



MANDAN PARK BOARD ANNUAL BUDGET RETREAT

JULY 11, 2016

Board Minutes

The Board of Park Commissioners duly met in special budget retreat on, July 11, 2016 at Mandan City Hall. Those present were Park Board President Arenz, Park Commissioners Hatzenbuhler, McPherson, Meschke, Knoll, Accounting Manager Delorme, and Director Higlin. President Arenz called the meeting to order at 6:00pm CDT.

Agenda:

1) 2016 Mid-Year financial recap

a. State Aid Distribution

Director Higlin stated that we are currently down 28% as predicted and that administration only budgets 80% of previous year collections. Internally, we have postponed painting of the exterior of the Raging Rivers/Park Admin building to offset the potential shortfall.

b. YTD Fund balance Review

Accounting Manager Delorme presented the current fund balance of all funds and we are very comfortable with each fund balance. Our fund balance per policy is to maintain a minimum of \$1.25 million.

Update on user group agreements/contracts

Accounting Delorme and Director Higlin provide an overview of all of the agreements with Mandan user groups for financial commitments for projects.

c. Sports Complex Construction reimbursement

Accounting Delorme stated that as of July 1, 2016 the \$22 million has been deposited at the BND. The Park District has prepaid for \$1 million of Sports Complex related items and has been reimbursed fully for them.

2) 2017 Budget Summary

a. District Recap

Accounting Manager Delorme presented the General Fund revenue over expenses with a deficit budget of \$191,952 due to a onetime expense of FF&E items for the Starion Sports Complex. Director Higlin explained that for property tax revenue, we only budgeted a 3% increase which would require sending a letter to residents, minus new construction. Director Higlin asked Park Commissioner's that we will be looking for direction on the exact percentage you would like to recommend to increase. Accounting Manager Delorme presented mill levy impact for increases of the following: 0%, 3%, 5%, full 15% and the dollars generated for each percentage. President Arenz

directed Accounting Manager to email a summary of the financial impact to residential values for \$150,000, \$250,000, and \$350,000. Park Commissioners would review the financial impact and give direction at a later date; potentially at our special meeting on July 15. Discussion was held on the budget hearing process and the mailing of letter to residents for the park valuation increase. It was decided to have our special budget hearing after 6pm towards the end of the month of August since we have a lot of unknown budget issues still pending associated with the Starion Sports Complex. Director Higlin would send out potential dates the week of August 22, 2016. While reviewing the district debt summary, it was recommended to pay off the final year of the Softball Multi-purpose building as part of the 2016 payment to free up \$100,000 of debt obligation since we would be paying it off in 2017.

b. Capital Outlay

Accounting Manager presented the capital outlay for 2017 and that managers were required to keep their requests no more totaling \$200,000 as a grand total from all departments. The following items are included in the 2017 budget: \$25,000 server upgrade, \$5,000 computer rotation, \$60,000 mower, \$50,000 Municipal GC Clubhouse upgrades, \$14,000 rainbird GPS support contract, \$30,000 MAC Van, \$5,000 Recreation Dept equipment needs, \$11,000 for RR pump house strainer and pool vacuum. In addition the \$292,000 for FF&E items for the Starion Sports Complex.

c. Special Assessment

The District currently have a loan with Starion Financial when we refinanced the City of Mandan assessments to the district for a lower interest rate. Currently are paying \$127,260 with the final payment due in 2017. Once the final payment is made, we will be able to better account for the pending action with the City of Mandan in regards to the assessment of Old Red Trail. The unknown is the future assessments to our other properties which could be assessed in the upcoming years. Director Higlin stated that no action or direction has taken place since President Arena, and I met with City of Mandan discussing a potential reimbursement of future assessments of Old Red Trail in 2020.

d. Starion Sports Complex Impact

- i. Staffing: *Recreation Manager Frueh and Parks and Facility Supervisor Haff will be fulltime employees at the Sports Complex September 1, 2017. Replacement for their positions won't happen until Mr. Frueh has left and Mr. Haff won't be replaced until the spring of 2018.*
- ii. Signage (interior and exterior) *Director Higlin explained that in the 2017 budget, no funds have been allocated or budgeted for the signs required for naming rights inside and outside the complex. Director Higlin stated that we will need to advertise for the sign installation 6 months prior to opening. Director Higlin wanted to remind the Park Commissioners that he will need to amend the budget in 2017 once we develop a RFP for the signs.*
- iii. DSG lease agreement: *Director Higlin asked for direction or starting point for a dollar amount with Dakota Star Gymnastics (DSG). The original intent was to be around \$1,200 or \$1,500 a month, discussion was added to start with \$1,000 monthly lease to get the program started successfully. Direction was*

to set up a meeting with DSG to start the discussions early before the complex is open. Director Higlin stated that Attorney Ruff is currently in the process of developing a lease agreement.

- iv. FF&E items: **Director Higlin presented a summary of items developed from Recreation Manager Frueh and Park Superintendent Fleck. Park Commissioners stressed to purchase nice, high quality furniture for the complex.**
- v. Faris Field Renovation: **Director Higlin discussed getting estimates on potentially demolishing the grand stands to provide a larger area to construct new diamonds. The project won't start until the fall of 2017 when the Sports Complex is completed.**
- vi. Timelapse, picture of construction? **Director Higlin asked if Park Commissioners would like us to consider a time lapse camera or take pictures in stages of construction. Commissioner Hatzenbuhler recommended purchasing a drone that could be beneficial for the entire district long term. Director Higlin will present the item for approval at our August board meeting.**

3) District Facility Upgrades: Park Commissioners Direction on Priority; funding, and timeline

- a. 47 acres
 - i. When do we want to start planning?
Discussion was held among staff and commissioners that the 47 acres isn't a priority at this time.
- b. All Seasons Arena Renovation:
Director Higlin mentioned to the Park Commissioners that we have a meeting scheduled on July 19 at noon with President Arenz and Vice President Knoll who are members of the JPA with Mandan Public Schools. Director Higlin stated that we currently have earmarked \$500,000 as a tentative budget for our 50% share of ASA renovations. Director Higlin asked the board for permission to develop a RFP for architectural services to assist with planning and design of the ASA. Director Higlin would present the RFP for approval at the August 8, 2016 board meeting.
- c. Memorial Ballpark Phase II
The update from the Baseball Club is that they are not ready for the construction of Memorial Ballpark until 2018. The design that is submitted estimates construction to be at \$2.5 million. Director Higlin allocated \$500,000 as the Park District match to include as a priority the renovation of the infield drainage system. Discussion was held about researching cost for a turf baseball field. Director Higlin discussed getting estimates and bringing them back to the August board meeting.
- d. Southside Tennis Courts
Until we have a clear understanding of the Legion Park impacted by the Lower Heart Flood Control; improvements to the south tennis court area would be put on hold until we get some direction from Lower Heart. Director Higlin stated that Lower Heart Flood Control will be presenting to the City Commission on July 19.

- e. Legion Park flood impact with Lower Heart Water Resource District
Director Higlin presented the tentative impact to Legion Park and the amount of property that is in question.
 - f. Raging Fitness Closing/Renovation
Director Higlin discussed that the Family Wellness Center is scheduled to open January 1, 2017. Raging Fitness will have 30 days to close once a specific date is determined as construction seems to be slower than anticipated. Director Higlin stated that he would like to use the area for a larger conference room and add additional office spaces. Discussion was held to consider reconfigure the entrance into Raging Rivers to eliminate access into the main building.
 - g. Future Greenspace in SW Mandan
Director Higlin stated that we currently have \$400,000 designated from park development fees generated from building permits for new construction. These funds are primarily used for purchasing new green space or for construction of the future green space. The area in SW Mandan is continuing to grow and the Park District currently doesn't have any land in that area. Discussion was held in proximity of the Ft. Lincoln School and the need for a future trail along 19th Street. Director Higlin stated that he has had discussion about constructing a trail; the concerns are that the road is a rural paved road which makes it difficult when the trail would be placed in the ditch along with storm water and snow. Until the road become a urban road, grant funding won't pay for the necessary items to place a trail at this time.
 - h. Direction on City request on state aid reduction and property north of Park Maintenance?
Discussion from Park Commissioners was not to decrease our state aid distribution as requested from City Commission as we too have budget shortfalls. Discussion on City of Mandan Maintenance Shop was discussed and tabled until Old Red Trail assessment is finalized.
 - i. Obama Care update
Accounting Manager Delorme presented the overall impact of the Park District and measures we are taking to stay under the 50FTE to avoid offering insurance to seasonal employees. In 2015 we were at 48.5 FTE and currently we are operating at 41FTE at the end of May 2016.
 - j. Policy for Park Commissioner Lifetime benefit
Discussion was held on whether to require new Park Commissioners to serve more than one term to receive lifetime benefits. No direction was given as we have two years until the next election to finalize lifetime facility benefits for Park Commissioners. Any former Park Commissioner or current Park Commissioner would be grandfathered in with the current policy.
- 4) Other items for discussion?
Commissioner Hatzenbuhler presented a master plan for a potential development with park amenities.