day use area.
6. \$4000 donation for the Underwood barn roof repair.
7. \$65,000 was raised for equestrian and non-equestrian campground construction.
8. Assisted in creation of Nature and Park View trail.
9. Successfully had the buildings listed on the National Historic Register.
10. Purchased Century Farm designation and sign for the Park.
11. Printing and distribution of glossy three-fold brochures to promote the Park.
12. Working with Restore Oregon and other grantors to restore Mildred's Home.
13. Created and distributed vehicle decals to raise awareness of the Park.
14. Created, produced and installed permanent map signs, one for the day use kiosk and one for the equestrian area kiosk.
15. Updated and maintained current trail maps, trail marking and providing trail signs.
16. Developed a website for the Park, www.mildredkanipepark.org
17. Planting and continued maintenance of the native plants
18. Mowing of the hiking trail across Elkhead Road
19. Serve as the liaison with the Oregon Schoolhouse Project, which works to document, preserve and celebrate Oregon's historic schoolhouses (April Brenden-Locke, Project Lead), as well as liaison with the Oregon Cultural Trust

Yours Truly,

Board Members of The Friends of Mildred Kanipe Memorial Park Association