



APPROVAL

June 11, 2019

We hereby attest that the foregoing minutes, which have been approved by the affirmative majority vote of the Board of Directors of the Eastern Rio Blanco Metropolitan Recreation and Park District, are a true and accurate record of the meeting held on the date stated above.

Kent E. Walter 06/18/19
Kent Walter, President Date

Rob Baughman 06/18/19
Rob Baughman, Secretary Date



EASTERN RIO BLANCO METROPOLITAN RECREATION AND PARK DISTRICT

June 11, 2019
SPECIAL MEETING

The special meeting of the Board of Directors for the Eastern Rio Blanco Metropolitan Recreation & Park District was held on June 11, 2019, at the District Offices located at the Meeker Recreation Center, 101 Ute Road, Meeker, CO 81641.

Board Members Present:

Kent Walter, President

John Strate, Treasurer

Travis Mobley, Vice President

Dan Chinn, Director

Rob Baughman, Secretary

Also Present:

Sean VonRoenn, Executive Director

Cathy Kiser, Human Resources Administrator

Dondi Glasscock, Administrative Services Manager

Leah Hanson, Recording Secretary/Marketing

Rodney Gerloff, Parks & Facilities Manager

Shelly Rogers, Recreation Manager

Chance Walker, Recreation Supervisor-Aquatics

Katie Day, Recreation Supervisor-General

Vonni Mercer, Administrative Services Manager

Visitors: Brett Dearman (*The Herald Times*)

1. Call to Order & Roll Call & Pledge of Allegiance

President Walter called the meeting to order at 6:00pm. Roll call: President Walter: here; Vice President Mobley: here; Secretary Baughman: here; Treasurer Strate: here; Director Chinn: here. Pledge of Allegiance was recited.

2. Adopt/Amend Agenda

Treasurer Strate made a motion to approve the agenda as presented. Secretary Baughman seconded the motion. Roll call vote. Motion passed unanimously.

3. Visitor Comments

-None

4. Future Financial Strategies and Budget Assumptions Follow Up from May 21st Workshop

a. Budget Timeline, Operations and Capital Improvements Assumptions

-President Walter opened up the discussion by providing background information from the May 21st work session pertaining to budgets, operations, and capital improvement assumptions, with the goal of this meeting to provide good direction to ED VonRoenn

and staff.

-Board members discussed trigger points, staff assumptions/recommendations, and more pertaining to operations, personnel, capital improvements, and lifecycle management.

-The Board is generally in favor of planning for the long term sustainability of current levels of services, staff, programs, and facilities, and the majority is in favor of not taking on any big, new projects after Circle Park is completed, unless revenue/tax valuation increases. Preference toward shifting resources to invest into ERBM specific assets was mentioned.

-Discussion ensued about a variety of potential benchmarks, “guardrails” to control expenses over time with an aim toward sustainable long term fund balance management, including: setting a percentage limit on the amount of annual deficit spending within a two-year time period, long term fund balance targets within a 10 to 20 year forecasting projection, setting a threshold percentage of operating expense increase based on current operations, long term pension liability addition to restricted fund balance, etc.

-Board members discussed the idea of adopting a threshold percentage of tolerable overall increase (5, 7, and 10% were mentioned) based on current annual operating expenses (estimated at \$3.5-million, plus approximately \$400k annually for basic life-cycle management capital). ED VonRoenn and staff mentioned that costs naturally increase over time, as they do for any organization, and believe this option would be too restrictive as it would not adequately account for potential swings in revenue.

-Ultimately the Board gave direction for staff to work on the following items:

- i. Develop 2020 budget based on the assumptions presented in the Financial Sustainability Plan packet (3% increase in personnel, 2% increase in operations, revenue based on 2019 levels, projected level of unspent overall budget).
- ii. Propose changes to existing reserve policy to include long term pension liability (approximately \$2-million currently) as a restricted fund balance component, which will be in addition to the current Annual Operating Reserve and Annual Operating Cash Flow Reserve components; bringing total policy driven reserve funds to approximately \$6-million in total.
- iii. Propose policy/mission language on a budget target threshold of: no more than 10% deficit spending, of remaining unassigned fund balance, over a two year time period, based on year end actuals of operations, personnel and life-cycle management capital expenses.
- iv. Create a fiscal mission statement that would include budgeting methodology/prioritization that incorporates long term objectives.

b. Future Projects, Operations and Fiscal Policies Discussion

-ED VonRoenn and staff asked Board members to review the presented 2020 Capital Improvement Projects sheets and give direction for budget planning in this area.

-Circle Park Phase II: Discussion ensued on the bridge issue, with Board members asking if spending money on an improved parking lot in the park would be a good idea if the bridge may be demoted to pedestrian use in future years. After discussion, Board is in agreement to ask the Town Board at their joint meeting in

August if they would be in favor of a lease amendment that makes the Town responsible for keeping the bridge vehicle and ADA accessible.

-MRC Roof Replacement: Board is in support of this project.

-Baseball Field Lighting Project: Board is in favor of completing this project.

-Mini Bus: Board is in favor of replacing one of the vans with a used mini bus to increase comfort and accessibility for all patrons.

-Vehicle Contingency: Board is in favor of utilizing the Ranger until it stops running and keeping this contingency amount in the budget.

-Fitness Room Equipment Contingency: Board is in favor of taking this out of contingency status and making the commitment to use this budgeted money each year to keep the MRC fit room equipped with new/upgraded equipment.

-ED VonRoenn and managers then asked that the Board explore their Grants & Donations budget for 2020. After discussion, the Board agreed to stay at \$45,500 for 2020.

5. Other Business

-ED VonRoenn proposed to the Board an early start time for June's regular meeting (June 18). He suggested a 5:00pm start time, with Board members meeting at the Center, calling the meeting to order, then attending a facilities and parks tour until 6:00pm. Regular meeting will then resume at 6:00pm with normal business. Board is in favor of the early start time.

Adjournment

Director Chinn motioned to adjourn the meeting at 8:17pm. Treasurer Strate seconded the motion. Roll call vote. Motion passed unanimously.