

BAINBRIDGE ISLAND METROPOLITAN PARK & RECREATION DISTRICT
WORK SESSION October 3, 2024
STRAWBERRY HILL CENTER

CALL TO ORDER: A quorum being present, Chair Swolgaard reconvened the regular board meeting for the work session at 7:10 pm.

BOARD MEMBERS PRESENT: Tom Goodlin, Dawn Janow, Jay Kinney, Tom Swolgaard.

2025 BUDGETS

GENERAL FUND BUDGET: Assistant Executive Director Amy Swenson said based on communication from the county assessor, staff now expects to collect 9.3 million dollars in tax revenue in 2025. Due to the levy lid lift passed by voters in 2021 the Park District is authorized through 2028 to collect additional tax revenue in line with the consumer price index rather than the typical 1% plus new construction. In the proposed budget presented by staff tonight the Park District would be spending about 1 million dollars from reserves in 2025. Based on the following assumptions the reserve balance is projected to go down to 3.3 million dollars in 2028: 1) 7% increase in expenses in addition to the Bainbridge Island Recreation Center principal payment that starts next year, 2) 5% increase in non-tax revenue, 3) tax revenue increases as projected, 4) no land acquisition purchases, 5) that projects come in at currently budgeted costs, 6) no catastrophic events or major failure of infrastructure, 7) no added personnel as of 2026, and 8) that all projects are completed on the planned timelines. Commissioner Goodlin asked why staff did not propose taking the reserves down to the minimum 2.4 million dollars needed to make payroll without borrowing money before tax revenue is collected rather than taking a larger loan for the Ray Williamson pool renovation project and it was decided the board would discuss it later in the meeting. Acting Executive Director Dan Hamlin said after 2028 the Park District goes back to collecting 1% plus new construction every year rather than a rate tied to the CPI, so staff recommend a conservative approach. However, it is up for discussion and for the commissioners to decide.

Major changes to the budget for 2025 include: 1) an increase of approximately \$100,000 for property and liability insurance, 2) a 4% cost of living adjustment, 3) \$80,000 for the comprehensive plan process, 4) a new regular part-time position at the administration building to manage customer service and coordinate facility rentals, 5) the Ray Williamson pool renovation and its effect on reserves, and 6) the cost of health insurance will be substantially reduced.

Commissioner Janow said the creation of a human resources department is something she thinks the agency needs and she would like to see it in the budget. Commissioner Kinney asked if the staff think an HR position is needed. Acting Executive Director Dan Hamlin said staff has talked about getting an HR consultant on board to help with job descriptions and salary scale reviews. Staff are worried about creating a new position at that level currently as there are budget concerns for future years. Amy Swenson said it would be more like a reorganization because she has an employee currently who spends a lot of time on recruitment and administering benefits. Commissioner Janow said she thinks the risks far outweigh the challenges of finding a salary for an HR position. Dan Hamlin suggested that money be budgeted in 2025 for HR consulting until the Park District is through the Ray Williamson pool renovation project since the final impact of that project on the Capital Improvement Fund is unknown. Commissioner Goodlin said it is a great discussion, but it is up to staff to come up with a solution. Commissioner Kinney agreed and encouraged staff to ask for funding for additional HR work if they see a need.

Amy Swenson said staff would like to make three additions to the budget presented tonight: 1) \$45,000 for a new website, 2) \$50,000 for professional fees for public records management, and 3) using some of the Turf Field Replacement Fund money to repair and upgrade the artificial turf fields at Battle Point Park. The board agreed these three items should be added to the 2025 budget. Commissioner Janow said she would like to see the expected costs of all long-term maintenance for all parks and facilities and brought up the idea of developing a fund where a set amount from each user would be put aside for that.

Commissioner Janow asked for a list of which full-time positions are included in each of the full-time wage cost centers. Amy Swenson said she will provide that. Commissioner Goodlin asked why credit card fees are in some cost centers and not others. Amy Swenson said credit card fees for most of the recreation programming are in the recreation administration cost center because there is no way to know how much of the fee can be attributed to each program. However, the teams are billed through a separate software and therefore staff knows the amount of the fees associated with each team and they are accounted for in those cost centers. Commissioner Janow noted Bainbridge Aquatic Masters does not have a line item for credit card fees. Aquatic Program Administrator Jenette Reneau explained that is because BAM dues now cover the credit card fee. Commissioner Goodlin said the Park District should have one policy, so credit card fees are treated equally for every program. Dan Hamlin said staff will have a discussion and bring back a recommendation to the board for credit card fees. Amy Swenson noted there are two reasons the credit card fees for teams are being accounted for separately: 1) because staff can identify them, and 2) because staff were told to make sure teams paid their direct costs, so she felt staff was required to do it. Recreation Superintendent Bryan Garoutte explained that for all recreation programs staff take credit card fees into account when setting fees, but they are all expensed out in the recreation administration cost center other than for teams.

Amy Swenson said that some of the full-time positions in aquatics have been redistributed between multiple cost centers. Jenette Reneau said 2025 was difficult to plan due to a lot of unknowns, so she budgeted for a worst-case scenario regarding space which would be use of only the Don Nakata pool with extended hours and no off-site locations. The programs that typically take place in the Nakata pool were heavily prioritized in this budget and programs that typically take place in the Ray pool were scheduled around them. There is no plan to decrease swim lessons offered in 2025, in fact the plan is to increase swim lesson offerings. During the upcoming closure of the Ray Williamson pool for renovation, it is hard to project budget numbers because it is difficult to predict how patrons will respond. The presented budget anticipates that the Nakata pool can absorb about 60% of the activities from the Ray pool but staff has no way of knowing how many people will choose to participate. Amy Swenson said an increase in subsidy for aquatics in 2025 is assumed based on this proposal for use of only the Nakata pool in 2025, due to a projected decrease in revenue. Commissioner Goodlin asked if this budget includes off-site pool locations for the teams. Jenette Reneau said she is currently working to secure off-site locations which would increase net revenues, but it will be up to the non-profit boards of the swim teams to either include the cost of any off-site pool rentals in fees or pay them separately. Commissioner Goodlin asked about using the pool at Bainbridge Island Recreation Center. Amy Swenson said staff are worried that bringing extra people in would disrupt the membership when that revenue is needed to pay for BIRC. Jenette Reneau said if no off-site space is found the use of the BIRC pool for teams could be re-evaluated. However, the cost for heating and staffing the BIRC pool will probably heavily outweigh the benefit. Commissioner Goodlin said he does not think the board should stress too much about an increased subsidy for aquatics during the Ray pool renovation closure which is something the board decided to do to complete a 6-million-dollar project. Amy Swenson noted that the bulk of the aquatic subsidy is from costs associated with keeping the doors open while most of the programs do a good job of paying for operations. She has never seen a pool that had user fees that account for the non-operational costs because if they did people would not participate.

Amy Swenson said BIRC membership is doing well and the biggest change in the BIRC budget is that after a recent resignation staff decided not to refill that regular part-time position. A decision was also made not to refill a regular part-time position in the gymnastics department.

Commissioner Janow asked how prices are determined for recreation programs. Recreation Superintendent Bryan Garoutte said there is a formula which includes instructor salaries and the necessary instructor to student ratios and Recreation Division Director Madison Collins added that it is for cost recovery. Commissioner Janow said this ties back to including cost recovery for use of facilities. Amy Swenson said that is funded by the CIF. Dan Hamlin said the CIF is tax dollars and there is a

balancing act of what the Park District provides to the community and how to provide it in a fair and equitable way so people can have access without fees climbing so high that people get left behind.

Commissioner Janow noted that not a lot of revenue is brought in for field rentals. Dan Hamlin said that historically there has been more of a partnership with field user groups where they would pay for major renovations and restorations of the fields in lieu of higher fees. Staff will be re-evaluating all rental fees soon, including for fields.

CAPITAL IMPROVEMENT FUND: Procurement Manager Michelle Miller reviewed the proposed Capital Improvement Fund budget for 2025 including the loan payments for the Ray pool renovation. Commissioner Kinney said the Eagle Harbor sail float replacement project needs to be discussed. Dan Hamlin said instead of the current plan to build onto the City of Bainbridge Island's dock the Park District could investigate replacing the float with a new float. The cost would still be considerable and the option of attaching to the dock works better for staff, participants, and the public. Staff have worked with a reputable company to determine the materials and construction of the addition to the COBI dock. There are cheaper options but when they were explored permitting agencies told staff they would not be allowed to use them. Commissioner Kinney said the board kind of went through this issue of a lot of money for a small user group with the Ray pool renovation and considering the financial situation of the Park District he is not sure it is something the Park District can afford. Dan Hamlin noted that construction and mitigation costs will continue to rise. It was noted that the high school club sailing team also uses the facility and has donated many of the boats owned by the Park District through a partnership. Commissioner Goodlin said sometimes one must be willing to spend money for long-term improvements. After some discussion Dan Hamlin said staff will leave it in the budget for now while they do an assessment of both replacing the current float with a new float and not replacing it at all.

There was some discussion on the topic of how much to draw from reserves for the Ray pool renovation and how that impacts the size of the bond needed to pay for it. Amy Swenson said she would talk to a financial advisor about bonds and bring back more information for the board to decide.

BOND REDEMPTION FUND: Amy Swenson said the BIRC principal payment starts next year with the final payment in 2040. The Sakai Park bond payment also comes out of this fund although it is paid by tax dollars approved by voters for the purchase of the park.

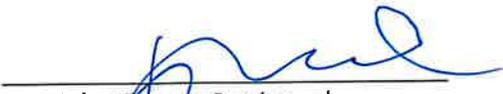
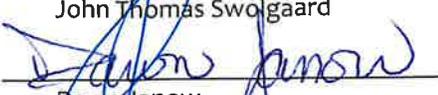
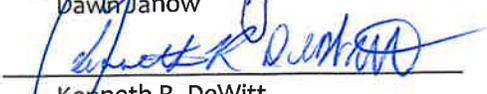
LAND ACQUISITION FUND: Amy Swenson said more information will come later regarding the Land Acquisition Fund for 2025. Staff are not sure where the fund will be at the end of the year due to the unknown costs associated with some easements planned to be transferred from the Bainbridge Island Parks & Trails Foundation to the Park District.

TURF FIELD REPLACEMENT FUND: This budget will be amended based on the board's agreement earlier in this meeting to use some of the Turf Field Replacement Fund money for maintenance.

Commissioner Kinney said the board needs to have a discussion at some point about a standard for how much money the Park District spends on a particular user group so no one group is favored. Dan Hamlin said he believes the original decision process for placing the sail float project on the CIF list was because it is an existing facility in need of replacement as opposed to a new facility. Amy Swenson said what also needs to be discussed is if there is a user group that can fundraise and if so, how much money can they raise.

MEETING ADJOURNED at 9:55 pm.

Helen Stone
Dan Hamlin
BAINBRIDGE ISLAND METROPOLITAN
PARK & RECREATION DISTRICT

BY: 
John Thomas Swolgaard
BY: 
Dawn Janow
BY: 
Kenneth R. DeWitt
BY: _____
Jay C. Kinney

ATTEST: _____
Tom Goodlin