

# VASHON PARK DISTRICT BOARD OF COMMISSIONERS

## MEETING MINUTES

Ober Park, Performance Room, 7:00 pm

**DATE: Tuesday, October 23, 2018, 2018**

Commissioners attending: Bob McMahon, Karen Gardner, Doug Ostrom, Hans Van Dusen, Abby Antonelis

Staff attending: Elaine Ott

ISSUE	DISCUSSION AND OUTCOME	FOLLOW UP
<b>Call to order &amp; agenda review</b>	The meeting was called to order at 7:00 PM by Doug Ostrom	
<b>Public Comment</b>	Cap. Joe: What is the status on the initiative you two are working on, Abby and Karen, with the park (ADA)? Karen: We are working on it, moving forward with it.	
<b>10.09.18 Minutes; 9.22.18-10.6.18 Preliminary Vouchers</b>	Abby: Move to accept Bob: Second <b>Board votes</b> <b>5-0</b>	
<b>September Financial Report</b>	<b>September Financial Report</b> Elaine: Levy – Under \$11k Admin – over by \$4900 <ul style="list-style-type: none"> <li>• Payroll/Taxes/Benefits cumulatively over by \$16k due to wage increases</li> <li>• Offset by odds and ends</li> </ul> Maint – under by \$49k <ul style="list-style-type: none"> <li>• Revenue is up \$7k</li> <li>• Wages are tight to budget; payroll taxes/benefits under by \$20k due to the L&amp;I tax decrease and no changes to benefits</li> <li>• Materials under \$16k due to only one topdress</li> <li>• Outside Services under \$4500 due to only one topdress</li> </ul> Commons – over by \$11k <ul style="list-style-type: none"> <li>• Revenue down \$3k</li> <li>• Wages/Taxes/Benefits over by \$5k</li> <li>• Unbudgeted porta-potty is \$2k</li> <li>• Unbudgeted phone is \$1k</li> </ul> Programs - \$7k under budget – all odds and ends	

	<ul style="list-style-type: none"> <li>On B2A, the wages is just timing relative to the skate park grant. Same with the recreation guide.</li> </ul> <p>Pool Summer - \$25k over budget</p> <ul style="list-style-type: none"> <li>\$9k under in revenue</li> <li>\$10k over in labor</li> <li>\$3k over in supplies</li> <li>\$2k over in utilities</li> </ul> <p>Point Robinson – ahead \$9600</p> <ul style="list-style-type: none"> <li>\$6k over in revenue</li> <li>All else is odds and ends</li> </ul> <p>Fern Cove – ahead \$9500</p> <ul style="list-style-type: none"> <li>Revenue under \$3k</li> <li>Labor under \$10k</li> </ul> <p>No changes in capital projects. Scheduled to end the year at close to \$500k.</p>	
<p><b>Board Votes</b></p>	<p>Bob: I move to accept the amended “Employee Holding Two Positions” policy as presented with the addition of the proposed termination clause.  Karen: Second  Elaine: This is worded per Abby’s suggestion for the termination clause. Termination for one position for disciplinary reasons, they are terminated for both.  <b>Board votes</b>  <b>5-0</b></p>	<p><b>Motion to accept the amended “Employee Holding Two Positions” policy as presented with the addition of the proposed termination clause. Passed 5-0</b></p>
<p><b>Staff Reports</b></p>	<p>1) <b>Dirt Jumps at BARC</b>  Elaine: I hoped to have a response from Enduris by now, but nothing as yet. We communicated last week to where our agent stated they have little to no experience with this kind of situation, so they wanted to touch base with some colleagues with broader experience before making a final determination. They state they are open-minded about it, but at this point, they cannot endorse it. Further to the issue of unapproved modifications, it is happening with the inside ramps, as well. Yesterday, Nate Mollison (a former BARC Steward and our new employee under the grant) discovered the ramps were heightened over the weekend to where they posed a safety hazard – no back railings, and the side railings were knee high. He and Marco Gaul spent all day dismantling them. They came back within an hour and rebuilt them.  Bob: They need to understand they don’t have the right to make these changes, it is dangerous. If it continues, we will shut it down (the building).  Hans: Agreed  Elaine: There have been empty beer bottles and vape equipment found in the building, it is not getting treated properly and people are abusing the area.</p>	

Abby: I frequent the area with my kids, and they are mostly always very nice, it's just a small group.

## 2) Land Trust "No Dogs" Policy

Elaine: At the last meeting I reported the reasoning behind the policy and was asked if guide dogs are okay. Interestingly, the Land Trust responded that they simply look the other way. I informed them that Guide dogs are okay – ADA law. Under [Title II and Title III of the Americans with Disabilities Act](#) (ADA), state and local governments, nonprofit organizations, and businesses that include recreational settings that serve the public generally must allow service animals to accompany people with disabilities in all areas of the facility where the public is normally allowed to go.

Doug: It's another unsupervised facility, some people bring their dogs everywhere.

Bob: Do we need to change the signage?

Elaine: We could, but people using guide dogs are probably familiar with the laws.

Doug: I think we need to pay attention to the big events, but most days they should obey the laws.

Hans: The events are hosted by land trust and you have spoken to them.

## 3) VIFR Interlocal

Letter from Charlie Krimmert: I have been considering your Board's counter. Our offer of a reduced cost of a \$1.00/\$1,000 was based on the volume of properties your agency is responsible for, as well as the cost being based on market value, all be it a five year (+/-) old number. As you wish to exclude a large portion of your properties from consideration I see little reason to maintain a 'bulk discount ratio' and would offer that the \$1.50/\$1,000 calculation be applied to the properties 'most regularly utilized' for an annual fee of \$8,815.50.

Regarding ing those properties you are removing from the 'property list' and your question: "*...would it be VIFR's position to not serve them in the event of a fire?*"; that is a very interesting question. For the circumstances surrounding this question it is regularly discussed and debated within our industry. I do not have an answer to this question for you at this time. As your organization is removing these properties from the foundation of the fee structure to reduce costs are you assuming that they do not need fire suppression or emergency medical services? Would you like to contract these properties based on a fee schedule applicable only when services are rendered?

I will discuss your counter offer, as well as my recommendations, with my Board to see what their position is on the annual fee you are currently offering as well as how we respond to, or don't respond to, the properties you have removed from your property list to calculate your proposition.

Bob: What was the original number?

Elaine: \$11,000

Karen: It's offensive. There are properties that they won't tend to if there was a fire.

Hans: And he said his next action he is discussing with board?

Elaine: Correct.

Hans: So your question from him is that we would be charged independently for the properties they wouldn't cover?

Elaine: Correct. So what I hear you saying is the answer is that we are willing to take the risk.

Hans: We made a fair offer, I don't think we need more dialogue necessarily, I think we let it stand. If they want to talk about it more, we would like to hear about the progress with King County.

Karen: I would like to know who they reached out to in King County.

#### 4) **2017 Levy Number**

Elaine: At the last meeting, you asked for more information and numbers. You wanted to know of the 4 voting options, Feb, April, August, November, registered voters and number of people voted. Starting with 2018 and going back, most ballots were run in February, going back to 2010. Most were School District. The number of registered voters was @ 8,000. Ballots counted averaged 4,000.

Remember, in 2017, the number of yes voted we would need is 1200, and we need 2000 voters. So I think we can be assured that if we go in February we'll have the numbers.

Also, timelines- February/April Elections- need to know 60 days prior to election day.

February election last time was 2<sup>nd</sup> Tuesday. April, 4<sup>th</sup> Tuesday.

Doug: Would VPD be the only thing on the ballot?

Hans: TBD, we'll find out.

Elaine: You also asked what we get for .50 vs .60 – I understand you were speaking as a voter, but in dollar terms, the differences are as follows:

2018 Property Assessment = \$2,929,797,272

At today's value:

2018 levy at \$.45 = \$1,330,025

2020 levy at \$.50 = \$1,464,898 +\$134,873

2020 levy at \$.60 = \$1,757,878 +\$427,853

Assume 5% inflation next two years (2.5% each year for two years).

2020 Property Assessment = \$3,222,776,999

2020 levy at \$.45 = \$1,450,250 +\$120k

2020 levy at \$.50 = \$1,611,389 +\$281k

2020 levy at \$.60 = \$1,933,666 +\$600k

See the Capital Plan for what the voters get – without running a bond.

Doug: So what we tell them is you give us extra cents and we do this stuff. 45 could be argued as a

	<p>rate reduction almost, due to what was agreed upon.  Elaine: This is true; historically we have received 50 and are now at 45.  Karen: Well I think we are in a good pace to sell the 60 cents.  Bob: We are assuming community wants this stuff. There has never been a successful passage of a bond.  Abby: I think if we do it this way, ask for 60, and get the stuff done, we stand a better chance of getting a bond in the future.  Karen: How much of a tax increase would it be?  Hans: \$180.00 a year for me, 50 cents.  Hans: Should we talk about timeline more? April sounds good to me. Rather do it sooner than later, maybe not in August.  Karen: I like April.  Elaine: The only downside is it might be alone, but that would be my preference, April.  Bob: So let's just agree on that, April.  Hans: 0.5-0.6 range, I don't think we're in the .45 range.  Elaine: I'll bring the flier that we sent to the public to educate about the last levy.  Cap. Joe: Any consideration with this related to Hospital District?  Elaine: I have a meeting with two of the board members tomorrow, so I will keep you updated.  Karen: Based on what you know, when would a Hospital District be on the ballot?  Cap. Joe: They haven't even started putting together a resolution to give to the state. I don't see how it can be done in less than a year.</p> <p><b>Audit</b>  Elaine: One more staff report. I knew the 2016 Audit would be this fall. I suddenly learned they will be here Thursday. It usually takes a week or two. Should not be an issue. They want to see if we're protecting ourselves against fraud and following public works laws. I'm confident we'll be fine.</p>	
<p><b>2019 Budget</b></p>	<p>Elaine: This is the first rough without specific staff input (besides what we have discussed over the year). This is pretty close, though. The intent was to get a close estimate on where we are going to land.  Out of the starting gate, we need to address a problem with the Financial Management Policy #2760. The policy allows you to go one of two ways: Grow your reserves (Budget example #1) or Decide your Permanent Reserve is "fully funded" (Budget example #2), but you will always be locked by the stipulation that you can't allocate over the average of the past 3 years' levy average. This doesn't make any sense. Why would we limit our ability to expand our operational needs or not address our capital needs when we're just sitting on money that "cannot be allocated" due to this limitation in the policy? Interestingly, even if you don't increase wages, adding \$100k in recreation programming is likely to put you over the line of breaking the policy (the wage hit to 2019 is only \$86k [\$57,435 + \$28,718]). By policy, your hands are tied unless you vote to suspend</p>	

the rule of that policy... or change the policy. I would suggest we just create one reserve.

The policy stipulates that the Permanent Reserve is considered fully funded when it hits the difference between the highest and lowest levies in the past 10 years.

2018 = 1,330,025

2013 = 993,000

Adequate Permanent Reserve = 337,025

I funded the Permanent and Capital Reserves per the formula in the policy, but we don't have to when they are "fully funded" – also per the policy. Therefore, the Operating Reserve would be \$24,553.

Excess Funds = New year levy revenue – Levy revenue to allocate.

Permanent reserve = [(EOY operating reserve + New year Excess funds) x 75%] + EOY

Permanent Reserve

Capital reserve = [(EOY operating reserve + New year Excess funds) x 25%] + EOY Permanent Reserve

Capital Projects – we are committed to doing \$145,000 in 2019. Use the Capital Reserve? Or create a budget category. I would suggest we create a budget category and eliminate the Capital Reserve. One "savings account" would always be for cash flow management *and* capital projects.

Karen: Why don't we change the policy?

Elaine: You can, or vote to suspend rules.

Doug: This model is for having a fear that we run into trouble financially.

Abby: Let's take our worst case scenario and cover that. As a tax payer I don't like having all the money in the bank and not being used at all.

Bob: How do we change policy?

Elaine: I can make a stab at it. I see in other PD planning, it's a capital budget and a savings account. Just never allow your total reserve to go under 400k, as that was the levy drop in the last recession. I would prefer one reserve, capital reserve,

Bob: With some limits on how far down it can go, 400k or whatever the number is.

Elaine: When this model was made there were no reserve funds, so that makes sense.

Elaine: Only other question I have is on fee increases. Policy dictates that I make fee recommendations at the time of budgeting. To be honest, I have mixed feelings about an increase after having done one last year (prior was 2016). Inflation is around 3% in the context of this Board discussion:

January 12, 2016: Motion to increase user fees user fees 5% rounded up to the next \$.25 effective January 1, 2016. After December 31, 2016, user fees will be increased by 5%, rounded up to the next \$.25 when the cumulative CPI for the Puget Sound region reaches 5%, or every three years, whichever occurs first. At no time will user fees exceed the median amount of the

**Action Item**

	<p>fees paid for similar services in Park Districts in King and Pierce Counties (amended 1/26 to eliminate future increases).</p> <p>Total increase in revenue if we do a 5% increase is: \$16,000. There is some value to the message during levy time saying no user fee increases in 2 years and none planned (justifies a higher levy ask, too). On the other hand, we are way below industry and users expect it.</p> <p>Hans: No fee increases in 2019.</p> <p>Karen: I agree</p> <p>Bob: Put them off for a year. But see what Eric has to say about lodgings.</p> <p>Elaine: Okay, I will take out of this budget.</p>	<b>Action Item</b>
<b>Strategic Plan- first draft review</b>	<p>Doug: I have a question about 2018. A plan is about the future. I'm curious why we're calling this a 2018 plan, not 2019.</p> <p>Hans: The plans can take awhile to formulate and finalize.</p> <p>Bob: <b>Move to adopt strategic plan in latest form</b></p> <p>Karen: <b>Second</b></p> <p>Doug: We can vote on it next meeting.</p>	<p>Bob: <b>Move to adopt strategic plan in latest form</b></p> <p>Karen: <b>Second 18-24</b></p>
<b>ADJOURN</b>	<p><b>Bob: Move to Adjourn</b></p> <p><b>Karen: Second 5-0</b></p> <p><b>Adjourn @ 8:48 P.M</b></p>	

Minutes by: Christopher Iannazzone