

MINUTES

Washoe County Open Space and Regional Parks Commission June 23, 2014

Commissioner Sarah Chvilicek called the meeting to order at 9:08 a.m.

1. **Roll Call.**

Members present: Nathan Daniel, Thomas Guinn, Sarah Chvilicek, Jim Nadeau, Janet Davis and Anne Buckley. Ed Harney and Scott Pierson had an excused absence.

Staff present: Eric Crump, Deputy District Attorney Leslie Admirand, Jennifer Budge, Cheryl Surface, Dave Solaro and Joanna Schultz

2. **Public Comment**

No public comment

3. **Budget Workshop Discussion: The purpose of this workshop is to discuss County Budget which may include, but not limited to:**

- **Community Services Department budget overview**
- **Structure of budget specific to Park operations, maintenance, planning and staffing**
- **History of Parks funding**
- **Capital Projects FY 14/15**

Eric Crump, Director of Operations said Rosemarie Entsminger gave a broad presentation of the Parks budget at the January 7, 2014 meeting. The purpose of this workshop is to go into more detail on the budget, initiate discussions, answer questions about the budget, and to give this Commission a better understanding.

Mr. Crump gave a presentation.

In response to Commissioner Buckley regarding the Arboretum funding, Mr. Crump said the May Arboretum exists in two different budgets and is not solely supported by the May Foundation (Foundation). The Foundation gives an annual donation of approximately \$300,000 for the Museum and Arboretum. The Museum is completely funded by the revenue from the shows, exhibits and programs as well as the donation from the Foundation. The Arboretum gets a certain amount from the Foundation, but it does not support the entire operation so there has to be General Fund support. Cost Center 140514 is the General Fund support which is Services and Supplies and half of the staffing. The Foundation supports the other half of the staffing.

In response to Commissioner Buckley asking if the May Museum is fully funded by the Foundation with no General Fund support, Mr. Crump said that is correct.

In response to Commissioner Guinn regarding when the budget is submitted, is it submitted as a rolled up budget or by cost center as shown in the handout, Mr. Crump said every cost center is budgeted.

Mr. Crump added that when we are not cutting our budget is status quo; departments as a general rule get what they received the previous year. Departments can request an above base, which is in addition to what was received in their budget the prior year. We don't do zero based budgeting unless something was added, deficient in an area or the priorities of the Board of County Commission (BCC) has changed and they want departments to focus energy on something else. We'll budget that way but for the most part we budget for the cost center. The roll ups are a budgetary tool to look at globally and helps us trend or answer questions such as expenses to operate a certain park as an example.

In response to Commissioner Nadeau's question regarding if during the down turn did Parks go with a zero based budget or cuts from the previous base, Mr. Crump said there were two or three years where we did a zero based budget. When we started getting into the 20-30% cuts we realized that we couldn't budget by just slashing. We had to wipe the slate clean and do a zero based budget for all cost centers. It was not direction from the County Manager or Finance but direction from the Parks Director and Fiscal Compliance Officer as the best way to get to that number.

In response to Commissioner Chvilicek regarding when the roll up is done with the overarching view, you can look at cost centers that not only overspend in one line but also those that underspend as long as your bottom line is the same. You can also see if there is a trend towards one entity continually over spending and other entities having to support that, Mr. Crump said that is correct. What typically happens for Operations is we get into the last quarter of the budget and meet with the managers/supervisors and Fiscal Compliance Officer to look at the estimates to complete for the year. If there is a dire need somewhere the group discusses the plan, what money is available and goes from there. Sometimes we also pull Planning and Park Admin into the discussions depending on what's going on.

Dave Solaro, Director added that the Parks' budget is part of the culture and recreation subset within the County budget. The budget rolls up as that and we can only spend it on culture and recreation. The balance of the Community Services Department (CSD) budget is under the Public Works subset. We can't trade between the two. Parks budget sits by itself and we can't spend between the budget for culture and recreation unless it is approved by the BCC.

In response to Commissioner Buckley questioned if the "can't take from Parks to cover other departments" is resolute, Mr. Crump said yes, but if crucial then requests can be made to the BCC for changes.

In response to Commissioner Buckley regarding does that method of transferring between departments mean that if you have a fiscally responsible employee charge one department and another employee doesn't, is that fiscally good person in some ways punished, Mr. Crump said that speaks to County budgeting and Government budgeting. Park Operations is primarily General Fund so in theory they are going off the premise that you only have enough money to do whatever you need to operate and you are going to spend it all. There is no incentive to underspend in the Park Operations because at the end of the year it is swept and put back into the General Fund.

In response to Commissioner Guinn regarding are there policies for budget review and how often do you meet with supervisors/managers on their budget, Mr. Crump said he sits down with each supervisor/manager on a quarterly basis as long as things are status quo.

In response to Commissioner Daniel regarding is the past budget cuts for the Parks structure the same as it has always been, Mr. Crump said no. There have been expansions and contractions of cost centers but the operations structure has stayed the same. There have been times depending on direction from the BCC that cost centers have been added. We've also added cost centers to track the expenses and revenue of the facilities.

In response to Commissioner Nadeau regarding joint operations with Incline Village and do they qualify for District 4 funding, Mr. Crump said we don't manage any parks in Incline Village but do have a trail system. Incline Village General Improvement District (IVGID) does have access to the Residential Construction Tax (RCT) and usually uses these monies to develop or improve their parks.

In response to Commissioner Nadeau regarding is the school district working with the County or IVGID on fields in Incline Village, Mr. Crump said IVGID.

Jennifer Budge, Park Planner added that the County is the fiscal agent for the RCT for Incline Village. We have an agreement with IVGID for the expenditure of the funds. They have been trying to find a project that is compliant with NRS and that has been difficult. They wanted to do it at the school but technically the school is not available to the public.

In response to Commissioner Daniel regarding the County's culture and recreation subset, Mr. Crump said only two functions exist in the County under this and that is Parks and Libraries.

In response to Commissioner Guinn regarding sharing funds with other departments within the CSD, Mr. Crump said it is hit and miss. For example, at Galena Creek Regional Park the Roads department stores equipment for snow plowing. Parks does its own plowing but also receives assistance from Roads. There is no exchange of funds at this point but that does not to say that in the future it there won't be. We track these types of service sharing especially since we became the CSD.

Mr. Solaro added that the County budget is large and audited every year. Sharing services through no funding exchange might be graying the area a little but in the long run we are saving the tax payers money. The auditors will let us know if we are doing anything wrong.

Commissioner Guinn said when he worked for Carson City he was responsible for his own budget. We shared services but at the end of the year he would notice other departments taking from his budget.

Mr. Crump added in the last fiscal year there was some shared services with Water Resources where there was an exchange of money. These were services Parks would have paid for regardless and we track all shared services.

In response to Commissioner Nadeau regarding the County's relationship with Wild Creek, Ms. Budge said it is built on County property and there is a long-term lease with Reno-Sparks Convention and Visitors Authority (RSCVA).

In response to Commissioner Guinn regarding do the golf courses make money or break even, Mr. Crump said Washoe Golf has been in the black for many years. Sierra Sage did receive General Fund subsidy before it was under a full management services contract.

In response to Commissioner Buckley question she recalls that in the first five years Sierra Sage contractor did not have to make payments but are now doing so, Mr. Crump said yes and there is also money going to capital improvement.

Commissioner Chvilicek requested a new Organizational Chart for the CSD.

Mr. Solaro said that they are working on an updated version and that is nearly complete.

In response to Commissioner Guinn regarding continuing hiring freeze, Mr. Solaro said no. We have been able to fill positions that have been frozen. They're budgeted, there's a need so we are hiring.

In response to Commissioner Nadeau regarding hiring lifeguards, Mr. Crump said we are struggling with hiring lifeguards. He thinks it could be that there are far less pools in the area so there are less people becoming certified. Most of the lifeguards we hire we train and don't have a lot of lifeguard experience. Another challenge is the price of gas and location of Bowers pool.

Ms. Budge added that another reason could be that the school district in the past offered certification as part of a P.E. credit. They no longer do this.

Commissioner Chvilicek added that she thinks it a problem all over Northern Nevada. She also struggles to hire lifeguards for her camps. Most of the lifeguards she hires come from Douglas County as they are one of the only areas that have an active year-round pool.

In response to Commissioner Nadeau regarding background checks, Mr. Crump said we do background checks for all hires.

Commissioner Buckley added that someone should offer a lifeguard training course.

Ms. Budge added there is lifeguard sharing. A lot of the lifeguards who work for the County also work for City of Reno.

In response to Commissioner Buckley regarding four staff to maintain Washoe Golf, Mr. Crump said yes, they have four full-time staff and seven seasonal staff. Ideally there would have 10 seasonals but it's hard to find seasonals with golf experience.

In response to Commissioner Chvilicek regarding Services and Supplies, Mr. Crump said Services and Supplies is everything it takes to maintain a park and facilities; irrigation supplies, janitorial, repairs and maintenance etc. This does not include labor/staffing.

In response to Commissioner Daniel regarding increasing from what was cut, concern about deterioration and the long-term affect, Mr. Crump said he will talk about the above-base requests made in a later slide. Deterioration is being felt all through the County. We've tried to be smart about maintaining facilities, parks, equipment and our staff has done an excellent job. We are starting to see in the parks the effects of the cuts made over the years. There are grant opportunities that the Park Planners will talk about.

In response to Commissioner Guinn regarding percentage of parks that are reclaimed vs potable, Mr. Crump said very few are on reclaimed.

Cheryl Surface, Park Planner added that using reclaimed has a host of problems associated with it. It's not the same as when you use regular water when it comes to lawn and trees. It's not apples to apples in this case.

In response to Commissioner Buckley regarding using reclaimed water on fields, Mr. Crump said we do at South Valleys and North Valleys.

In response to Commissioner Nadeau regarding Golden Eagle Park's use of synthetic grass and cost comparison, Mr. Crump said it is a Sparks park and the County only has a trailhead in that area. The capital output is substantially higher in the beginning than grass. Maintenance is lower but there is still maintenance. It does provide a longer playable season; water usage goes down but with the maintenance and type of equipment (sweepers and rubber) needed to maintain it doesn't make sense to have it in one neighborhood park. It is heavily used and you have to have a capital campaign in effect to replace it. City of Sparks was hoping to get 10 years of use, but is now looking at getting 8 years of use before it will need to be replaced due to the heavy usage.

In response to Commissioner Daniel regarding the breakdown on the survey, do Parks get the percentage of the budget based on the public survey results, Mr. Solaro said that's the target the County utilizes to gauge the budget and is close to the percentages from the public survey.

Ms. Surface added that the number one thing people want are parks, etc. for better quality of life, but at the same time do not want to fund or support with any new taxes the parks, libraries and schools.

Commissioner Buckley added that the parks were built and well maintained when budgets were good; we are living on past glory and the public should know this. Use has gone up and because they are not being maintained like they used to it's starting to show and it's just going to get worse.

Commissioner Nadeau added that we are talking about Parks as 4% of the County budget that is 40% less than it was five years ago. Not only is it 4%, it is a significantly less and probably around 2% of what the budget was seven years ago.

Mr. Solaro added that the BCC doesn't say based on the survey you've got 4% of the budget. This is kind of the right sizing of the budget as we started to do the decline. The BCC asked where would you spend your money and this is what shaped the percentage of the cuts and why culture and recreation got a higher percentage of the cuts than public safety. Now that we are more stabilized these are the percentages that expect us to be spending.

Commissioner Buckley said that we cannot expect to maintain parks on this budget as it will start to show. Mr. Crump said it when talking to staff; they say lack of maintenance is already showing. From a distance it doesn't show but yes, it is starting to.

Commissioner Buckley said if you go to municipalities or areas where they didn't cut parks you can see the difference.

In response to Commissioner Guinn regarding Washoe County trying to build a contingency up for more transfers and balancing, Mr. Solaro said generally the Board policy is the contingency is 8% of the budget. Some of the transfers referred to are the unfunded liabilities such as the post-

retirement benefits. The County has funded about 32% of that liability. One of the first cuts was transfers and we are now trying to catch up. We were not funding that future liability.

In response to Commissioner Davis regarding acquisition land, Mr. Crump said acquisitions primarily come from grants mostly through State Question 1 (SQ1) or Washoe County Bond 1 (WC1). The General Fund has rarely funded acquisitions.

In response to Commissioner Daniel regarding above-base request for infrastructure preservation, Mr. Solaro said yes, it is outside of the base budget. In the County there is a Capital Facilities Tax and Capital Improvement Fund. These are two quite different funds each with different funding mechanisms and different definitions of use.

Capital Improvement Fund where the infrastructure preservation is located can be used for a larger variety of things. We can do extreme or routine maintenance out of this fund.

Capital Facilities Tax comes from the State. It is more for Capital driven items and not routine maintenance. We have stretched that to say routine maintenance is something done within the 20 year period. If it is beyond that it may be something we can do out of this budget.

The above-base request this year was for \$997,000 which included funding for new computers throughout the County. This year (one year) we did not provide funding out of the Capital Facilities Tax for roadway improvements as there is funding coming from the State. The \$397,000 for Parks infrastructure reservations was a big win.

In response to Commissioner Chvilicek regarding counters at each entrance to Rancho San Rafael Regional Park; Mr. Crump said each entrance does have one.

Commissioner Chvilicek added that the Citizen Advisory Committee (CAB), Park Commission started the request to set aside money for the maintenance of the North Valleys Splash Park. It started at the CAB level where it was recognized that if you don't have an Operations and Maintenance budget this would not be sustainable.

Rosemarie Entsminger, Fiscal Compliance Officer added that the million dollars is committed for maintenance and sustaining new facilities and not existing facilities at North Valleys.

Commissioner Buckley said the Residential Construction Tax (RCT) was passed in the 1970s and does not bear any relation to prices of homes now and is capped at \$1,000. It is not realistic with the price of homes now compared to the 1970s. There was a Bill to change that piece of legislation right before the recession which did not go anywhere as the construction industry (as a body) came out against it. If this comes up again maybe there could be an opportunity to change this.

In response to Commissioner Chvilicek regarding a movement to compress or enlarge a district, Ms. Surface said, yes there is as there are a lot of districts.

Commissioner Buckley added that there is a district in the north that does not want RCT \$ spent there as it will bring people to their neighborhood. They don't want it spent, but it is designated to be spent there, so what do you do as it is now just sitting there.

In response to Commissioner Daniel regarding interest on the monies, Ms. Entsminger said yes. We must by law account for all money and it is in an interest bearing fund. The interest earned stays with the origination.

Commissioner Chvilicek said the Park Commission can be proactive. At the last BCC meeting she gave public comment on the water rights sales to consider keeping the money from the sale within that area otherwise it gets swept into the General Fund. If staff lets them know of items that will impact Parks, they can be proactive.

Commissioner Buckley added that they can make public comment at the BCC without repercussions.

Ms. Surface added Washoe County owns the property adjacent and those water rights are surface water rights. One of the most important Sage Grouse leks is on Washoe County's property. We are getting a lot of pressure from agency partners to make sure that we're protecting the Sage Grouse. We don't have funding that manages our open space and it is very difficult to come up with money for habitat, weed and fuels management. There is a lot of competition for grants.

Ms. Entsminger added that once the allocation is made it is extremely critical that it is placed with the appropriate restrictions and in the correct way. Otherwise several years down the road you could be fighting for the same money. If you are framing the request working with the BCC you need to be sure to work on that element of being restricted, committed and interest bearing from the start.

Ms. Surface added we need to make sure we're not being too limited. If we take the money and it can only be used on the properties we currently have, then that limits our opportunity to put those properties in ownership with another agency that would be better suited to manage the Sage Grouse leks.

Commissioner Chvilicek added the money can also be used for grant leverage, habitat restoration or preservations, studies for management plans for open space.

Commissioner Buckley said if we don't know these things, we cannot advocate.

Commissioner Chvilicek said that Park Commissioners should make sure that they are receiving the BCC agenda. Make sure to look at the Consent Items as those usually go in a block vote with no discussion and happen pretty quickly. Make sure to put in a Comment Card to speak on any of those items before they get voted on.

Commissioner Daniel thanked staff for putting together this workshop. It is very valuable information; he's learned a lot and hopes to be more involved.

Commissioner Chvilicek said as you prepare for the Fiscal Year 2015/16 budget involve Commissioners to help with preparation so they can be a better advocate for Parks.

Commissioner Buckley encouraged Commissioners to attend BCC meetings.

In response to Commissioner Guinn regarding offering of training seminars on budgets, Mr. Crump there are more philosophical discussions. We recognize it's very important but it's hard

to justify. We have a relatively good internal training program but it usually deals with items specific to the County. It's not best practice for leadership skills on the horizon. We've been pretty good when staff approaches us with regard to who will pay for it and the County will pay them while they are in training.

In response to Commissioner Buckley regarding the amalgamation of the parks between County and Cities, Mr. Crump said there have been numerous consolidation studies, which are mostly at the policy level. We do work with City of Sparks and Reno all the time.

4. Commissioner's Comments

Commissioner Buckley in past years there has been joint meetings with the Cities. She would like to have a Parks joint meeting with the Cities.

Commissioner Chvilicek would encourage a joint meeting to get in front of the next budget cycle.

Commissioner Nadeau there has been conversation in the past to do special tax for Parks. It's a steep hill to climb but something to consider for the future.

Commissioner Nadeau said that he drives by Betsy Caughlin Donnelly Park and it seems to be coming back. There are still a lot of weeds that weren't there before.

Commissioner Nadeau commented on the issues of the Dog Park in Hidden Valley Regional Park and the need for further conversations about this. Mr. Crump said these issues will be upcoming to this Commission. They are currently working with Hidden Valley residents on an additional off leash area.

5. Public Comment

No public comment.

Adjournment

Chairman Chvilicek adjourned the meeting at 11:36 a.m.

Respectfully Submitted,
Joanna Schultz