

**BAINBRIDGE ISLAND METROPOLITAN PARK & RECREATION DISTRICT
WORK SESSION JUNE 16, 2011
STRAWBERRY HILL CENTER**

WORK SESSION TOPIC: BUDGET

CALL TO ORDER: A quorum being present, the work session was called to order at 8:00 pm by Chair Robinson.

BOARD MEMBERS PRESENT: Lee Cross, Ken DeWitt, Kirk Robinson, Tom Swolgaard.

Finance Manager Amy Swenson presented two budget scenarios projecting expenses and revenues through 2014. Both scenarios anticipate a 3% decrease in assessed property values on the island for 2012 with no change in 2013 and 2014, and an increase in program revenues of 1% per year. The first scenario is intended to show a baseline and includes no increases in personnel or operational costs. The second scenario is a more realistic projection in that it includes increases in personnel and operational costs, but maintains current staffing levels. Both scenarios roll funds previously used to make pool loan payments back into operations. While the second scenario projects a need to dip slightly into the reserve fund each year, there is still \$1.1 million left in reserves at the end of the projected period. Amy Swenson said the current policy of keeping 5-8% of District revenues in reserves is not sufficient in that this amounts to only about \$490,000. At least \$900,000 is needed in reserves to pay the District's bills without relying on a credit line to bridge the gap between when the bills are due and when the tax revenues are collected. She said staff recommends keeping at least \$1 million in the reserve fund. A brief discussion was held during which the Board expressed support for a reserve fund of at least \$1 million in reserves. Executive Director Lande noted that while staff is stretched thinner than ever before, the expectations of the community for levels of service continue to increase. He praised the District's reserve fund, saying it's allowed the District to weather the bad economy. Commissioner DeWitt reminded the Board that \$400,000 might also be needed if the District decides to exercise its option to buy out the Boys & Girls Club's space at the Aquatics Center.

WORK SESSION ADJOURNED TO REGULAR BOARD MEETING at 8:20 pm.

Elizabeth R. Shepherd
Terry M. Lande
BAINBRIDGE ISLAND METROPOLITAN
PARK & RECREATION DISTRICT

BY: _____


Kirk B. Robinson

BY: _____


Kenneth R. DeWitt

BY: _____


John Thomas Swolgaard

BY: _____

ATTEST: _____


Lee Cross