



JOINT BOARD MEETING

**Three Rivers Park District
and
Scott County
Boards of Commissioners**

**Thursday, July 14, 2022
1:00 p.m.**

Hyland Lake Park Reserve

Hyland Hills Ski Area Chalet – Ridgeview Room
8800 Chalet Rd
Bloomington, MN

JOINT BOARD MEETING

THREE RIVERS PARK DISTRICT AND SCOTT COUNTY BOARDS OF COMMISSIONERS

Hyland Lake Park Reserve
Hyland Hills Ski Area Chalet – Ridgeview Room
8800 Chalet Rd, Bloomington, MN

**Thursday, July 14, 2022
1:00 p.m.**

AGENDA

1. OPENING BUSINESS

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call

2. APPROVAL OF AGENDA

Board members who wish to delete or add any item(s) to the agenda shall do so at this time.

Recommendation:

MOTION TO APPROVE THE AGENDA OF THE JULY 14, 2022, JOINT BOARD MEETING OF THREE RIVERS PARK DISTRICT AND SCOTT COUNTY.

3. COMMUNICATIONS

- A. Citizens Wishing to Address the Boards

Any individual wishing to address the Boards on subjects which are not part of the meeting agenda may do so at this time. Such items will typically be referred to staff for review, action and/or recommendation for future board action. The public will also be provided an opportunity to address the Boards on items which are on the agenda at the appropriate time.

4. NEW BUSINESS

- A. 2022 Partnership Highlights

Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

4. NEW BUSINESS (continued)

B. 2023 Proposed Scott County - Three Rivers Partnership Budget

Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

C. 2022 Use of Fund Balance

Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

5. ADJOURNMENT

MOTION TO ADJOURN.

THREE RIVERS PARK DISTRICT AND SCOTT COUNTY

JOINT BOARD MEETING REQUEST FOR BOARD ACTION

Meeting Date: 07/14/22 Business Item: Communications Item Number: **3A**

Agenda Item: Citizens Wishing to Address the Boards

Superintendent's Recommendation:

NO ACTION REQUIRED.

Background:

Any individual wishing to address the Boards on subjects which are not part of the meeting agenda may do so at this time. Such items will typically be referred to staff for review, action and/or recommendation for future board action. The public will also be provided an opportunity to address the Boards on items which are on the agenda at the appropriate time.

THREE RIVERS PARK DISTRICT AND SCOTT COUNTY

JOINT BOARD MEETING REQUEST FOR BOARD ACTION

Meeting Date: 07/14/22

Business Item: New

Item Number: **4A**

Agenda Item: 2022 Partnership Highlights

Superintendent's Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

This information was prepared by Patricia Freeman, Scott County Parks and Trails General Manager.

Background:

The purpose of this agenda item is to share updates on a few 2022 partnership projects and work activities that highlight examples of cross-organizational collaboration between the Park District and Scott County, and to examples of working with community groups to accomplish shared goals. (**Reference 4A-1**).

1. Park Amenity Expansion Projects Update
2. Park Use
3. Community Partners

1. Park Amenity Expansion Projects Update

Spring Lake Regional Park -Lakefront development project consisting of opening a 10-acre parcel on the shore of spring lake, adding trails, parking, picnic and grilling areas, fishing pier, canoe/kayak launching dock, and a lakeside observation deck. This project is in the design development phase, on track for bidding this fall and construction to begin in the spring of 2023.

Cedar Lake Farm – Camper cabins and group camp project consists of bringing 4 camper cabins and a group camp and associated support infrastructure to the southern shore of Cedar Lake within Cedar Lake Farm Regional Park. This project is in the schematic design phase and is on track to go to bid this winter with construction in the spring of 2023.

Doyle-Kennefick Regional Park – This project will bring the first amenities to this park and will consist of 3-4 miles of hiking trails through restored prairie, oak woodland, and maple-basswood forest. This project is anticipated to have final design in 2023 with construction in 2024.

A cross-organization team of staff from the following groups are on the project work teams moving these projects through the process:

- Scott County Watershed Management Organization

- Three Rivers Natural Resources
- Scott County Public Works – Construction Design and Delivery; Operations/Traffic
- Three Rivers Maintenance
- Three Rivers Visitor Services
- Three Rivers Design

2. Park Use

General Park use appears to have returned to pre-pandemic levels, as has golf course use. Programming, particularly summer camps, including the golf summer youth program, is seeing high demand. Efforts to begin diversifying program offerings in the Scott-Three Rivers parks in 2021 are continuing into 2022, with success seen so far this year in the history-themed and nature focused offerings. Nature-based wellness focused offerings made possible with funding from the Met Council Equity Grant Program, are new in 2022 a pilot year for introducing these programs. To date, offerings have been well-received.

3. Community Partners

Let's Go Fishing, a strong partner of the Scott-Three Rivers Partnership since 2015, is back to full capacity in 2022, offering boating/fishing excursions Mondays, Wednesdays, and Fridays. A new Prior Lake based non-profit TWOCan, is offering biking excursions at Cleary Lake, for individuals who can no longer bike on their own. TWOCan works directly with senior living homes and groups to coordinate biking excursions. The program was piloted at Cleary Lake and local parks in the southwest metro in 2021. Like Let's Go Fishing, TWOCan supports seniors and individuals with disabilities to be outdoors and participating in outdoor activities.



in partnership with



2022 Partnership Mid-Year Highlights

2022 Mid-Year Highlights

• Park Expansion Projects Update

Park	Amenities	Status
Spring Lake	Lakefront – trails, picnic areas, fishing pier and platforms, canoe/kayak dock, observation platform	• In design development • Construction – spring 2023
Cedar Lake Farm	Camper cabins, group camp	• In schematic design • Construction – spring 2023
Doyle-Kennefick	*Introducing first amenities at Park ~ 3 -4miles hiking trails	• Schematic design • Construction - 2024

2022 Mid-Year Highlights

- 2021 Annual Visitation (preliminary numbers)
 - Up 17% from 2019 to 2021
- 2022 Summer Park Use
 - Tracking close to pre-pandemic
 - Let's Go Fishing – back to full capacity



- New – Marilyn's TWOcan!



Marilyn's TWOcan

2022 Mid-Year Highlights

- Continued strong collaboration and support in the partnership
 - Design and construction groups
 - Maintenance groups
 - Park Service and Public Safety
 - Natural resources
 - Programming and outreach

THREE RIVERS PARK DISTRICT AND SCOTT COUNTY

JOINT BOARD MEETING REQUEST FOR BOARD ACTION

Meeting Date: 07/14/22

Business Item: New

Item Number:

4B

Agenda Item: 2023 Proposed Scott County - Three Rivers Partnership Budget

Superintendent's Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

The following information was prepared by Patricia Freeman, Scott County Parks and Trails General Manager and Howard Koolick, Three Rivers Park District Chief Financial Officer with help from a variety of Park District and Scott County staff.

Background:

On December 16, 2010, the Park District and Scott County entered into a joint powers agreement that defines the roles and responsibilities for operations and maintenance of all regional park facilities in Scott County. The agreement requires the preparation and adoption of an annual budget. The staff listed above, along with Doug Berens, Director of Maintenance, Lynn Stoltzmann, Director of Facilities and Tom Balk and Justin Markeson (supervisors for the parks in Scott County) and other staff have met and developed budget recommendations for 2023.

2023 Budget Overview

The recommended 2023 Scott County-Three Rivers Partnership budget strives to continue to provide the high-quality services while funding increased operating costs and responding to the unique challenges facing us in the current economy. The budget includes staffing, supplies and services for operations in Scott County and is funded primarily by a contribution from Scott County, park user fees and grants from the Metropolitan Council.

The 2023 budget includes:

- Continued operations at three regional parks (Cleary Lake, Spring Lake Park and Cedar Lake Farm), one park reserve (Murphy Hanrehan) and 8.4 miles of regional trails.
- Continued natural resources management and maintenance at Doyle-Kennefick Regional Park and Blakely Bluffs Park Reserve.
- Continued options for park guests to enjoy a wide variety of park experiences including hiking, biking, picnicking, golfing, camping and group and public programming.

The 2023 budget also begins to address the issue of needing to budget a higher seasonal wage as the cost of hiring staff has increased drastically over the last year to year and a half. It also begins to recognize additional park use revenue based on past trends.

The 2023 budget totals \$2.88 million, which is an increase of \$161,000. This increase is split almost evenly between the Scott County contribution and other revenue sources. The following is a summary of the increases by major revenue source:

- Golf Revenues - \$54,000
- Other Park Use Revenue - \$10,000
- Met Council Grants - \$20,000
- Scott County Contribution - \$79,000
- Other - (\$2,000)

The increases for golf and other park use revenues are based on five-year average revenues which result in budgeted revenue increases but do not overestimate revenues based on the last two years which have seen record setting revenue levels. It is possible that fee increases will be implemented as the 2023 budget process continues. Any additional revenues from these fee increases would be used to either decrease the Scott County contribution or provide funds for additional staffing cost adjustments.

The expenditure side of the budget includes wage and benefit increases associated with the Park District's compensation program, maintenance contract and health insurance program. In addition, the budget increases the average wage for seasonal staff by around half of the needed amount to reach market value. This incremental step will go a long way to making hiring easier but will not totally solve the issue. Finally, the budget includes additional funding for the operation and replacement of vehicles and equipment which have risen drastically due to fuel costs and replacement parts.

The attached PowerPoint presentation (**Reference 4B-1**) provides detail regarding the 2023 budget. Staff will present these changes, answer questions and receive feedback from Commissioners.

Commissioners will not be asked to approve the budget at this time. The Scott County contribution will be included in the Scott County budget. The Partnership budget will be reviewed and approved by the Three Rivers Park District Board once Scott County has approved its budget. Both approvals are expected to occur in December.



in partnership with



2023 Draft Preliminary Budget Proposal

2021 Financial Summary

- 2021 Budget - \$2.63 Million
- Revenues - \$2.85 Million - \$215,000 Over Budget
 - Golf Fees – \$206,000 Over Budget
 - Park Use Revenue – \$13,000 Over Budget
 - Metropolitan Council Funding - \$11,000 Under Budget
- Major Expenditures - \$2.60 Million - \$25,000 Under Budget
 - Wages and Benefits - \$31,000 Under Budget
 - Supplies, Contractual Services and Other - \$6,000 Over Budget
- Fund Balance is \$1.14 million at end of 2021

2022 Adopted Budget

- 2022 Budget - \$2,718,943
- Major Revenues
 - Golf Fees – \$413,566
 - Park Use Revenue – \$331,484
 - Operations and Maintenance Grant – \$62,223
 - Lottery-in-lieu-of Grant – \$81,000
 - Scott County Contribution – \$1,823,770
- Major Expenditures
 - Wages and Benefits - \$2,166,977
 - Supplies, Contractual Services and Other – \$551,966



2023 Draft Preliminary Budget

- Proposed 2023 Budget - \$2,880,521
 - Increase of \$161,578

Revenue Increases		Expenditure Increases	
Golf Revenues	\$54,000	Regular Staff Wage Increases	\$87,629
Park Use Revenues	\$10,546	Health, Life & Dental Insurance	\$29,379
Met Council Grants	\$19,936	Increase in Seasonal Hourly Rate	\$20,000
Scott County Contribution	\$79,296	Vehicle/Equipment Operating Cost	\$20,657
Other	(\$2,200)	Other	\$3,913
Total	\$161,578	Total	\$161,578



2023 Proposed Revenue Increases

- Golf Revenues - \$54,000 - Based on five-year average of revenues
 - Revenues from 2021 and 2021 substantially higher than past years
- Park Use Revenues - \$10,624 – Based on five-year average and trend information. No fee increases included yet.
- Met Council Grants
 - Operations and Maintenance Grant dropping \$10,223 – Based on 2021 allocation
 - New Equity Grant - \$30,159 – Based on the cost of the employee assigned to this initiative
- Scott County Contribution - \$79,296
 - Increase of 4.3%
 - Funding one-half of the proposed budget increases



2023 Proposed Expenditure Increases

- Regular Staff Wage Increase - \$87,629
 - No changes to compensation plan.
 - Inflationary + Merit/Step Increases
 - Vacancy Factor - \$25,000 Reduction in costs to recognize open positions occur during the year
 - Based on one-half of the salary savings over last seven years
- Life, Health and Dental Insurance - \$29,379 – 10% increase in Health Insurance.
- Increase in Seasonal Wages - \$20,000
 - Facility seasonal hourly rates are budgeted far below market
 - Would increase seasonal wages by \$2 per hour
 - Average rate would increase to \$12 per hour for attendant.



2023 Proposed Expenditure Increases

- Vehicle/Equipment Operating Cost - \$20,657
 - Includes fuel, repairs, maintenance and future replacement cost
 - May need to increase slightly as budget process proceeds



2023 Proposed Budget Summary

- Proposed Budget is balanced
 - Revenues and Expenditures equal \$2,880,521
 - Increase of \$161,578
 - Maintains existing service levels
 - Increases in operating costs funded by
 - User Fees – 40%
 - Met Council Grants – 11%
 - Scott County Contribution – 49%
 - Proposed contribution increase is slightly less than 5-year average
 - Additional minor changes may be made before approval



THREE RIVERS PARK DISTRICT AND SCOTT COUNTY

JOINT BOARD MEETING REQUEST FOR BOARD ACTION

Meeting Date: 07/14/22

Business Item: New

Item Number:

4C

Agenda Item: 2022 Use of Fund Balance

Superintendent's Recommendation:

NO ACTION REQUIRED; THIS ITEM IS FOR INFORMATION AND DISCUSSION.

The following information was prepared by Patricia Freeman, Scott County Parks and Trails General Manager and Howard Koolick, Three Rivers Park District Chief Financial Officer.

Background:

On December 6, 2018, the Scott County and Three Rivers Park District Boards approved a fund balance policy that set a minimum fund balance of \$150,000 and set limitations on how excess fund balance can be spent. Use of fund balance is limited to the following:

1. Purchase of equipment
2. Partial or full funding of improvements to existing facilities or acquisition/construction of new facilities or trails
3. Funding one-time startup expenditures associated with a new program or service
4. Funding a limited pilot program prior to making a program or service part of the operating budget
5. Responding to an unexpected operating budget deficit

The policy allows the Three Rivers Park District Board to approve use of fund balance after it has been discussed by the Policy Committee (which consists of the Chair and Vice-Chair of each Board) and reported upon at the next joint meeting.

The Policy Committee met on April 13, 2022 to discuss the draft 2022 budget and potential use of the fund balance. The policy committee (along with Scott County staff) supported using \$713,000 of fund balance to fund three projects. Two of these projects are improvements to existing facilities and needed to maintain those facilities and one is a major acquisition of park land.

- A. Rehabilitation of the Cleary Lake Regional Park Pavilion – \$90,000. During routine maintenance in 2021, staff discovered decaying wood that needed to be replaced. The project will replace wall sections, upgrade doors and electrical components. The work will be done in the fall of 2022 by Park District staff and electrical contractors.
- B. Stabilization of the Cleary Lake Channel – \$23,000. This project, which will help solve water issues in Cleary Lake, has an estimated cost of \$150,000 with \$127,000 coming from a payment to the Park District from the Scott County Highway Department relating to the County Road 27 improvements. The additional \$23,000 from fund balance is needed to complete the project.

- C. Acquisition of two parcels in Blakely Bluffs Park Reserve - \$600,000. Scott County is in discussions with a property owner to acquire two parcels totaling 116 acres towards the southern end of the park. The total acquisition cost is not known at this time, but the County believes it to be in excess of \$1.0 million with the remainder coming from Scott County resources.

The Scott County-Three Rivers Partnership fund has a fund balance of \$1.14 million as of December 31, 2021. The fund balance has grown to this level over the last six years as revenues have exceeded expenditures by an average of \$161,600 per year. The fund balance after completing these three projects would be \$427,000; still higher than the minimum included in the fund balance policy.

Relationship to the System Plan

The Request for Action supports the following goals of the System Plan:

- Goal 1: You Belong Here
- Goal 2: Parks Matter
- Goal 3: Lead by Example