Special Meeting of the Spokane Park Board Finance Committee Minutes

Tuesday, June 12, 2018, 3:00 p.m. – 5:00 p.m.
City Hall Conference Room 2B
808 W. Spokane Falls Blvd., Spokane, Washington
Mark Buening - Finance Director

Committee Members:
X Chris Wright – Chairperson
Gilman, Greta ***call in***

Additional Park Board:
Gerry Spirling

Parks Staff:
Leroy Eadie
Mark Buening
Megan Qureshi
Jon Moog
Jennifer Papich
Fianna Dickson
Al Vorderbrueggen
Angel Spell
Jason Conley
Garrett Jones

Guest(s):

Summary

1. 2019 Parks & Recreation Budget Calendar was reviewed by Mark Buening. July and August will be used for review, discussions, and making any changes. August is scheduled for Finance Committee public hearing and Park Board in September. In October, Finance Committee will present Park Board the final budget for approval followed by the City Council for adoption November 1st.
2. 2019 Proposed Budget Guidelines was reviewed by Mark Buening. Chris Wright explained that in 2012, budget guide lines were developed so that the committees didn't go into this blindly and for 2019, the main topics are Fleet, capital at Riverfront Park and Golf.
3. Report of current Capital Program will be discussed next month.
4. May Financials were given by Mark Buening as he reviewed each Operating Division.
5. Information Technology Project Plan Update was given by Jason Conley, highlighting on Golf Software and CivicRec.
6. Golf SIP Update was given by Jason Conley who explained that the loan will be locked-in in August allowing us to skip December's payment. So our first payment will be due June 2019 then again in December.

   A Request for Proposal went out May 30th for the Indian Canyon Irrigation Project and due back on July 2nd and hopefully a selection made by the July Park Board meeting.

The next regularly scheduled meeting is July 10, 2017, at 3:00 p.m. in the **City Conference Room Lobby – Tribal, first floor City Hall.**

MINUTES

The meeting was called to order at 3:00 p.m. by Chairperson, Chris Wright. Introductions were made.

Action Items:

1. None

Discussion Items:

1. 2019 Parks & Recreation Budget Calendar was reviewed by Mark Buening. Mr. Buening explained that this is purposed and that in the meeting next month, he will present the first run of the budget for the committee's review and comments. July and August will be used for review, discussions, and making any changes. August is scheduled for Finance Committee public hearing on the proposed budget following with the Park Board in September. In October, Finance Committee will present Park Board the final budget for approval. It will then go to the City Council for adoption November 1st.

2. 2019 Proposed Budget Guidelines was reviewed by Mark Buening. Chris Wright first explained that in 2012, budget guide lines were developed so that the committees didn't go into this blindly. Mr. Buening explained that these guidelines are very broad and generalized; mainly to maximize revenue and minimize or prioritize expenses as much as possible. Mr. Wright para-phrased that the main topics are Fleet, capital at Riverfront Park and Golf.

3. Report of current Capital Program – Discussion will take place at the July Finance Committee meeting.

Standing Report Items:

1. May Financials were given by Mark Buening as he reviewed each Operating Division with the Committee also comparing figures to last year during the same time period. May YTD actuals, starting with Urban Forestry, shows expenditures over revenue of $231,580; Recreation shows expenditures over revenue of $357,267; Riverfront Park shows expenditures over revenue of $506,947; Park Operations shows expenditures over revenue of $1,441,490; Administration shows revenue over expenditures of $3,366,942; Parks Fund 1400 shows revenue over expenditures of $502,068; Golf Fund shows revenue over expenditures of $362,610. Fund 1950 – Park Cumulative Reserve Fund shows a remaining balance of $1,231,227.33 and Riverfront Park Redevelopment Project shows a remaining budget balance of $12,050,735 after actual expenditures and reserve for encumbrances.

2. Information Technology Project Plan Update was given by Jason Conley. Mr. Conley highlighted on the Golf Software, stating it's working well and that almost 4,000 T-times have already been booked in the month of May using the on-line booking feature. CivicRec's first real trial was enrollments in the Splash Pass program. Jennifer Papich stated that there's almost 16,000 Splash Passes since May 7th. There was one issue with the point-of-sale as the wrong version was installed but has been corrected now.

3. Golf SIP Update – Jason Conley initiated the conversation regarding the first loan payment, which is due June 2019. We're going to lock in the loan in August and will be able to skip our December payment- moving forward, we will typically have two payments a year; one in December and one in June but we'll be skipping this December's payment, allowing us to continue to collect revenues through the facility improvement fees. Facility improvement fees went live June 1st. A Request for Proposal went out May 30th for the Indian Canyon Irrigation Project and due back on July 2nd and hopefully a selection made by the July Park Board meeting.

Contract Items from Other Committees: These items were not discussed.

1. Garco change order #3/Pavilion and Promenade ($206,125) –RFP

2. Colvico budget amendment/ Recreational Rink amusement ride ($5,538.40)- RFP
3. Contractors Northwest Inc. change order #18/North Bank budget reallocation ($43.119.09) – RFP

Meeting adjourned at 4:38 p.m.

The next regularly scheduled meeting is July 10, 2018, at 3:00 p.m. in the **City Conference Room Lobby – Tribal, first floor City Hall.**

CITY OF SPOKANE PARKS AND RECREATION
BUDGET CALENDAR
FY 2019

TASK	PB Committees Due Date	Finance Committee Due Date	Park Board Due Date	Park & Rec Due Date
PROPOSED 2018 BUDGET GUIDELINE AND CALENDAR				06/12/2018
PRESENT DEPARTMENT BUDGET TO COMMITTEES				07/10/2018
COMMITTEE CHAIRS PRESENT TO FINANCE COMMITTEE	08/14/2018			
PARK BOARD PUBLIC HEARING ON PROPOSED BUDGET		08/14/2018	09/13/2018	
FINANCE COMMITTEE RECOMMENDS FINAL BUDGET		10/09/2018		
BUDGET ADOPTED - PARK BOARD MEETING			10/11/2018	
PROPOSED BUDGET TO CITY COUNCIL (Central Accounting)				11/01/2018

2019 Proposed Budget Guidelines

Based on budget guidelines approved by the Finance Committee, other board committees will provide staff preferences and priorities early and consistently.

Committee Priorities and Preferences:

- Budget capital outlay, services, etc. to best meet Park & Recreation goals and objectives.
- Utilize historical norms in budgeting for revenue generation and expenditures.
- Leverage available opportunities with partner organizations as much as possible to share resources and services and achieve an economy of scale.
- Actively engage in cost recovery when feasible.
- Consider opportunities in marketing and sponsorship that offer revenue potential. Continue to identify projects/services that provide savings, efficiencies and/or revenue enhancement e.g. irrigation systems, recreation leagues, information technology, etc.
- Consider administration and overhead costs when assessing the cost of providing fee based services/projects.
- Seek opportunities to redirect funding (i.e. admissions tax) to support Parks & Recreation

General Considerations:

2019 Reserve Requirement for fund 1400 Parks and Recreation Fund to be no less than 5% of the 2019 Adopted expenditure budget.

2019 reserves in excess of the 5% fund balance reserve and the stabilization reserve and other required reserves may, with board approval, be allocated toward a one-time expenditure such as a capital project or a combination to a combined fleet/equipment replacement cumulative reserve account.

Golf Committee will have a goal of achieving and maintaining a 7% of expenditures fund balance reserve.

Develop a 2019 through 2022 Revenue and Expense model.

Current Year Considerations (2019):

Work toward developing and reporting separately on the Parks Capital Improvement Project (CIP) plan for all major Parks projects.

Evaluate financial impact of State mandated sick leave and minimum wage law on the cost of Parks operations and programs.

Develop and implement a methodology for determining the cost of replacement of Fleet vehicles, Park Operations maintenance equipment, and Recreational equipment, and develop a funding strategy to maintain and replace Parks capital equipment.

Develop policy direction for the short (and long-term) funding of the Parks Capital Improvement Plan (CIP); the vehicle and equipment maintenance program; and the conditions and exigencies associated with the opening and program development at Riverfront Park.

Develop a financial analysis for the Golf Fund taking into account total expenses and revenues to guide policy on setting fees; pursuing alternative financing sources; and capital outlay.

Information Technology Projects

Status Report June 12, 2018

Golf Software:

- Working well. Booked 3,954 on line reservations in May. Up 1,700 over May '17

Board Member Computers/e-mail accounts/file storage:

City of Spokane Park Board Member e-mail accounts automatically expire every 3-months. Passwords must be reset, before the date they expire. Expiration dates are being tracked to provide the Board appropriate notification. **Park Board members are now required to use City e-mail accounts per policy ADMIN 5600-17-06. Account expiration dates attached.**

Urban Forestry Tree Permits:

- UF staff continues integration and transition support to community arborists.

Replacement system for Class Software:

Procurement/Implementation Schedule:

✓ Issue Request for Proposal	4/25/17
✓ Question and answer period	4/25/17-5/08/17
✓ Proposals due	5/22/17
✓ Evaluate Proposals	5/23/17-6/02/17
✓ Firm Demonstrations	6/26/17-6/30/17
✓ *Staff De-brief of demos*	*7/12/17*
✓ *Reference Checks*	*7/12/17-9/15/17*
✓ Negotiate Contract/Legal Review	*9/18/17-10/20/17*
✓ Finance Committee	*11/07/17*
✓ Contract Award @ Park Board	*11/09/17*
✓ Kick-off call with CivicPlus	12/21/17
✓ Project implementation timeline	1/12/18
✓ Configuration Training	1/24/18
✓ Supervisor Systems Training	2/27/18-2/28/18
✓ Follow-up Training	3/09/18 &3/19/18
✓ Front line user Training	4/10/18 & 4/11/18
Go Live for Carrousel/Pool openings	5/12/18 & 6/18/18
Recreation Fall Registration launch	8/10/18
Park Op's Field/Facility Reservations	8/31/18

Chris 08/06/18

Nick 09/04/18

Ted 08/29/16

Greta 07/18/18

Rick 08/29/18

Sally 06/27/18

Jennifer 07/21/18

Gerry 07/05/18

Jamie 04/30/18

If your password has expired, you will need to call the Help Desk 625-6460 for assistance to reset.

Golf SIP Strategic Plan Projects

Status Report June 12, 2018

Loan Repayment Schedule:

- First loan payment will be due June 2019
- Loan will be locked by Gavin Cooley in August 2018

Facility Improvement Fees:

Fee Structure approved by Park Board in May 2018

Messaging/communication started immediately after May Park Board

- Golf Pro's
- Press Release
- Media Coverage
- Posters
- Social Media
- City Website
- Email

2018 Facility Improvement Fee (FIF) was implemented June 1, 2018

Indian Canyon Irrigation Project:

Procurement/Implementation Schedule:

✓ Issue Request for Proposal	5/30/18
• Mandatory pre-bid meeting	6/14/2018
• Bidder questions due	6/22/18
• Proposals due	7/02/18
• Evaluate Proposals	7/03/18-7/09/18
• Golf Committee	07/10/18
• Contract Award @ Park Board	07/12/18
• Golf Pro Contract/Amendment	TBD
• Project Start	TBD