

**BAINBRIDGE ISLAND METROPOLITAN PARK & RECREATION DISTRICT  
BOARD WORK SESSION JUNE 29, 2010  
STRAWBERRY HILL CENTER**

**WORK SESSION TOPIC: 2011 BUDGET**

**CALL TO ORDER:** A quorum being present, the work session was called to order at 6:05 pm by Chair Lee Cross.


**BOARD MEMBERS PRESENT:** Paul Bang-Knudsen, Lee Cross, Ken DeWitt, Kirk Robinson. Absent: Tom Swolgaard

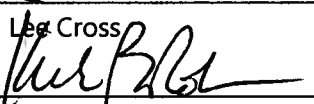
Chair Cross introduced the intent of the workshop, saying its purpose is to get together a list of questions and issues for staff to research pertaining to the 2011 budget. At a future work session, staff will respond to these items and provide information to the Board that will help them make informed decisions on what to include in the budget. Commissioner Robinson commented further, saying staff has done a great job in the past of putting together the budgets but feels the process this year needs to be more Board driven. He said no decisions will be made tonight, and that the intent of the work session is for the Board to brainstorm issues that need to be addressed in order to best direct staff. He presented a two page document he prepared identifying 12 key budget issues that the Board then discussed. Some of these issues included: use of operating funds freed up once pool loan is paid off in 2011; appropriate level for on-going reserve fund; whether reserve funds need to be built up for specific projects like buying back the Boys & Girls Club space at the Aquatics Center, overwater viewing platform at Strawberry Packing Plant, and replacement of soccer field synthetic turf; whether use of Capital Improvement Fund monies used for infrastructure needs should include more development benefiting users; designation and allocation of lid lift funds including appropriate split between acquisition/development and park operations; need for long range projection to assess if future lid lift will be needed to cover operating costs; 2011 personnel costs and possible options related to wage and health insurance increases; budget implications of 2010/2011 Board goals including costs related to Board decisions on dog park and garden plot locations, Battle Point & Ted Olson master plans; John Nelson park site at Vineyard Lane; Strawberry Packing Plant uplands planning; personnel and operations policies, review of employee compensation; converting accounts payable function to in-house; technology strategy and implementation plan; potential park transfers including City and State parks; and acquisition of additional park land purchased with lid lift funds. It was noted that due to a reduction in County assessed property values, the District's tax revenues will decrease in 2011, and that this will be a primary factor to consider when compiling the budget. Also discussed was the approach the Board took last year when determining how much to allocate for District operations and lid lift funds (i.e. acquisition and development of park land). Calculations were based on what tax revenues would have been available for District operations had the levy lid lift not passed, a one percent increase plus an amount for new construction. The balance remaining after this was designated for the lid lift portion. Commissioner DeWitt said the Board chose this approach last year since it recognized the Park District's primary mission is to meet the needs of the community, and that to do otherwise would have meant cutting basic services to the community. If this approach is used again this year, one Commissioner asked whether there would be sufficient funds to follow through with the park land purchases currently under discussion. It was noted there is a substantial reserve of lid lift funds set aside from previous years for this purpose. Also discussed was the status of the Boys & Girls Club at the Aquatics Center. It was noted that when the original agreement was made to house the Boys & Girls Club at the pool, it was done with the understanding that this was a temporary arrangement until the Club could acquire their own facility. In accordance with the agreement, the District has the option of buying out the Boys and Girls Club at periodic intervals. The next opportunity to do this is in 2015. Since three years notice is required, the District must notify the Club in 2012 if it wants to exercise its buyout option in 2015. Commissioner Robinson expressed concern over the increase each year of personnel costs due to cost of living and step increases as well as increases in health insurance. To ensure long term job stability, he discussed

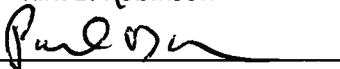
possible options to keep these costs from rising to a point where they outstrip available revenues. Executive Director Lande said the District is not anywhere close to this taking place, and emphasized the importance of keeping up staff morale. He said the District is very careful and frugal, and acts proactively with these kinds of issues in mind when preparing budgets. He noted budget projections prepared for the Board in past years were built with these factors in mind with steps proposed to offset additional costs as they arose. One example of this is the proposal to roll back into operations the funds used each year to make the pool loan payment. Executive Director Lande said the Board must ask what standards it wants for the District. To maintain the 2010 level of service in 2011, the same amount needs to be budgeted for next year that was budgeted for this year. Otherwise, the District has to start cutting programs and services. Commissioner Bang-Knudsen commented on his desire to find a middle ground of somewhere between "pie in the sky" and "the sky is falling". Several Board members reflected on whether current levels of service could be maintained if fewer funds are allocated for them. In response to Commissioner Robinson's suggestion that the salary scale be restructured (revised number of steps, etc), the Board concurred that this topic is not applicable to the budget discussion for 2011. Chair Cross asked Executive Director Lande if he had sufficient information to take back to staff. He said there is enough information to prepare a preliminary report and status quo budget that reflects current levels of standards and offerings. With this, the Board can then decide what it wants included in the budget.

**WORK SESSION ADJOURNED** at 7:30 pm.

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

BY: 

BY:   
Kirk B. Robinson

BY:   
Paul Bang-Knudsen  
NOT PRESENT

BY: \_\_\_\_\_  
John Thomas Swolgaard

ATTEST:   
Kenneth R. DeWitt - Secretary