



**MANDAN PARK BOARD
Special Meeting
ANNUAL BUDGET RETREAT**

July 18, 2018
PARK ADMIN OFFICE

The Board of Park Commissioners duly met in special session on Wednesday, July 18, 2018 at main conference room at Park Administrative Office, 2600 46th Ave SE. Those present were President Meschke, Vice President Arenz, Commissioner Hatzenbuhler, Commissioner Mehlhoff and Commissioner Knoll. Park District staff included Accounting Manager Teri Welch and Director Cole Higlin.

President Meschke called the meeting to order at approximately 4:00 pm, CDT. President Meschke explained that this is a special meeting to discuss 2019 preliminary budget, recap of 2018 financials, and provide our staff direction on our strategic plan.

Agenda:

1) 2018 Mid-Year financial recap

a. Recap

- i. *Accounting Manager Welch presented the six month YTD revenues and expenditures for the District presenting no concerns. Director Higlin stated the utility expenses for the Starion Sports Complex are higher than expected. Director Higlin shared an excel sheet of utilities since we opened pointing out the difference in electricity when the two ice sheets are not in operations. Accounting Manager Welch explained that she has amended the budget for the approved \$1 million contribution for Memorial Ballpark, Soccer Upgrades, and All Seasons Arena which increased our expenses totaling \$1,600,000.*

b. State Aid Distribution & Property Tax Review

- i. *Accounting Manager Welch stated that State Aid contributions are on track and will probably exceed our budgeted figures. Director Higlin stated that State Aid allocation changes from year to year so we try to budget conservatively. Property tax collections are trending as expected.*

c. Construction Update:

- i. Sports Complex: *Director Higlin explained that the construction is completed except for some landscaping warranty issues to be resolved. Total construction budget was \$23,682,842, actual construction was \$23,398,051. Costs outside of our construction contract were attributed to Old Red Trail traffic study (\$83,000), legal fees (\$19,000), soil testing (\$22,000), and interior signage (\$19,000), Electronic Scoreboard (\$92,000) and the addition of the locker room. The Park District General Fund was responsible for \$200,000 as the remaining expenditures were covered with fundraising.*
- ii. All Seasons Arena: *The All Seasons Arena renovation is completed. Total cost of renovation is \$1,353,709 which includes \$63,531 for a locker room fully funded by the School District. The remainder of the project is shared equally with the Mandan Public Schools. We also received a commitment of \$150,000 from the Girls and Boys Basketball Clubs.*
- iii. Soccer: *Soccer Improvements for the new press box, locker room, and enclosed player benches is completed and under budget. Accounting Manager Welch stated that we will be receiving \$12,500 annually for 10 years from Dakota Community Bank as the donor for the improvements.*
- iv. Memorial Ballpark: *Year to date we have spent \$175,000 for engineering and design fees. Demolition is set to start the week of July 23. Park District staff have started removing the interior fence and agrilime.*

d. YTD Fund balance Review

- i. Future fund balance discussion. *Accounting Manager Welch provided an overview of our current General Fund balance and projected Fund balance to 2022. With the recent cash payments equaling \$1,350,000 towards Memorial Ballpark, ASA, and Soccer, our General Fund balance drops below \$1.5 million. Director Higlin stated that his goal is to have \$1.5 million in a new vision fund for long term maintenance repairs. President Meschke stated that with the large growth that we have undertaken, we need to make provisions to find a way to replace them in the future as our Park District is growing larger than the community. Discussion was held on Starion Financial and Gangl Hospitality track naming rights sponsorships to be allocated towards the Vision Fund for long term maintenance of the Sports Complex instead of using them for revenue for the facility. Motion by VP Arenz to create a new Vision Fund and allocated naming rights revenue for the Sports Complex to be allocated to the Vision Fund starting in 2020. Seconded by Commissioner Knoll, motion passes 5-0. Director Higlin stated that as we continue to grow our General Fund balance, we can discuss annually about transferring additional funds to the newly created Vision Fund for other Park District needs.*

- e. Update on user group agreements/contracts
 - i. Baseball club fee discussion: *Director Higlin summarized all of the current agreements and contracts that we have in place.*
 - ii. District Exclusive Beverage Contract: *Director Higlin stated that the current contract is set to expire Dec. 31, 2018. Director Higlin discussed our options with the RFP with Coke and Pepsi. It was recommend to continue the contract as we currently do and continue taking a rebate on cases of product purchased from all user groups and Park District ran concessions.*

2) 2019 Budget Summary

- a. District Recap: *Accounting Manager Welch stated that we are presenting a balanced budget prior to direction from the Board on a percentage increase in property taxes. Total Revenue is \$6,033,050 and Expenditures are \$6,031,050 due to the Raging Rivers having a \$2,000 profit. Director Higlin summarized current mill percentages increases from a zero increase to an 8% increase. Motion by Vice President Arenz to approve the 2019 budget as presented and to include a 6% increase in property taxes. Seconded by Commissioner Hatzenbuhler, motion passes 5-0. A 6% increase will generate approximately \$234,270 additional funds, and will be an estimated \$4 increase per parcel.*
- b. Capital Outlay: *Director Higlin provided an overview of the department requests for 2019.*

<i>Golf:</i>	<i>Tractor & Aerator</i>	<i>\$75,000</i>
<i>Admin:</i>	<i>Main Office exterior improvements</i>	<i>\$85,000</i>
<i>Parks:</i>	<i>DCP Fending Upgrades</i>	<i>\$10,000</i>
	<i>Diamond 10 irrigation</i>	<i>\$8,500</i>
	<i>Tree Plantings</i>	<i>\$4,000</i>
	<i>Skid Steer trade in</i>	<i>\$35,000</i>
	<i>North SB Drinking Fountain</i>	<i>\$5,000</i>
	<i>Utility Carts</i>	<i>\$37,400</i>
	<i>Infield Drag</i>	<i>\$23,000</i>
	<i>Playground Equipment (TBD)</i>	<i>\$75,000</i>
<i>Rec:</i>	<i>Inflatable Pool Toy</i>	<i>\$20,000</i>
<i>RR:</i>	<i>Canopies/Shade Structures</i>	<i>\$15,000</i>

Commissioner Hatzenbuhler questioned replacing the playground equipment at Ventures Park due to the Red Trail Elementary School now in proximity of this residential area. We currently have Developers Park three blocks to the south. It was directed to discuss the possibility of closing the park this winter. President Meschke stated that Commissioner should drive by the area and we can follow up on the next steps prior to any decision tonight.

- c. **Special Assessment:** *Accounting Manger Welch provide an overview of all Park District properties with a special assessment balance of \$435,500 following the budgeted annual payment of \$71,700 in 2019. Director Higlin explained that we currently budget revenue of \$96,600 and we have a fund balance of \$76,000 going into 2019, with pending special assessments of Memorial Ballpark parking lots, 19th Street trail, City Storm Water Improvements, 2020 Old Red Trail, and 16th Street east of the Sports Complex. We need to determine what direction the City of Mandan is planning with the Storm Water Management plan and how that large assessment will impact the Park District due to us having 160 acres in the improvement district.*

3) Review Current Debt Service

- a. **Debt limitation by NDCC:** *Accounting Manager Welch stated that our remaining debt capacity is \$7.7 million. We currently have \$1,892,037 in outstanding principal debt payments and \$626,947 in obligations to the School District for joint powers agreement and dehumidifier at the pool that the School District currently carries the debt load.*
- b. **Recommendations for paying debt off early:** *At this time, there are no recommendations to pay off any debt early.*

4) District Facility Upgrades:

- a. **Starion Sports Complex Impact**
 - i. **Sales tax collections-** *Sales tax collections are down around 7% from last year. Our current payment is \$1.1 million and we are projected to collect \$1.3 million worst case scenario. In 2018 and 2017 we collected \$1.7 and \$1.8 million respectively.*
 - ii. **DSG rental agreement-** *It was agreed upon to raise DSG rent to \$1,500 starting January 1, 2019.*
 - iii. **Field area plan of action-** *The grass practice area will be off limits to everyone using the sports complex this fall. We reseeded and sprayed the area to make sure we have a strong root system for next spring's track season. All coaches have been informed of this decision.*
- b. **Faris Field Renovation:** *It was agreed upon to delay Faris Field renovation until 2020 due to the storm water management plan not approved by the City of Mandan including a special assessment impact to Park District property. In addition, Commissioner Hatzenbuhler asked that we explore a combined maintenance shop with Public Works that is adjacent to Park District property.*
- c. **All Seasons Arena Operation Update:**
 - i. **Potential Issues with scheduling-** *Director Higlin explained that the Recreation Dept. will be scheduling the ASA to maximize their program needs while reducing youth programing needs in school facilities. This will free up space in schools for clubs who will get free use compared to ASA rentals.*
- d. **Southside Master Plan:** *The Storm Water Management Plan from the City of Mandan is still the driving force of what happens next. We need to know the timeline of the project start/completion date, assessment impact to the Park District with 160 acres in the area, and how it will assist with our ball diamonds future renovation of Faris Field.*

- e. *Southside Tennis Courts- It was agreed upon by Park Commissioners to remove the remaining two tennis courts this fall/winter by the Park Dept. The courts are in poor condition and use of the courts is minimal and a safety concern. The tennis community came before the board in May to discuss an indoor tennis facility. The board stated that we can provide our southside tennis court property as a future site, however we need a proposal from the tennis association of their funding contributions prior to any financial commitment from the Park District.*

- f. **Future Greenspace and Trail Discussion:**
 - i. *Future green space needs- Discussion was held on future greenspace needs in SW Mandan south of Keidel addition. With the proximity of Ft. Lincoln School and potential future trail leading to the school, the need for green space is not needed at this time.*
 - ii. *19th Street Trail discussion: VP Arenz motion to participate in one third of phase I contingent that City, School, and Park contribute one third of phase II due to the high costs of the trail due to the design of the road. Seconded by Commissioner Hatzenbuhler, motion passes 5-0.*
 - iii. *Dave Ressler Trail naming proposal. Dave Ressler Memorial Campaign committee submitted a proposal to name the trail adjacent to Kupper Chevrolet "Dave Ressler Trail". The trail would start from Main/Mandan Ave (Burger King) north to the I-94 bridge. Motion by Commissioner Hatzenbuhler to rename the trail, Dave Ressler Trail, seconded by Commissioner Knoll, motion passes 5-0. The committee will be donating \$5,000 towards signage and future trees to be planted.*
 - iv. *Friends of Railroad Bridge: Vice President Arenz motioned to support the Railroad Bridge for recreational use without any long term maintenance or ownership to the Mandan Park District contingent that BNSF and the Corp of Engineers agree. Seconded by Commissioner Hatzenbuhler, motion passes 5-0.*

- g. **Human Resources:** *Director Higlin presented the revision for the following handbook changes:*
 - 9.1 Health Insurance: after initial eligibility, employees may enroll or change enrollment only during the annual enrollment period. However, special enrollment can occur within 31 days in the event of a change in family status.*

10,10 Inclement Weather: Full time employees will be paid as if they had worked a complete workday if they remain at work until the office closes. If employee choose to leave before the office closes, they can elect to use any accrued vacation for the missed hours or not be paid for those hours.

10.4 Sick Leave: Employee who upon retirement meet the rule of 85 (age + yrs of service) or are age 62-64 will be compensated for 1/3 of sick leave up to 60 days.

9.2 on the sick leave pay out for employees who reach the age of 62. Director Higlin stated that allowing employees whose age and years of service combine to reach 85 should also be allowed to receive this benefit if they choose to retire prior to age 62.

Motion by VP Arenz to approve handbook changes as presented, seconded by Commissioner Knoll. Motion passed 5-0.

- h. Commissioner Hatzenbuhler proposed Community Park. Commissioner Hatzenbuhler discussed a community park including a potential future golf course west of Sunset Park. It was agreed that the adjacent landowners need to put their proposal in writing as to their intentions and expectations from the Park District. Director Higlin stated that we have a Developer's Agreement in place from the City Planner which the land owners did not want to sign. Direction from the Park Commissioners was to get something in writing from the land owners to assist with*
- i. Park Commissioners 2019 Goals and Objectives*
 - i. Continue developing the Customer Service Training to all employees*
 - ii. More workshops for better Commissioner discussion on District matters.*
 - iii. Potential addition of a youth Park Commissioner as part of discussions.*
 - iv. Dog Park exploring separation of large and small dog areas.*

Motion to adjourn the meeting at by Vice President Arenz and seconded by Commissioner Knoll at 7:10pm. Motion Passes 5-0.

Cole Higlin, Clerk, Mandan Park District

President, Board of Park Commissioners