

# VASHON PARK DISTRICT BOARD OF COMMISSIONERS

## MEETING MINUTES

Ober Park, Performance Room, 7:00 pm  
**DATE: Tuesday, April 30, 2019 Special Meeting**

Commissioners attending: Bob McMahon, Doug Ostrom, Hans Van Dusen, Karen Gardner, Abby Antonelis.  
 Staff attending: Elaine, Jason, Eric

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 7:00 PM by Bob McMahon	
<b>Public Comment</b>	Captain Joe: I had a telephone call about a week ago from a man wanting a tour of the light. His grandfather was one of the keepers until the Coast Guard acquired the lighthouse in 1939 from the Dept of Commerce. I got him to discuss his memories of his grandfather with others there. He was there for 20 years. He was relieved by Jens Peterson's father.	
<b>Maintenance &amp; Operations Levy – Next Steps</b>	<p>Elaine: This just in: I learned from Hazel Gantz this morning that the Library District will not be requesting a lid lift in 2019. They may in 2020, but they have not announced a rate. So for now, that frees up 16.5 cents in the Junior Taxing Model. I also learned today that the KC Parks ballot measure is only going for 5+ cent increase. I asked Hazel to confirm my analysis of the effect on the KC bucket, and she said I am correct. The net effect is:</p> <p>Open now     .62            KC             .05            Hospital     .40            VPD           <u>Stays the same</u> (we are here to discuss, but this is where I have landed – more later)            Remaining   16.5 cents – for the Library next year</p> <p>Doug: The King County measures are county wide, correct?            Elaine: Yes, and historically they pass. There is potentially a threat to us next year, but if Hospital remains at 40 and Library takes 16.5, the net effect to us is zero.            Bob: The Hospital can still take us into the red.            Elaine: There still will be a little more cushion, since KC is forecasting property value increases of 8.6%. We also don't know what anybody else will do in 2020.            Captain Joe: The legislature just passed a levy lid elimination for school districts. This school district has never seen a levy increase opportunity they didn't embrace. This will affect property tax increases if the school district goes for an increased levy. From a philosophical point of view, it could affect the public's attitude to taxing agencies.</p> <p><b><u>What happened with our levy?</u></b>            Elaine: I think we can all agree that one issue is that voters are property tax increase averse.</p>	

Doug: I'm not so sure about that. I looked at all the levy issues on the ballot for King County. The one closest to what the park district did was in Fircrest in Tacoma where they got 79% approval to rebuild a community center. Why would Fircrest be that different from Vashon?

Elaine: There was a lot of misinformation about our levy.

Karen: Lies, you mean?

Jason: I spoke with a lot of people who believed their property taxes were going up 38%. I think there was a lack of setting the record straight.

Abby: I think there was a communication problem.

Elaine: We did not have a campaign committee to help with that, which is typically how it works. Susan McCabe did a great job, but she didn't have enough time. It is unwise for us to respond directly to naysayers. Other perceptions: Misinformation about the effects in the Junior Taxing District model/other ballot measures. Misinformation about our Strategic Plan based on the Community Survey. Karl Stetson would like to head up a Friends of the Parks. We do need to put out more information: newsletters, open house discussing our strategic plan, FAQ sheet.

Karen: The Commissioners need to do an Op-ed expressing our thoughts on this.

Doug: The Hospital District does neighborhood meetings.

Abby: Whenever we do open houses, 4 people show up. We need to solve the broader communication problem. The School Board, Zabette, puts out a regular FB post after each meeting.

Karen: I find that there isn't a great deal of interest in the park district. If there has been a change over the years, the park district has become less of an issue to many people.

Bob: And isn't that interesting relative to 5 or 6 years ago? What has changed is that we're not controversial anymore. I don't understand why we lost as badly as we did.

Abby: I have heard comments about us not doing rec programming, so they don't want to give us money.

Bob: You're right – it's a communications problem. And some of it requires a civics lesson. I would have expected more written in the Beachcomber about the effects of a Junior Taxing District.

Doug: With the attention to some of the FB postings, I have been reading them. I am shocked over comments that we have millions of dollars.

Karen: I feel strongly that the Commissioners right an Op-ed. I will take a first crack at it.

Captain Joe: People I have talked to have shared this about the failed levy: apathy amongst people in this world; the inclusion of the voter's pamphlet with the ballot was confusing; the Strategic Plan and associated budget needs to be better communicated; need a solid connection with the user groups. I suggest we do a Strawberry Festival booth.

Karen: The user groups seemed to be all for it.

Doug: I was struck by the low level of spending for this. There was no advertisement in the Beachcomber. Nobody stepped up to do anything.

Karen: Everyone assumed it would pass.

Hans: Remember 2200 people voted for it; 1800 against it. The majority supported it. It was short 240 votes. I appreciate Susan's efforts, but we could have done more. The user groups could have done more. To the degree we have capacity, we need to establish a platform for frequent communication.

Elaine: I think we need to specify what needs to be done, and who is going to do it. We all need

assignments. I can generate a list of what we have discussed and assign at the next meeting.

Bob: We need more planning before we make assignments. We can do it through the planning committee or through an election planning committee.

Hans: Abby and I were that committee before. We will continue in that role.

Elaine: Let's develop a game plan.

Karen: Part of that plan needs to include social media communications.

Bob: And print media presence.

Jason: Something that says how their tax dollars are spent.

Doug: Some people thought we were misleading them by saying we were last at 50 cents and are asking for 52 cents, where in reality it was an 11 cent increase. It was my suggestion. I was trying to simplify the message that is otherwise very complicated.

Hans: People were confused about the Hospital District.

Bob: The planning committee will discuss how we increase social media presence.

Hans: I think that rests with the executive director.

Captain Joe: Closer to the election, we might consider having a public forum of the VPD and Hospital District. The Beachcomber could host it. Both discuss their Strategic Plans and benefits to the community.

Doug: People have told me that reading the voter's pamphlet often is when they make their decision. I believe Scott made a better case. I think Scott did a better job on the radio. I don't know what we do about that, but it was a problem.

**Levy Next Steps**

Elaine: I updated the April cash flow and did some belt tightening that increases our reserves to \$414k in case November fails, and you want to try to get through next year. It buys you maybe a couple employees, insurance, utilities + 2 levy runs.

- Eliminated both of Jason's new trucks and his trailer. Doesn't make sense to buy new equipment until we know the state of our levy.
- No summer temp maintenance \$20k
- Cut rec programming in half \$50k – that's all we subsidize; we can create low fee models

Jason: I won't do a second top-dressing. There is another \$20k.

Karen: The voters need to understand there are repercussions to failing a levy. I am not in favor of jumping through hoops to make everyone happy.

Elaine: These are prudent cutbacks that simply make sense without any sense of repercussion. We need to be as true to our Strategic Plan as we can be.

Hans: Should we consider cutting facility hours? I don't mean staff hours.

Elaine: That would be a tough thing to do without affecting staff hours. Like the pool – you cut hours, you automatically cut staff.

Karen: We will need a contingency plan for if the Hospital District passes and they take more than 40 cents. I think that is quite possible, as it is human nature to take as much as we can.

Hans: And the mechanics of that is that they put the yes/no measure on the ballot in November with

Commissioners. If it passes, they convene and set the amount.

Elaine: I believe there is a requirement that they hold public forums to discuss the rate, so the public has the opportunity to be heard. Their funding does not actually hit until 2021. We have a lot of time to know what we're dealing with as we work through a reactionary plan. It doesn't make sense to do it now without full information.

Bob: We could raise user fees.

Elaine: I don't think we should do that in 2020. We don't want to upset our constituency. I have one fee increase of 5% in 2022. I present the following analyses:

**41 cents, no capital, all other items in our plan remain as is:** We are currently at \$.40891, so I did 41 cents. Note: this does not even keep up with inflation, as we were at \$1.3 million in 2010. This takes us to \$1.4 million. According to US Bureau of Labor Statistics, inflation rate based on Seattle CPI was 21.9% over the past 10 years. We should be \$1,584,700. I think this is an important talking point.

- The truth is, at 41 cents, their taxes go up. Too, they go up, because we're setting the reset button above the 1% limit factor relative to increased property values. We need to be transparent about that.
- I recommend this in response to the sense that voters are tax increase averse. Besides, each 1 cent only gets us \$35,000. Not worth the risk relative to the perception.
- **Can't do it.** Borrowing in 2022; reserves dwindle to nothing. Options:
  - Kill the 3<sup>rd</sup> wage increase bucket (you will lose staff if kill both)
  - Cut rec programming back to 50% subsidized (could get backlash from those in the rec programming camp, but I don't know that the voters truly care as long we are doing something)
  - Increase fees (but will have to be dramatic and will piss off the users)

Bob: It's tough to communicate the slight tax increase from property values without people thinking you're pulling a fast one on them. It's too complicated.

Elaine: We could go with 40 cents.

Hans: No, 41 or more is where I am.

Elaine: Remember, this assumes King County property values go up 8.6%. I did a lot of research into King County forecasting models and feel this is a safe assumption. But this is key.

**41 cents, no capital, kill 3<sup>rd</sup> wage bucket, cut rec programming to \$50k** (starting in 2019), kill trailer, kill summer temp maintenance and gate attendants

- This gets us to \$665k at the end of 2023, which can translate to \$100k, \$70k, and \$100k in capital projects within our cycle with \$400k in reserves every year.
- \$400,000 reserves met. With the collective \$270k, we can:
  - Do \$100k, \$70k, and \$100k capital (see revised spreadsheet), but it does nothing for the large projects (pool) due to the need for 50% match on those grants, and we would be wise to maintain emergency funding and save for A&E.
  - \$100k rec programming, but that leaves us with \$20k extra.
  - Add the gate attendants and summer help back in (cuts the \$270k to \$122k for emergencies)

- Pretty obvious we need to do a bond for all else.
- Wage increase savings = \$50,000 + \$5750 (11.5% payroll taxes) + \$6350 (PERS) = \$62,100 per year.

Karen: What are your assumptions about the Commons?

Elaine: I have left it alone. We can certainly talk about all the variables to consider. But I think touching the Commons upsets the sport community.

Bob: I think we should sound them out to see where they are. They may be more understanding of our predicament.

Elaine: We can call a Commons Committee meeting and explore that.

Abby: When will their lid lift become available?

Captain Joe: It depends on how the law is written. Every time we have gone to VISD about the Commons, it goes nowhere.

Karen: We can ask to go back to \$50k.

Bob: What you're saying is that 41 cents, no matter how we slice up the details, is doable.

Elaine: Yes.

Bob: And Hans, you are suggesting we consider more than 41 cents?

Hans: I at least want to have that discussion. Do we have the option of running another levy in 2 years?

Elaine: No, it's 4 or 6 years. But I believe we can do a lid lift within our levy cycle. I'm not sure but can look into it if we want to.

Karen: If we say to the community that we're cutting here, here, and here but can do it, they might ask why we asked for 52. Where is the pain?

Elaine: The pain is capital projects. We went to 52 to fix everything. This does no capital at all other than what we do with \$270k. I updated the capital improvement spreadsheet including total project costs. Btw, RJ's Kids got their match for the state grant and added that to the spreadsheet. I'm showing what we can do, what we can get grants for, and what we would need to put in a bond. I killed restrooms and Tramp Harbor Dock. This year we are committed to \$5k for my project manager for Agren; if we get the Ober grant, we have committed to A&E; we have committed to the lighthouse modifications. We can pick it a few projects with the \$270k, but I feel we should have an emergency fund. There are heavy hits and huge projects we can't do. I think we have no choice but to float a bond. We can't get grants for much of this, and the grants we get often have matches. Either that, or we put everything off 4 years. The statement must be made that we cannot address capital with this levy.

Hans: It's too bad. A majority of voters said they want us to.

Elaine: The key is we need our operations. We don't commit to floating a bond until we further gauge voter mentality.

Doug: We would need to make sure we don't do a non-voter approved bond.

Bob: What is the take-away from this meeting?

Elaine: I need a game plan for how we communicate going forward. We need to decide on our next levy ask.

Karen: I think we go with 41 cents. Our message is we are going down to bare bones.

Bob: Do you need a motion on this?

	<p>Elaine: Eventually, I need a motion on what we ask in addition to altering our 2019 budget.</p> <p>Hans: We don't need to make a motion until June or July.</p> <p>CJ: The committee of Abby and Hans need to figure out why the levy didn't pass. They can come up with a recommendation that is a higher number. At 41, the perception might be that we got spooked. If you go up just a little bit, you can tie the Strategic Plan to selling the next time around.</p> <p>Hans: To recap, Karen is going to draft an Op-ed and distribute for feedback. And a letter to the user groups to lay down the sense of partnership?</p> <p>Abby: I think the Beachcomber letter should go out to the user groups.</p> <p>Karen: You're trying to garner the enthusiasm of the user groups.</p> <p>Elaine: If your motive is to fire them up to vote in favor next time, that's a little dicey coming from me. It can be informative – considering 41 in November; making adjustments; no capital; continue to partner. I'll write it and put it out to you guys for feedback.</p> <p>Hans: Reminder that May 13 is the candidate deadline.</p>	
<p><b>Adjourn 8:45 pm</b></p>	<p><b>Doug: Move to adjourn.</b> <b>Karen: Second</b> <b>Pass 5-0</b></p>	

Minutes by: Elaine Ott-Rocheford