



**MANDAN PARK BOARD  
2021  
ANNUAL BUDGET RETREAT MINUTES**

July 20, 2021

PARK ADMIN OFFICE

**Attendees:**

**Park Commissioners:**

President Meschke, VP Arenz, Commissioner Hatzenbuhler, Commissioner Mehlhoff, and Commissioner Froehlich.

**Park Staff:**

Director Higlin, Accounting Manager Welch and Superintendent Fleck

President Meschke called the meeting to order at 4:30pm and turned the meeting over to Director Higlin.

**1) 2021 Mid-Year financial recap**

- a. Accounting Manager Welch provided a summary of the past six months' operating budget of the district. Accounting Manager Welch stated that there are no concerns at this time. General Fund revenue is \$1 million short of our budget and expenses are under budget by \$2.6 million. All funds total revenue is \$5.1 million, and expenses are \$3 million.
- b. State Aid Distribution & Property Tax collection ytd is \$255,663 with two quarters remaining to collect.

**2) 2022 Preliminary Budget Summary**

	Revenue	Expense
General Fund	\$4,857,000	\$5,757,000
Special Assessment	\$ 103,500	\$ 170,000
Capital Improvement	\$ 524,417	\$ 475,600
Raging Rivers	\$ 683,100	\$ 755,700
Refunding Bonds	\$ 256,000	\$ 256,00
Flex Spending	\$ 5,000	\$ 5,000
Construction Fund	\$1,980,000	\$1,1980,000
Vision Fund	\$ 62,500	\$ 0
Total All Funds	\$8,471,517	\$9,399,300

- a. Highlights of 2022 Budget:
  - i. Budget is for 21 FT employees to receive a 4% raise (2% COLA and 2% merit)
  - ii. Health insurance rates will remain very similar to last year. Total budget in 2022 will be \$430,000. We are still exploring joining NDPHIT at the end of the year.
  - iii. \$10,000 has been added to the matching grant allocation for the first time in two years.
  - iv. Special Assessment fund was reduced to one mill with 1.5 mills moved back to the general fund.
  - v. Raging Rivers debt service was refinanced and reduced to 4 yr. term and payments increasing to \$256,000. We will try and cover the increase in operations; however, we have a fund balance exceeding \$400,000 to cover any shortfall if needed.
  - vi. Construction Fund is \$1.9 million for the new Park Operation Building. \$ 1million is loan proceeds and the \$900,000 is cash.
  - vii. Vision Fund is revenue from the Sports Complex naming rights; \$62,500 from Starion Bank and \$25,000 from Gangl Hospitality.
  
- b. General Fund 5yr. projections:
  - i. The goal/guideline of the General Fund is to maintain a cash balance of \$2.2 million. We are purchasing the McClelland property for \$140,000 and assuming we will spend \$100,000 in design fees for Park Operations Building. The proposed fund balance at the end 2022 is estimated at \$1.35 million if we pay \$900,000 in cash for Park Operations building. We have included debt service payments of \$110,000 for ten years.

**3) Capital Outlay**

- a. For 2022 we have a total of \$475,600 in budget requests. These include:

Marketing/Admin:

- 1. Video updates \$ 10,000
- 2. Security Cameras and Door Access \$100,000

District Maintenance Dept:

- 3. Mower \$70,000
- 4. Softball Well \$20,000
- 5. Machine lift-new building \$35,000
- 6. FF&E- New building \$10,000
- 7.

Golf Dept:

- 8. PWGC Rough Mower \$ 85,000
- 9. Muni GC irrigation head upgrades \$ 15,000
- 10. Heaters at Muni shop \$10,000

Raging Rivers:

- 11. New boiler \$10,000
- 12. Lazy river rock repair \$20,000
- 13. Picnic Table replacement \$5,000

Sports Complex:

- 14. Floor Scrubber \$10,000
- 15. Overhaul compressors \$10,000

**4) Special Assessments:**

- a. Accounting Manager Welch recommended to prepay assessments in the amount of \$278,275 and refinance \$1.185 million for a 10 yr. term. The estimated savings is \$265,950 and reducing the term by 10 yrs.

**5) Direction on mills and tax levies**

- a. Accounting Manager Welch presented information on the current year mills and property tax dollars levied, along with projections for the 2022 budget year. The estimated value of 1 mill for 2021 is \$103,527, which is an increase from the prior year's mill value.
- b. For the 2022 budget, it was recommended that we leave our overall mills the same as last year, but because of the increase in the estimated value of a mill, this would still generate an additional \$65,373 in property taxes for 2022. We have reallocated 1.47 mills from the special assessment fund to the general fund. Total mills levied for 2022 is 28.84.
- c. The financial impact to taxpayers owning a \$275,000 home with no valuation increase, is no increase in park property taxes.
- d. Mills levied will remain the same, which is a levy of \$2,364,557 in the General Fund, a levy of \$103,527 in the Special Assessments Fund, and a levy of \$517,635 in the Capital Improvement Fund, for a total levy of \$2,9285,719.

Motion to approve the 2022 preliminary budget with recommendation with special assessment refinance and to set the public hearing date for September 12, 2021, by VP Arenz and seconded by Commissioner Mehlhoff. Motion passes 5-0.

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**6) District Facility Upgrades:**

- a. Starion Sports Complex Sales Tax overview:
  - i. Sales tax collections for 2020 was \$2.1 million and YTD for 2021 is \$1 million which is already enough for our payment. We have currently paid off the 2016A-T bond, made our required payment \$1 million was paid and we paid an additional \$1.7 million to the 2016 B bond which is excess sales tax collected required by bond language.
  - ii. The Mandan Hockey Club is still interested in pursuing adding additional locker rooms at the Sports Complex. We partnered with them on the feasibility study to determine if it is possible, funding was not determined. We have met and the Mandan Hockey Club will present a business plan on how they would like to proceed with the locker room expansion.

**7) Memorial Ballpark**

- a. Director Higlin stated that he will have the purchase agreement with the McClelland property by September 2021 when the last family member signs the agreement.

**8) Park Operation Building:**

- a. The design of the building was placed on hold when cost estimates were exceeding 30% of architect estimates. ICON will start designing the building in September and will proceed with bidding the building in January 2022 with a goal of construction cost decreasing.

**9) Irrigation Study for Softball and Baseball Complexes.**

- a. Director Higlin presented the Burian & Associates feasibility study which includes three options.
  - i. Option 1: Use city potable water.

1. Annual water cost of \$71,000 based on ¼ inch of water daily for 5 months of use instead of 6.5 months of normal watering season.
2. In order to connect city water to existing irrigation system, a cost of \$54,340.
- ii. Option 2:
  1. Bypass Municipal GC and go directly to softball/baseball complexes; \$689,160.
- iii. Option 3:
  1. Tie into Municipal GC Pond \$938,670.

Discuss was held to ask the City of Mandan if we could have reduced water fees if we committed city water long term. Superintendent Fleck would test water samples from the Heart for sand and iron concerns and contact research center about any pending concerns irrigating from the same site. No action was taken.

10) Faris Field:

- a. Director Higlin stated that he has verbal commitments from the Girls Fastpitch and Baseball Club to contribute \$500,000 each to the renovation of Faris Field into two diamonds. They both prefer synthetic turf if budget allows with other amenities. Director Higlin stated that he would like a Memorandum of Understanding between all parties prior to moving forward with any project. VP Arenz stated that the Mandan Baseball Club would like to pursue diamonds 9 & 10 at the youth complex before contributing to Faris Field. Director Higlin will regroup with each organization after state tournaments and coordinate the next steps. Discussion was also held on future of Ft. Lincoln Field and why wouldn't we add on to that site since the football complex isn't being utilized anymore.

11) Mandan Aquatic Center:

- a. Director Higlin stated that the new high school will not bid an indoor pool as part of the new construction. Director Higlin asked about partnering with Family Wellness Center for a 3 lane 25-meter pool with a splash pad. Discussion was held on getting a feasibility study to determine site, design, and costs for adding an outdoor pool at Raging Rivers. We could hold swim lessons and lap swimming in the mornings and use the pool to compliment the current water park features.

12) Indoor Tennis:

- a. Director Higlin stated that the School District would like to sell us 3 acres for \$320,000 for the indoor tennis complex. Director Higlin stated that he does not support purchasing land from the school district. Director Higlin recommends that we negotiate a purchase from Mandan 94 Group for 4 acres to improve parking at the Sports Complex. If we secure a purchase agreement, we will request from the school district donate the land to the park district for indoor tennis. Director Higlin feels that we need a 15 yr. lease agreement with Tracy Porter to match in the debt payments to minimize risk to the Park District. The board agreed to proceed with purchase agreement options with Mandan 94 Group and discuss our concerns with Mandan Public Schools.

13) Future Green Space:

- a. Director Higlin presented a couple options for 2.5 acres in the Keidel 6<sup>th</sup> Addition in SW Mandan. The board recommended pursuing land donation since the topography is difficult and look to center the property for future developments.
- b. 19<sup>th</sup> Street Trail is scheduled for 2022 on the south side of the road.
- c. Discussion for a future dog park will be incorporated in the 47 acres north of the Middle School once develop continues.

14) DCP Feasibility Study:

- a. Director Higlin stated that the Rodeo Committee is looking to proceed with a permanent rodeo arena and would like to place it on the Horse & Saddle site. The rodeo committee will present their business plan at a future board meeting to proceed.

15) Vision Fund and General Fund Balance Policy:

1. **Vision Fund Update (effective July 19, 2020):**

1. Director Higlin presented language for the Vision Fund. The purpose of the Vision Fund is to designate restricted funds for future long-term repairs to Park District facilities. These funds will be dedicated to a specific facility or project that requires board approval prior to expending these funds. Currently, the following revenue sources will be deposited in the Vision Fund:

1. Naming rights for Starions Sports Complex from Starion Financial.
2. Naming rights for the track from Gangl Hospitality.
1. All of the field rentals at Veterans Memorial Ballpark at BNC Field per the agreement with the MBC for turf replacement.

2. **General Fund Balance:** NDCC 15-15-27 limits year-end carryover fund balances to 75% of the current annual appropriation other than debt retirement. The Park Administrative Portfolio recommends a minimum unrestricted cash balance of 30% of general fund operating expenses as a guideline. In order to deficit spend below 30% it requires a roll call vote of Park Commissioners to expend these dollars.

**Motion by VP Arenz to adjourn at 7:40pm, seconded by Commissioner Mehlhoff. Motion passes 5-0.**

**Cole Higlin**

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Cole Higlin  
Director/Clerk, Mandan Park District  
Commissioner



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Wade Meschke  
President, Board of Park

**Signature:**   
Cole Higlin (Aug 11, 2021 10:06 CDT)

**Email:** [chiglin@mandanparks.com](mailto:chiglin@mandanparks.com)









# July 20 2021 annual budget retreat MINUTES

Final Audit Report

2021-08-11

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