

# VASHON PARK DISTRICT BOARD OF COMMISSIONERS

## MEETING MINUTES

Ober Park, Performance Room, 7:00 pm

**DATE: Tuesday, November 13, 2018**

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

Staff attending: Elaine, Jason

ISSUE	DISCUSSION AND OUTCOME	FOLLOW UP
<b>Call To Order &amp; Agenda Review</b>	The meeting was called to order and the agenda was reviewed at 7:10 PM by Doug Ostrom.	
<b>Public Comment</b>	Cap. Joe: The Lighthouse Center Open House on Sunday, December 2 is on.	
<b>10.23.18 Minutes; 10.17.18-11.8.18 Preliminary Vouchers</b>	Bob: Move to Accept Karen: Second <b>Passed 5-0</b>	
<b>Board Votes</b>	Bob: I move to adopt the strategic plan in its latest form. Karen: Second <b>Board votes 5-0</b>	<b>Motion to adopt the Strategic Plan in its latest form. Passed 5-0</b>
<b>WA State Accountability Audit 2016-2017</b>	Elaine: Audit finished Wednesday, November 7. Our accountability audit for 2016 – 2017 closed last Wednesday (a day early!). As the entrance material indicates, the auditor evaluated our disbursements (our voucher process); payroll; cash receipting (particularly at the pool); and procurement (contracting – particularly emergency process – boiler).. Auditor informed that he is recommending a “Clean Audit”. He is waiting on approval by his superiors and legal department. There will be an exit interview. Potential exit item: At the pool, due to technology limitations, Ann is not able to print reports or receipts. It would be preferred to be able to print at the pool rather than have to return to the office to do so. The reason is that she must log in to the server via Teamviewer. Our IT guy is working on a solution. In the meantime, they hand write reasons in a receipt book. Hans: Great job, Elaine. That’s awesome! Elaine: Doug asked his sense for how our financial condition has improved. He was very happy with our progress. Hats off to Scott Harvey, actually. He drove the reserves and the Financial Policy.	
<b>Elect Vice Chair</b>	Karen: I nominate Hans Van Dusen for Vice chair. Abby: Second <b>Board Votes 5-0</b>	<b>Motion to elect Hans Van Dusen to Vice Chair. Passed 5-0</b>

<b>Expulsion Policy</b>	<p>Elaine: Pool patron has been warned 3 times in writing to stop harassing young staff women at the pool. He has created a hostile work environment.  Policy in place: “Rules of Conduct” is weak.  New Policy to replace former- Attorney reviewed: “Allows for expulsion for a period of a year and is applied to all facilities.” It is important to acknowledge in the language that this is a public facility and that there is an appeal process.  Doug: Is this only regarding a habitual behavior? What about fireworks going off in a park?  Elaine: A sheriff can act as an agent of this policy in a firework situation, but otherwise it is mostly regarding habitual behavior.  Elaine: I need a motion to approve. I need a policy that applies to all facilities, not just the pool.  Karen: I move that we accept the new expulsion policy, as provided by Elaine.  Bob: Second  Doug: We will vote on it next time.</p>	<p><b>Karen: I move that we accept the new expulsion policy, as provided by Elaine.  Bob: Second</b></p>
<b>Whale Trail Sign</b>	<p>Bob: Complaint from citizen that The Point Robinson sign is inappropriately placed in an open field.  Elaine: The Whale Trail Organization placed it. Other feedback has been very positive. Eric committed to exploring the possibility of moving it. Should we appease one person when general comment has been positive?  Karen: No.  Case Dismissed by Board. Bob will talk to the citizen to communicate the decision.</p>	
<b>Fire District Interlocal</b>	<p>Elaine: Charlie reviewed our offer of \$5,877 with the Fire Commissioners, and while there was no vote taken, they are supportive of Charlie’s counter to us of \$8,815. The fee is for primary properties + additional fee for service.  Abby: We should meet with their board.  Karen: Let’s get the public to the meeting. I want to hear what the public has to say. Should it be a separate meeting or a meeting that happens on a normal meeting night.  Karen: I want the meeting at a time when the public will show up- a weekend.  Doug: I agree.  Elaine will figure out scheduling.</p>	<p><b>Action Item</b></p>
<b>2020-2024 Levy</b>	<p>Elaine: At the last meeting, you asked for property tax increase numbers for an average household at the various levy rates. Simple way to look at it: according to Zillow, the median home value on Vashon is \$600k.  We have eroded to .40997 for 2019 = \$246  .45 x 600 = \$270  .50 x 600 = \$300  .60 x 600 = \$360  Hans provided a “Sample Modest Vashon Home” property tax breakdown.   2019 Property Assessment = \$3,263,062,370</p>	

At today's value:

2019 levy at \$.40997 = \$1,337,758

2019 levy at \$.45 = \$1,468,378 (+\$130,620)

2020 levy at \$.50 = \$1,631,531 (+\$293,773)

2020 levy at \$.60 = \$1,957,837 (+\$620,079)

At the last meeting you asked for financial projections through 2024 at .50 and .60 cents with our planned capital projects. Attached. General Assumptions:

- 1) In 2020, property values are up 8.7% based on the KC Assessed Value Forecast.
- 2) 3% inflation
- 3) Only one year do we do a user fee increase
- 4) Wages increase per the approved plan through July, 2020 then are 3% COL going forward
- 5) Commons payments remain flat at \$75k annually
- 6) Recreation Programming remains flat at \$100k annually
- 7) Capital projects follow the "Capital Improvement Plan" in our Strategic Plan

Key points at 50 Cents:

- 1) Cash reserves are generally okay through 2022 @ \$400k (although under in 2021 – against policy!), but BAD end of 2023 – must borrow beginning of 2024 after having paid \$490k in capital projects.
- 2) It is tough to finance capital projects out of general M&O dollars outside a bond! And 2024 is AFTER hitting the reset button, although end the year at \$600k. We are paying \$1.5 million in capital projects.
- 3) This assumes we get all the grants. What if we don't? What about other emergencies?
- 4) We have zero flexibility in growing programs or taking advantage of other opportunities. It is tough surviving on a shoe string budget.

Key points at 60 Cents:

- 1) Assumes the same budget as at 50 cents, so we truly are reserving annually. End 2023 with \$1.5 million; hit the reset in 2024 and end with \$2.5 million.
- 2) Think what we can do with this level of flexibility!!! More programs (so more staff); community center; emergency fund; address capital needs comfortably if don't get grants.
- 3) Junior Taxing District – current wiggle room is 17.5 cents; we will need 20 cents (assumes other Districts have eroded).

Hans: What are we spending now on Recreation Programs?

Elaine: We switched the budget out in June and budgeted \$89k and that is wages. Right now we are in a development phase. We have zero flexibility to grow programs right now. \$.50 is a shoestring budget. We could do it but it would be tough.

Hans: Our successors will make decisions about 2024.

Elaine: Correct. I am just hoping to give perspective.

Public comment: Are there limits on cash reserves?

	<p>Elaine: I'm not sure. I can look into that.</p> <p>Cap. Joe: It would be obligated versus unobligated money. You should check with the auditor.</p> <p>Public comment: Just remember this might be a hard sell to the public.</p> <p>Bob: Could an interest group promote for us?</p> <p>Elaine: Potentially.</p> <p>Doug: What if we have a fairly large-scale emergency during one of these years? What do we do at that point? Do we need to not do the capital spending for that year?</p> <p>Elaine: That would be entirely up to the board.</p> <p>Doug: How do emergency funds fit into this?</p> <p>Elaine: That's a good point. The \$0.50 levy is tight. You would be hard-pressed to work through emergencies with that.</p> <p>Hans: We are essentially talking about a buffer. We can talk about it over the next couple of meetings.</p> <p>Public comment: The only time a levy has failed is when we did not properly explain what we are planning to do and allocate with the funds.</p> <p>Abby, Doug, Hans, Karen, and Bob: All interested in seeing a levy at \$0.55- right in the middle.</p> <p>Doug: Yes, one seemed too high, one seemed too low.</p> <p>Elaine: You asked for the numbers of registered voters and those who cast ballots in the November General election. The only data published is for District 34. Waiting on an email back from them. Have we heard if there is any interest in somebody forming a "Friends of Parks?"</p> <p>Karen: When I talked to people about it, no one was interested. If there is something more specific, like working with people with disabilities or Senior Citizens, people might be more interested.</p> <p>Doug: We as a board can't start Friends of Parks.</p> <p>Elaine: That is true. We can only do it as individuals.</p> <p>Hans: I am worried no one would be interested.</p> <p>Elaine: You also asked me to share with you the levy flyer- we sent out in March 2015 for the April 2015 levy. It is solely factual and is not asking to vote yes or no.</p>	<p><b>Action Item</b></p>
<p><b>2019 Budget</b></p>	<p><b>1) Levy Resolution/ Ordinance</b></p> <p>Elaine: The first column is One Percent Factor, the other column is the Implicit Price Deflator. This gives you potentially a levy of \$1,337,000 and the levy dollars at a full \$0.50. I have reset our preliminary budget at \$1,337,000. By December 6, I have to submit to the assessor's office this ordinance resolution which sets our budget. I have to submit these forms. You have to make a motion to approve.</p> <p>Public Comment: We want to ask for the maximum we can.</p> <p>Elaine: Yes.</p> <p>Elaine: *Reading form outloud*</p> <p>Hans: Are we going to do this over two meetings? And then we vote on it in the next meeting?</p> <p>Elaine: Yes.</p>	

**Hans: I move to adopt the Resolution #18-25 and #18-26.**

**Abby: Second.**

Doug: Let's vote on it two weeks from now.

**2) General Financial Management Policy**

**Bob: I move to approval the new General Financial Management Policy.**

**Karen: Second**

Doug: I would like to talk to Scott about this to learn what he was thinking.

**3) Budget- Draft 2**

Elaine: Changes I've made: Eliminated user fees increases. No changes in admin, in maintenance, we always budget for two summer people at \$13/hr but we cannot find someone at that wage so we are moving it to \$20/hr. We decreased the materials budget and the corresponding outside budget amounts for Jason. We kicked it down to \$30,000 from \$36,000. In Recreation Programming, the \$100,000 is there.

**A. Recreation Programming**

Elaine: We need to have a conversation about cost recovery. I have provided what the community is willing to pay for recreation programming based on the community survey. We asked in the survey, "what fees should we charge/ what percent should we recover?" They said about 50%. How involved does the board want to be for each cost recovery programming?

Karen: I'm happy with being brought the material.

Abby: That makes the most sense. You can interact with users without having to wait for a board meeting.

Elaine: We will use this as a guide in our thinking.

**B. Pool**

Elaine: The summer budget is 25% higher. Last year Scott wasn't thinking about the extended summer season. Summer used to be June to Labor Day. Now we are considering the summer season to be 2.5 months more- from the first of May to the end of September.

Bob: This doesn't have to be the case. In May, would this mean the pool is open?

Elaine: Yes, without the bubble. The costs have shifted. What you are seeing here is a larger summer budget and a smaller winter budget.

Bob: So we determine seasonality by when the bubble goes up?

Elaine: Yes.

Bob: I don't see the value in budgeting for winter and summer. It has been blurred.

Elaine: The original deal was that we are not going to exceed \$58,000. I agree, it has been blurred.

**C. Lodging Rates**

Elaine: Eric is recommending no rate increases. He provided his usual reports on nights rented and the lodging comparison compared to other lodging facilities that help guide our pricing strategy. Nights booked was slightly down this year but we had a hefty rate increase in 2018.

**Hans: I move to adopt the Resolution #18-25 and #18-26.**

**Abby: Second.**

**Bob: I move to approval the new General Financial Management Policy.**

**Karen: Second**

	<p>King County is setting a tax increase on lodging. So there are no rate increases proposed by Eric. Caretaker rent increased 5%.</p> <p>Cap. Joe: Are we doing cleaning fees separate?</p> <p>Elaine: It's included in rental revenue.</p> <p>Cap Joe: \$4,000 from keepers donated in 2018.</p> <p>Elaine: That was a donation for the fence.</p> <p>Cap Joe: That was a donation for the fence and equipment.</p> <p>Elaine: Okay.</p> <p>Elaine: We are increasing the caretaker's 5%. We have \$7000 in extraordinary maintenance. We can't rent the property for two weeks while we paint the interior of QA. Under other, I added, for cash flow purposes, the Agren Grant Project- it doesn't do anything as far as what we are paying. I also added \$8800 for the fire district payment. We have no debt other than the truck and tractor leases. The capital plan, under the strategic plan, is for purchasing two trucks and four mowers no trailers until 2020.</p> <p>Jason: I need two trucks, three mowers, and one trailer. It's \$5,000 over what you budgeted. We don't need to replace mowers. I would like to get an equipment trailer which is \$14,000.</p> <p>Elaine: Two trucks, three mowers, and one trailer?</p> <p>Jason: Yes, ideally.</p> <p><b>Karen: Motion to adopt this budget.</b></p> <p><b>Abby: Second.</b></p>	<p><b>Karen: Motion to adopt this budget.</b></p> <p><b>Abby: Second.</b></p>
<b>Adjourn</b>	<b>Bob moved to adjourn.</b>	

Minutes by: Amanda Mahaffey