

VASHON PARK DISTRICT BOARD OF COMMISSIONERS

MEETING MINUTES

Ober Park, Performance Room, 7:00 pm

DATE: Tuesday, February 11, 2014

Commissioners attending: Bill Ameling, Doug Ostrom, Joe Wald, Lu-Ann Branch

Commissioners absent: Scott Harvey

Staff attending: Elaine Ott, Jason

ISSUE	DISCUSSION AND OUTCOME	FOLLOW UP
Call to Order	<p>The meeting was called to order at 7:05 PM by Lu-Ann Branch.</p> <p>Elaine introduced her new accounting clerk, Kit Malone, who comes to VPD with a background of over 20 years experience with QuickBooks, bookkeeping, and also recently from VAA, with a great feel for the community.</p> <p>Agenda: added public comment.</p>	
Public Comment	<p>“At last meeting, encouraged to bring contact info to this board meeting.” – Gay Rosser, regarding meeting with Elaine; presented her with contact info for herself and her mom.</p> <p>Doug Kieper from Kayak Center (bought KC from VPD in 2013), purchased 21 total boats and 2 paddle boards. Have doubled the fleet and invested \$10s of thousands. Hired 7 islanders during the season in 2013, will hire a few more than that in '14. Paid themselves and also paid VPD \$2k in 2013. Have prepaid \$3k for next year already, but will write check this year also. Donated trips to Camp Good Times when they lost their financial backing. Also did institute the Summer Fun Pass: at hourly rates charged many islanders would not have been able to participate, fun pass put it into a sharing pass category (punch card). One person can buy it and anyone of their friends or family can use it (\$100). Creatively increased number of people who can enjoy paddling activities. Advertised a lot for community involvement. Worked carefully with rowing club(s) to share space to encourage people to be out on the water at Jensen Point. Increased junior shells, etc. Thank you very much! Promoting on and off island this year to encourage colleges and community colleges, groups and individuals. Tours open to public, bought a trailer to transport boats for Colvos trips, etc. Group reservations as well. Donated trips to scout groups. Doug asked: his daughter tried to go, but was a more formalized process and she missed an opportunity (too late in the day). Doug: now open later, hours prominent on website. Doug: rates the same as when VPD ran it? Doug: Yes. Changed rates a little bit for higher discounts for weekly rentals; adjusted rates for tandem boats a little. Now the same or lower as when VPD.</p>	

Capt Joe: well done to Erin and Doug for the success of the Paddle Center!

Capt. Joe: Where do we stand on the survey? Can we share the results so the commissioners can use and move forward?

Lu-Ann – just got back in town, will go over them at next meeting.

Capt. Joe: Website – had to go on to find out who the commissioners are for sending info out, but the commissioners are not listed.

Elaine: with recent staff changes, the person who was maintaining website is no longer with us. Elaine's husband is managing the site the last couple weeks to keep public compliance. Website is quite challenged and in need of some serious work. That said, I made the report in the past that I'm about 30 days away from a new website: clean, up to date, easy to manage. My apologies.

Mary O'Brien: I and a number of other taxpayers would like to know from each of the commissioners what is meant by "finish the VES fields." Auditor thought finish RCO grant? KC requirements? Restroom and health dept finished? Fence against Rosser property? Lights (\$175k)? Which one of these are on the list for finished. Which are on the list of "wish we had?"

Joe: The board has been talking about for the last six months: finish the field = close out clearing and grading permit and make KC happy. That is what is meant by finished. King County signed off.

Bill: not sure why this is a question. It is never done, we'll continue as time goes by as with other parks to improve. There is no finished, it will go on for 20-30 years. That's what we're assigned to do. What does it take to clear the permit is what we're talking about. There will always be alterations and additions. I don't understand why anyone wants to understand more.

Truman: During the big emphasis it was said we had to get it finished, and the question is very valid, as to what is finished.

Bill: We don't want to do anything other than clear the permit, but does not mean we are done.

Truman: What does it take to clear the permit?

Bill: you can get the list from Elaine, mostly grading, finish fence.

Mary: \$135k asked for this in 2013?

Bill: that's just a ball park figure to clear the permits.

Ostrom: question: for the work that needs to be done, what is the process to get the remaining work done? If we are changing the contracting process to clear the permit?

Elaine: next steps are to define the scope of work – pretty much done from KC inspector Mike Mines, then I will section out and cost out each item with help from Janet Quimby, then from there if we are confident in the costs, commissioners will pass the costs, then put it out to bid, then hire and have it completed.

Lu-Ann: general contractor?

Elaine: I don't know, there is a variety of people who are specific and could do it all as a general; depends on who comes in at the lowest bid. Could be bundled for one contractor to complete all. I'll know more soon; plan is to move quickly.

Capt Joe: is it true, Lu-Ann that we have until end of 2015 to clear permit?

Lu-Ann: through September.

Capt. Joe: could budget part for '14 and part for '15.

Bill: we already did that. Physically work for '14, paperwork budget in '15.

Capt. Joe: I don't understand "paperwork."

Joe Wald: paperwork is items that cost us money – shifted to 2015.

Capt Joe: fixed sense of entire board?

Bill: yes, that's the budget.

Lu-Ann: what's your concern?

Capt. Joe: we've budgeted 135k to do the work by a general contractor based on some very loose estimates. So if it turns out that when some good cost estimates come in and that number is higher, then will the board consider dividing it up for some this year and the rest '15? Because, the amount of \$ going into VES this year, plus \$135k + head, + whatever else,

is going to turn out to be a lot out of the budget for 2014. So question is, even if estimates come in at around \$135k, can it come out of '14 and '15? I understand economies of scale, but I want some understanding that if necessary the job can be broken up into two pieces.

Bill: it could very well be that the loose number were high and it'd come in lower or higher. The number we put in is a place holder. When we know what the number is, we'll make the decision.

Capt. Joe: I am asking the chair.

Lu-Ann: when we know more info, perhaps there will be a different decision. We're where we are because of what we know.

Capt. Joe: one piece?

Doug O: yes, if it comes in around what was estimated, it'll be done in '14. Unless it comes in way higher, this is how it will be.

Lu-Ann: yes, if it's considerably higher, we will move forward and decide.

Lu-Ann: any other public comments?

CC Stone: I do have the printed survey results for you. Just printed up one copy.

Lu-Ann: let's get together and talk about it.

CC: Nancy has left, now you're down to a skeleton crew, now chopping away at the bones of the thing, and I think Elaine is kind of at a position of having a blank slate. There is a lot of stuff that has fallen away, and you're left training people to do jobs you don't know how to do. I think this is a consequence of the spending. You commissioners need to hire her some staff! Highest paid employee is doing lowest work as well as her own.

Elaine: I feel honestly that we're doing ok. Kit has been a godsend and she came in just the right time. She's taking the bull by the horns. It's been approved for me to have two new positions: an AR clerk and an office person. Clear now that Kit is here that I should hold off on hiring the office position. Ran the ad, now have asked the applicants to hold off 60-90 days to see what Kit and I work out between ourselves and evaluate the needs going forward. I appreciate your concern, but am feeling very darn good about where we're going.

CC: if something happened to Kit, you'd be right back where you were. It's been dumped

	<p>on you. Cross training.</p> <p>Elaine: Robin has stepped in and is taking on more. Eric Wyatt is our lodging manager and has stepped in and is going to hit the ground running, will come in after a week's vacation and will move forward. We're all moving along. We're doing ok. Lots of cross training going on. Thank you.</p> <p>Lu-Ann: you're essentially building your team now, that's great.</p> <p>Elaine: yes, it's good. Room to add a position, maybe seasonal.</p>	
<p>December Vouchers</p>	<p>Bill: moved to accept December vouchers. Doug seconded. All in favor. Unanimous.</p>	
<p>Financial Report</p>	<p>Elaine: This is on 2013 since we missed the 4th Tues meeting. Will be doing January's after it's closed at next meeting, so this is final report for 2013. Where we've landed: \$62k in bank; TAN balance is \$150k at close of December with some money due for grants. We could have paid off the TAN. Admin came in \$83k under budget because of some odd things that happened: unexpected revenue from Chautauqua property; over 50k journal entry vacation pay adjustment with 48k coming back to us, but big entry effecting numbers. Did not account for lodging overhead distribution, turns out to be a credit to mostly admin. Went through it, Capt Joe, but it basically resulted in a 24k positive hit to admin, a formula we'd come up with for 2014 budget to maintain consistency, used same formula. Will go through it. Other ups and down, amounted to pretty favorable outcome for admin.</p> <p>Maint outcome: positive hit on revenue to maint.</p> <p>Kayak center was another winner: selling it for \$25k.</p> <p>Pool hit budget of just under \$24k at \$23,600.</p> <p>Lodging hit budget – anticipating and seeing throughout year that lodging was positive but overhead allocation was high and will be reviewed.</p> <p>Another positive winner: RFA (merchandise sales and donations) another \$10k positive.</p> <p>Losers/over budget --</p> <p>Commons: budget was 100k, came in at about 119k. combo of wages to maintenance.</p> <p>Capt Joe: RFA – stands for?</p> <p>Lu-Ann: fund for scholarship.</p> <p>Elaine: Fahey donation went in there, misc couple hundred \$ donations, etc.</p> <p>Back to the losers:</p> <p>Programs – while budget was 0, anticipation was a lot of fundraising, but none, so \$8400 hit, what we accept as concert in the park series (only).</p> <p>Skate: over budget, we knew about that, over \$10,700, all wages. Made changes.</p>	

VES: budget was \$95k, when you consider the \$115k grants due in '13 we're really \$15k over budget.

End with \$62,847 in bank.

Bill: So we had a good year.

Elaine: Going quickly through the balance sheet: \$62,847 cash ties to our cash flow statement.

Other major: levy receivable \$54k = \$29k last year and \$24k from years prior. Bill can shed light?

Discussion between Bill and Lu-Ann - he explained that property taxes come to VPD as they're paid to KC, so it's always a little less than it is billed and expected.

Elaine: grant receivables includes RCO, skate \$75k, 2 Point Robinson grants and \$10k for boat house.

Bill: Other?

Elaine: restroom at \$36,530 balance.

Bill: current receivable asset?

Elaine: offset you have in the liabilities section, can't call it an offset without also calling it a liability.

Bill: when finished paying for restroom, it goes away? Debt to equity on this sheet, can't do it with this sheet because there are no assets.

Lu-Ann: we carry it as an asset and liability while we're paying for it.

Bill: true liability if we have to pay something.

Elaine: Marie is taking bars class, she might be able to explain it.

Bill: Bars is different, it's a standardization. I'm going to have to figure out why the rest room is an asset until it's paid for.

Elaine: other piece to that: suspense account \$50k check we voided for school district, this is the commons payment I was told to void. Paid since, but this is December we're talking

	<p>about (2013). Wrote check and was told not to send it, told to find lost revenue before paying. Now paid - \$47k and then just paid the diff less what we identified \$90 difference. Liabilities side: AP was \$49k, has since been paid. AP aging summary is as of today. \$3k typo on Elaine's part, was \$17k payment, typed in \$14k, all good, hasn't been balanced out since Marie has not balanced out January. The rest speak for themselves. Deferred in government accounting – assets = liabilities. Bonds payable is VES and lodging bonds. Modular restroom \$36k. \$40k offset to fix vacation.</p> <p>Bill: Discussed the gov't accounting of do we owe and have a liability? No. Just looks like that; they owe us. Totally bizarre, defies logical, normal balance sheet. It's owed to nobody. It's cash owed to us. No assets show up, it's BS.</p> <p>Lu-Ann: any more on financial report? Elaine: no more on the 2014 cash flow at this point. Prelim cash flow 2014 reflects our levy income anticipated of \$1,050,000. We did receive \$50k on the baseball grant in Jan. Received VPD grant \$50k and the other \$50k. Did borrow another \$50k on the TAN, but will pay back in February. Tan balance \$200k, \$50 pay in Feb, \$150 in Apr-Jun. Anticipate borrowing again this summer bringing TAN bal to \$140k, paying off in October, with December ending bal in bank \$142k after paying TAN off in October.</p> <p>Bill discussed past TAN history which was used to judge year; always paid off in May and Fall. May be able to get into March '15 without going into the TAN. Will have construction to pay for in May, June, July.</p> <p>Lu-Ann: come back and reflect again when we're moving through and have to bite into the TAN.</p> <p>Elaine: that's it for financial.</p>	
<p>State Audit</p>	<p>Elaine: audit report – exit interview on 1/21 attended by E and Doug O, disc surrounded the finding “the district’s financial condition puts it at risk of not being able to maintain _____ and service levels.” Auditors went on with positives: 18 months to retire VES field bonds, opt about levy dollars increasing with property value increases. Lean 2013 budget, pressure surrounding fields budget and grant. Rosy future. While these 3 items were concerns, we talked about it at our last meeting: capital asset plan, tighter contractor compliance procedures (Jason and E are taking class in this), also concerned about deposits not being made daily (staffing issue). Should be smoother going forward, working on it for 2014. Auditors are satisfied with that. Positive, ended on a good note. Doug, do you agree?</p>	

Doug: yes, I think so. They are professionals, and they look at a lot of different govts. They only respond if there's a credible complaint, they are not looking for trouble. They turn down the overwhelming majority of complaints, so coming at it because they saw past procedures at the VPD as rather out of the order compared to other agencies. Revealing to me that they're not coming after us out of some kind of nasty attitude, they're very cautious. Some of the metrics they used are superficial and maybe not useful, but we need to understand that this is a serious endeavor and they look at many government agencies.

Lu-Ann : Tan?

Doug: Govt's don't use Tan.

Lu-Ann: why didn't they flag this prior?

Doug: maybe it was an oversight.

Lu-Ann: Why now? Other audits, tan was not a big deal. We would have changed how it was done.

Bill: we're in good shape, we have good policies. File it away and move on.

Lu-Ann: part of me wants to move on too, but if things had been different, we could have had earlier feedback.

Bill: you'd need a different answer by who the auditor was at the time. Different auditor this time from last time.

Doug: metric is superficial.

Bill: it's not the metric you would have used, we're looking at idiosyncratic use of the metric.

Lu-Ann: you'd think they'd use the same metric.

Joe: regardless of audit, we can feel we are moving forward.

Bill: we're a microscopic district. They just want to get it done and not find anything catastrophic and move on.

Lu-Ann: we're righting the ship and that's the good message.

Doug: the debt is high.

Lu-Ann: no question.

Doug: they look at other governments and don't see any debt, tan, or anything. It's strange, even though we're doing a good job paying it off.

Lu-Ann: that right there is a really good summary. Plans to move forward, but a vulnerable position.

Bill: we got VES for less than 50 cents on the dollar.

Lu-Ann: we don't know that, because we overpaid for it.

Bill: it could have been a unique way of acquiring it.

Lu-Ann: not necessarily a good way to do it.

Bill: it's a success story. The chicken little society may disagree, but the sky has not fallen, the VPD is still here.

Capt Joe: proud member of the chicken little society. We are sure we're having an audit next year?

Elaine: in two years.

Capt. Joe: would you all accept that it's sound info from auditors?

Doug: the concerns are sound

Capt. Joe: audit asked to make a plan, is it the commissioners' position to plan?

Doug: 2014 and beyond is intent of board to furnish the plan to pay it off?

Bill: pay it off by borrowing?

Doug: plan is not to borrow?

Lu-Ann: the tan too?

Bill: how do you know you don't want to borrow?

Doug: I don't' think we do want to borrow.

Bill: we may want to, we don't know.

Lu-Ann: like the fire district – we should have money in the bank. Philosophical concern. Auditors say we should have \$ in the bank rather than borrowing. That's my philosophy, too.

Bill: each year at budget time, whoever is sitting at this table, they make a plan.

Doug: document that we can refer to (audit) to move away from it. Justification of transparency for moving away from borrowing. They specifically mentioned that if levy rev is going down and cost is going up, you move it more slowly and scale the project back.

Bill: the day we said go, there was no stopping it because of the way the grants work.

Lu-Ann: that's the philosophy thing the auditor was talking about: faced with the details and kiss the money away and delay it, or you suck it up and push through. That's was what we did then – sucked it up and pushed through with debt.

Doug: not the way other govts do things.

Lu-Ann: no, but in a perfect world we would have wanted to build fields with money in hand.

Bill: doesn't mean it's good bad or indifferent.

Doug: I wouldn't dismiss out of hand the experience other govt have.

Bill: there's a lot of opinion contained within the audit and I would just file it away. What happens here is just amongst the five of us, but I don't see anything on the horizon so wouldn't go into debt any time soon.

Lu-Ann: I just want to build our reserves.

Bill: have to make sure we're providing facilities and recreation.

Lu-Ann: in a fiscally responsible manner.

Bill: whatever that is.

<p>RCO Update</p>	<p>Elaine: as I said earlier – baseball grant \$75k is paid and done. VPD grant, 3 invoices outstanding, 7, 8 and 9, 7 was filed last summer, and all of a sudden a huge rush from RCO on 7,8 and 9, going back and forth, submitting more info, finally closed out #7, got \$50k on Friday. 8, I feel is done, I have one more piece to submit on invoice #9. Hopefully that’s it.</p> <p>Bill: how much cash owed us?</p> <p>Elaine: \$50k, part of that is the retainer (10%), will retain until they close #9. Lu-Ann: this month?</p> <p>Elaine: yes, that’s my plan.</p>	
<p>Maintenance Management Plan</p>	<p>Elaine: Jason and I were gone 2 weeks ago to WV for maintenance management course sponsored by Natl Recreation and Park Assoc. Hands down, the most inspiring and knowledge filled week since I’ve been here almost a year. We both walked away feeling inspired by the tools we learned, the overall management topics we covered. (provided as hand out). Example: communication in workplace; mgmt of change; financial management including budgets, work plan, cost analysis. Lots of general management stuff, as well as a lot of very specific details and topics. Big takeaways: plans we need to put into place are highlighted in red: maintenance management plan to aid us in scheduling and decision making. From liability point, we need a risk management plan to look at potential areas, safety and inspection plans. In area of playground safety, we need a safety inspect plan,</p> <p>Jason will be enrolling in course, probably in March (playgrounds only = main liability). The playground mgmt plan, at some point it was probably getting done, but putting it in place this year (Ober Park playground).</p> <p>Elaine: Maintenance Management plan is 11 steps, provided packet = start of this process. (N. end boat ramp packet). Inventory all resources in VPD that require maintenance in every single park, starting at north end boat ramp, ... etc., moving south. Once inventory is done, identify and describe tasks, then qualitative standards (how do you want those things to look), task frequencies, time to accomplish, quant standards, big spreadsheet of all these items, then organize b month with available man power, tasks outside system, then creates a planning and scheduling tool. Will look at it for staffing model and contracting model to give us costs.</p> <p>Lu-Ann: any feedback or conversation of staffing vs contracting model at the conference?</p> <p>E: yes. We discussed it openmindedly with instructors at the conference – contractors are</p>	

not as effective and are more expensive. Contractors don't have the same sense of ownership as you can train into staff (safety and inspections). More bang for the buck with staff's ownership.

Bill: in a big accounting firm you build in balances, but in a tiny firm you can't so it falls apart. At our level in VPD, 2-3 guys, then you have to start thinking broader, so we need a blending of staff and contractors. When we're over our head we have to go outside.

Jason: that's what's happened in the past. 2-3 maintenance guys took care of most of the stuff, but when they needed special work, they'd go outside for bid on the work. That's what we need to do, not contracting everything out, but good ownership and maintenance schedule as appropriate.

Lu-Ann: in past we would take on the bigger stuff, and maybe we could do all the pieces of it, but should look at contracting it out. For the day to day we can do it.

Jason: if it's on the schedule to inspect it we can keep it in control. Judgement call if it's out of our scope.

Bill: we used to every June we'd adjust the budget. I'd entertain relooking at the maintenance budget June 1 based on what you know and where you're going.

Elaine: ok.

Jason: yes.

Bill: not very pleased we have vandalism at VES restroom. What is this?

Jason: restrooms are locked. Soccer has reserved it, they get a code to unlock. Screw driver and prybar to get in there.

LA: what's the point?

Jason: either need to get in to use the restroom or to stay the night. Leaving it on so the pipes are safe (heat on). Village green restrooms are locked except during Saturday mkt. Padlock on the locks to prevent damage. Jensen point is not as much of an issue. One of the things I got out of this conference is talking to others – may look at automatic locks for our restrooms, the lock automatically (doesn't lock people in).

Bill: security cameras?

	<p>Elaine: can't have cameras facing the doors, but could have an angled effect on one of the backstop posts.</p> <p>Jason: camera would catch road and restrooms. Need it at the maintenance shop at PRP. Not using Fisher Pond – VSD is not paying rent but using it. I was thinking about moving shop to Fisher, will look up details for that. Needs to be rewired, no real electrical.</p> <p>Bill: what are we storing there?</p> <p>Jason: weight equipment. Was supposed to be out Oct 31st, something to look into.</p> <p>Bill: is there any plan or way to which on a quarterly basis you could visit and talk to park people?</p> <p>Jason: someone just came to us and asked if we could get together with another park district – email conversation happening for feedback from all over the US park districts. Network via email (listserve).</p> <p>Elaine: really invigorated by the conference.</p> <p>Lu-Ann: thank you, we look forward to updates.</p>	
<p>Staff & Board Reports</p>	<p>Elaine: spoke about staffing in context of CC's comments. Week after next, RecPro training for Kit, Robin, Eric, Marie and myself. Next week we are starting the implementation of in house computer network (no more cloud at \$800/mo) for \$95/mo onsite, \$2500 investment for long term savings and streamlined. (No more Rackspace.) Michael O'Donnel helps with tech sometimes, but we need a regular on-point person.</p> <p>Lu-Ann: we used to have a regular person.</p> <p>Elaine: ok. Gal who's working on our website, it'll be up in about a month (.org). .Com is affiliated with something else (programs, etc.).</p> <p>Lu-Ann: Something worth retaining or ? Something to consider. Important to note (I'm on two boards and contrast them) – the rules for this board are much different. I think it's important to recognize that we only see each other at this one meeting, so these discussions are important since we don't talk between.</p>	

	Capt Joe: is your other board publicly elected?	
	Lu-Ann: No; that's why! Different rules than those groups because it's a public board.	
ADJOURNED for Executive Session - Personnel	Adjourned for exec session at 8:58 pm for 20-30 minutes.	
	Minutes respectfully submitted by Emily Wigley.	