

**AGENDA**  
**COMMITTEE OF THE WHOLE**

Douglas G. Richardson, Chair  
Dan Roach, Vice Chair  
Joyce McDonald, Executive Pro Tem  
Connie Ladenburg, Member  
Jim McCune, Member  
Rick Talbert, Member  
Derek Young, Member

**October 26, 2016**

• **9:30 a.m.**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Risk Management Department – Mark Maenhout, Risk Manager
  - Risk Management response to 2017 Budget questions
  - Risk Management Organizational Chart
5. Parks and Recreation Services – Tony Tipton, Director
  - Parks response to 2017 Budget questions
  - Parks Organizational Chart
6. Councilmember discussion, questions, comments and other items regarding the proposed 2017 Pierce County Budget
7. Other Business
8. Adjournment

In addition to a general presentation regarding your 2017 Budget, Council has asked that you provide answers to the following questions. Reference to page numbers below are to the 2017 Preliminary Budget document.

1. Please provide an organizational chart for your department.

**Provided**

2. Please explain any major changes in your salaries and wages and personnel benefits line items.

**We have budgeted for anticipated severance payments in 2017**

3. Please describe any transfers in and transfers out contained in your budget.

**Risk Management receives a transfer in of \$72,300 from Budget and Finance for the employee assistance program payments.**

4. Describe your fiscal year 2017 performance measures and how they differ from those from fiscal year 2016. Do you anticipate meeting your 2016 performance measures?

**Our 2017 performance measures are the same as our 2016 measures. At this time we are on track to reach our 2016 goals.**

5. Describe any new state or federal rules or regulations that are impacting your department fund.

**There are no new state or federal rules that will impact the funds managed by Risk Management in 2017.**

6. Describe any grant revenue your department fund has budgeted in fiscal year 2017.

**Risk Management does not receive grants.**

7. Describe any initiatives started and/or funded in the 2016 budget and whether or not they are contained in 2017 – why or why not.

**None.**

## Self-Insurance Fund

1. Describe the expected workload increase as mentioned in this Fund's budget highlights (145) and how the workload service data increases (147) are related to this workload increase.

Annually we evaluate our staffing needs and determined more time was being spent in Self Insurance and adjusted FTE's accordingly.

2. How does the Department decide which three "major" facilities receive properly loss prevention inspections? How have these inspections gone in the past, what types of potential risks were identified and what level of financial losses have been saved?

Risk Management works directly with our property insurance broker FM Global to identify where our biggest exposure is both monetarily and for human safety, and schedules inspections for those sites. Typically our inspections bring to light safety issues that are a result of the human element, for instance water sprinkler system valves not being locked. When we find these sort of issues Risk Management works with the appropriate departments providing training or guidance as needed to resolve any issues.

3. Describe the underpinnings for the substantial use of fund balance (+\$3.9M) (146).

During a yearly evaluation of our fund in conjunction with Budget and Finance we determined, after reviewing reserves, our fund balance had increased. It was decided to reduce charges to department and utilize some of our savings to offset our expenditures.

4. Describe the underpinnings for the decreases in charges for services (-1.9M) (146)

We are utilizing fund balance to offset charges to departments.

5. Why does general administration use so much of the increase (42%) (146)

This increase is for anticipated severance payments in 2017

6. Do you know why automobile claims/employee have stayed the same for the past 8 years (148) and is there a plan to reduce this?

To reduce this we may want to consider when purchasing new vehicles selecting models with advanced warning systems, breaking sensors, backing sensors and cameras, lane change sensors ect.

## Workers Compensation

1. Are the numbers in this Fund's performance measure correct (151)? How is the "yearly determined percentage" arrived at?

The numbers in 508-00 performance measures are correct. The "yearly determined percentage" consists of the percentage of participation of the 23 departments.

2. Describe the expected workload increase as mentioned in this Fund's budget highlights (151).

Each year we evaluate the FTE distribution in Risk Management. In the 2017 budget we decreased the Workers Compensation FTE's by 0.02 FTE based on recent claims experience and expected workload.

3. Describe the underpinnings for the substantial use of fund balance (+2.2M) (152).

During a yearly evaluation of our fund in conjunction with Budget and finance we determined, after reviewing reserves, our fund balance had increased. It was decided to reduce charges to departments and utilize some of our savings to offset our expenditures.

4. Describe the underpinnings for the decrease in charges for service (-1.9M) (152).

We are utilizing fund balance to offset charges to departments.

### **Medical Self-Insurance Fund**

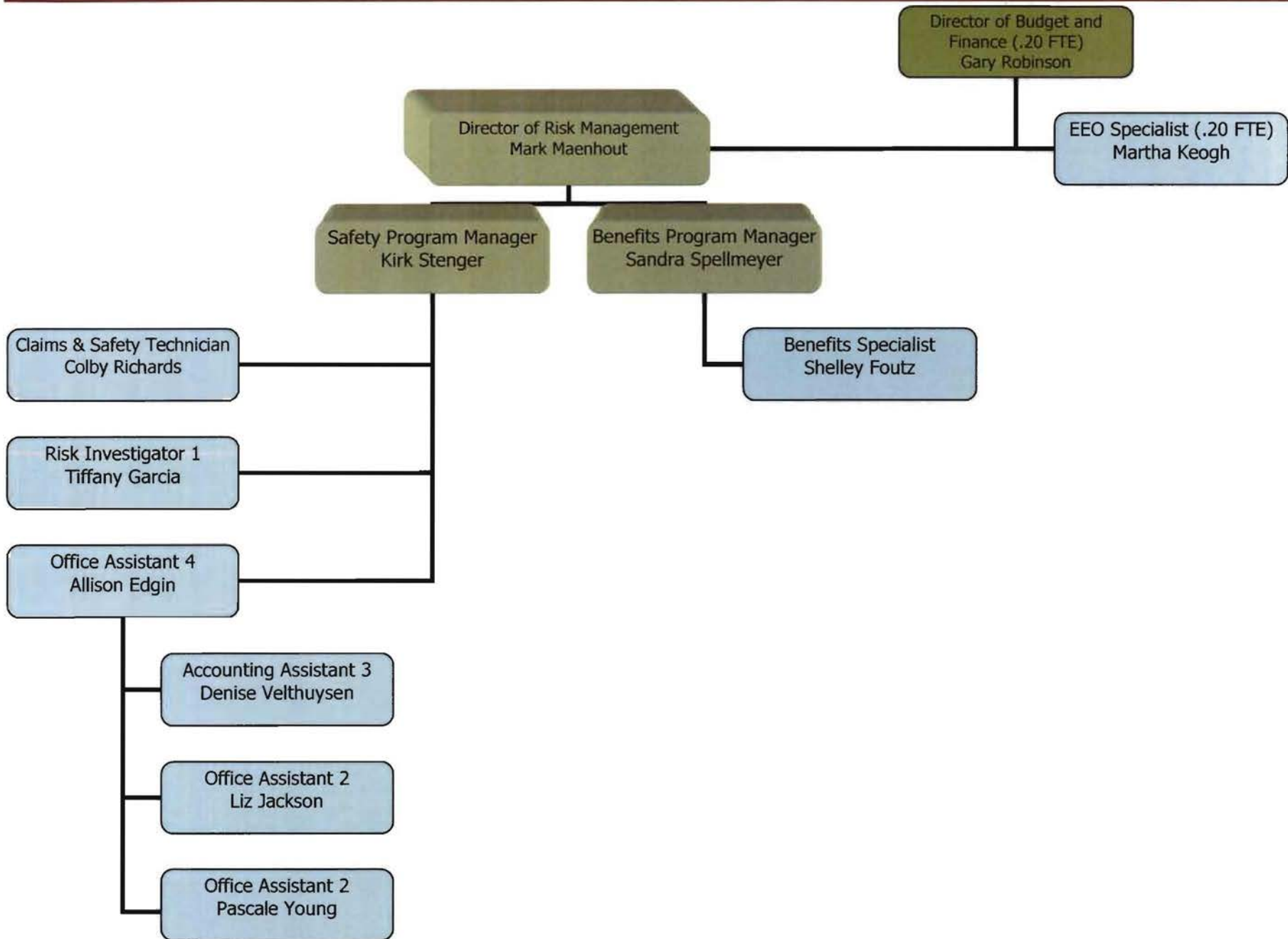
1. How much funding is needed to create an employee wellness program in FY 2017 and what do you expect the program to look like once implemented and what are your anticipated fiscal savings from this program? How will this program differ from the managed medical plans incentive-based program?

We are anticipating 50% participation in the wellness program which equates to approximately \$113,000. The program will have a variety of resources available to our employees to help support them to live healthier lifestyles, both at work and at home. In turn we will offer incentive based rewards tied to County sponsored health plans to those who participate. It typically takes several years after implantation of a wellness program before any fiscal savings are seen.

2. Describe the underpinnings for the substantial use of fund balance (+\$1.3M) and the increase in other charges for services (140).

The increase in use of fund balance is 1,342.3% which equates to a \$76,111 increase over the 2016 budget. This increase is to fund the employee wellness program.

# 2017 Risk Management and Insurance Department (Funds 507, 508 & 509)



PARKS BUDGET PRESENTATION ON OCTOBER 26<sup>th</sup>, 2016  
RESPONSES TO BUDGET QUESTIONS

1) *Please provide an organizational chart for your department.*

Attached.

2) *Is your workload service data, as contained in the 2017 Budget, up to date? If not, please provide.*

Yes, the workload data is correct for Parks, Fair and Golf Courses.

3) *Describe your fiscal year 2017 performance measures and how they differ from those from fiscal year 2016. Do you anticipate meeting your 2016 performance measures?*

1. Public Service

a. Increase Customer Satisfaction

- i. Improve availability and frequency of customer survey opportunities, showing results with a score of 80% or higher indicating customer satisfaction. 2016: GOAL MET

b. Increase partnerships

- i. Increase number of community volunteer events conducted. (Not a 2016 Goal.)

2. Financial Stewardship

a. Improve resource Allocation Decisions

- i. 100% of park sites implementing an asset management system. 2016: 10% OF GOAL MET.
- ii. 100% completion of an annual planned maintenance program. 2016: GOAL MET.
- iii. Completion of Buckley to South Prairie section of the Foothills Trail by December 2017. 2016: IN PROGRESS.

3. Service Delivery System

a. Increase use of tools

- i. 100% of all Department processes and procedures are fully developed and implemented. 2016: 40% GOAL MET.
- ii. 100% of all new hire orientation process and materials are fully developed. 2016: 50% GOAL MET.

4. Organizational Capacity

a. Increase employee engagement

- i. Complete employee development plans for all permanent employees. 2016: GOAL MET.
- ii. Complete performance evaluations for all permanent employees. 2016: 94% GOAL MET.
- iii. Create education and training opportunities to communicate the County and Department vision and mission to all Park employees. 2016: 25% of GOAL MET.

b. Strengthen employee safety and wellness programs

- i. Mandatory safety and human resource training completed by all employees. 2016: GOAL MET.

One new performance measure added in 2017: "Increase number of community volunteer events conducted."

4) Describe any new state or federal rules or regulations that are impacting your department fund.

N/A

5) Describe any grant revenue your department/fund has budgeted in fiscal year 2017.

- \$ 23,820 Department of Agriculture grant for Frontier Park electrical upgrades.
- \$1,220,000 RCO grant for Foothills Trail construction, Buckley to South Prairie.
- \$ 30,000 Department of Commerce grant for Parkland Prairie pollinator habitat.
- \$ 250,000 RCO grant for Heritage Soccer Field artificial turf.

### **General Questions**

1) Describe any initiatives started and/or funded in the 2016 budget and whether or not they are contained in 2017 – why or why not. On page 249, specifically, the budget highlights notes three new initiatives for FY 2017, what is the cost of each initiative? Describe what “greater coverage” means in the first new initiative.

2017 (p. 249)

“Increase FTE’s by 0.72 to provide greater coverage at park facilities.”

- 0.36 FTE - Increase hours of three OA1 positions (Sprinker cashiers) from 35 hrs/wk to 40 hrs/wk. (\$8,260)
- 0.36 FTE - Increase hours of three Recreation positions at Sprinker: Ice Skating Coordinator, Ice Skate Program Coordinator and Hockey Coordinator, from 35 hrs/wk to 40 hrs/wk. (\$9,800)

Greater coverage means that the front desk at Sprinker, open from 6 am to 10:30 pm 7 days a week, is primarily staffed by FTE employees rather than an ever changing roster of extra hire employees. And that the Learn to Skate, figure skating and hockey programs continue to grow.

“Additional emergency and maintenance supplies.”

- Purchase of emergency supplies. (\$6,620)
- Establish a “Uniform store” for maintenance employees. (\$8,730)

“Completion of Foothills Trail.”

- The Buckley to South Prairie trail section of Foothills Trail will be completed by the end of the year. (\$2,390,000). This is a continuation of an initiative from 2016.

2) Page 249 notes the use of fund balance across all Parks and Recreation funds as \$9.529M. Will all these funds be used on capital projects and if yes, how much will be utilized for project administration?

- \$5,495,380 Fund 001-00, Parks General Fund
- \$ 481,280 Fund 109, Conservation Futures
- \$ 15,230 Fund 113, Pierce County Fair
- \$ 263,340 Fund 144, Parks Impact Fees
- \$ 581,440 Fund 145, Park Sales Tax
- \$ 335,970 Fund 147, Parks 2<sup>nd</sup> REET
- \$ 474,970 Fund 152, Path & Trails

\$ 460,730 Fund 312, Parks Construction Fund  
 \$ 478,110 Fund 324, Path & Trails Construction Fund  
\$ 959,160 Fund 325, Conservation Futures Capital Fund  
 \$ (17,110) Fund 445, Chambers Creek Regional Park  
\$ 1,430 Fund 450, Golf Courses  
 \$9,529,960 TOTAL

Only fund balances in the three construction/capital funds: Fund 312, Parks Construction; Fund 324, Path & Trails Construction; and Fund 325, Conservation Futures Capital will be used for Parks capital projects.

50% of a Limited Duration Projects Manager position totaling \$56,980 is included in Fund 312, Parks Construction (grant funded for work on Cross Park design) and the remaining 50% of that position is included in Fund 324, Path & Trails Construction. Fund balances will not be used to cover this staff position.

3) *Are the FTEs noted on page 249 as being needed for the US Open preparation still in the budget for FY 2017?*

p. 249 "The 2015 budget supported 2.0 new FTE's and included increased spending as the County prepared to host the 2015 U.S. Open Championship." No full time staff were hired for U.S. Open preparations.

A new Parks Planner 2 was hired in 2015 to manage the Conservation Futures Program and develop Resource Stewardship Plans for park properties. A new Parks Maintenance Technician 1 was hired for ballfield maintenance at Heritage Recreation Center and for Fantasy Lights event support, October through January. Neither of these positions supported the 2015 U.S. Open Championship.

4) *Is it fair to say that only 1 FTE oversees the Parks Construction and Paths and Trails Construction funds – 0.5 FTE for each fund?*

Not quite. The Resource Stewardship Superintendent oversees these two funds as well as two Project Managers. (One Project Manager position is Limited Duration.) Their salaries are split between Fund 145, Park Sales Tax; Fund 152, Path & Trails; Fund 312, Parks Construction Fund; and Fund 324, Path and Trails Construction Fund. Work on construction projects is also supported by the Superintendent of Administrative Services, Accounting Assistant 2 and Office Assistants 2.

4) *Describe the in more detail the \$9.277M increase in FY 2017 tax revenue (249).*

\$9.277M is the total FY2017 tax revenue, not an increase.

<u>2017</u>	<u>2016</u>	<u>% Increase</u>	
\$4,375,880	\$4,255,690	3%	Property Tax and Excise Tax, Fund 109
\$3,151,580	\$2,982,650	6%	Park Sales Tax, Fund 145
<u>\$1,750,000</u>	<u>\$1,500,000</u>	17%	Parks 2 <sup>nd</sup> REET, Fund 147
\$9,277,460	\$8,738,340		TOTAL



5) *For the projects on page 252, what is the carry forward amount from previous years?*

Prior Expenditures

\$5,460,360	Foothills Trail, Buckley to South Prairie Construction
\$ 328,000	Cross Park Plan
\$ 18,973	Frontier Park Electrical Upgrades
\$ 337,070	Parks Comprehensive Plan
\$1,177,080	Sprinker Roof Repairs
\$ 90,000	Swan Creek Pedestrian Bridge

For more detail regarding these projects, refer to the 2016 Pierce County Capital Facilities Plan, Parks and Recreation chapter.

**Heritage Recreation Center**

1) *Please describe the planned capital projects at Heritage Recreation Center. What is the County's obligation for funding capital projects, administration, maintenance and operation at Heritage Recreation Center? What are the School Districts' obligations?*

\$ 325,294 Field 5, baseball field - replace 36,560 sq. ft. of synthetic turf infield with Field Turf. Install concrete pitcher's mound. Puyallup School District will fund 50% of project.

\$1,079,778 Field A, lighted natural turf soccer field – replace natural turf with artificial turf, install drainage system, and line field for soccer, football and lacrosse. \$250,000 RCO grant.

Pierce County Contract No. 014736, Joint Recreation Agreement for Development and Joint Use of Public Park and Athletic Teaching Stations between Pierce County and Puyallup School District No. 3, is a fifty year agreement expiring in 2052. It provides a detailed maintenance schedule and states that maintenance tasks may be allocated between the parties or one party may pay the other party for regular maintenance costs. The District shall have priority of use from 7:00 am to 5:30 pm every week day. The County shall have priority of use all other dates and times. Capital projects, or changes to the facilities, may only be made with concurrence of both parties.

**Chambers Creek Regional Park**

1) *What is the total investment made to date in the Chambers Bay golf course – distinguish between capital and operating?*

Approximately \$22 million in capital funding.

Operating

2015 - \$7,316,402  
2014 - \$6,503,716  
2013 - \$5,645,765  
2012 - \$5,856,763  
2011 - \$5,125,783  
2010 - \$6,160,993  
2009 - \$4,602,486  
2008 - \$4,594,235  
2007 – \$2,543,484

2) Describe the “anticipated workload” on page 253.

The 2017 budget is proposing to transfer .15 FTE of a Parks Planner 3 from the Chambers Creek Regional Park fund to the Parks Sales Tax fund. This reallocation is being done to match the level of work the Parks Planner 3 is anticipated to spend on Chambers Creek Regional Park activities (60%) versus other park related activities (40%) in 2017.

3) Why is there a decrease in charges for services revenue (254)?

We are anticipating a drop in golf course revenues in 2017 as activity levels stabilize after the effects of the 2015 U.S. Open Championship.

4) What are the outstanding bond and loan (principle and interest) obligations for the Course and are repayments included in the FY 2017 budget? What is the anticipated revenue source(s) for the future repayment(s)?

Outstanding bond balance is \$15.98 million to be repaid with golf course revenues. Payment in 2017 budget is \$550,000 in principle and \$641,225 in interest.

Outstanding balance on the intrafund loan is \$2.75 million to be repaid with golf course revenues. Payment in 2017 budget is \$264,160 in principle and \$68,815 in interest.

5) What were the estimated rounds of golf for the previous 5 years in that year’s Executive proposed budget? How close were the final estimates to actual rounds played for each year?

2016 – 31,590 estimate	31,778 revised estimate
2015 – 28,340 estimate	21,610 actual
2014 - 36,766 estimate	33,347 actual
2013 – 37,393 estimate	38,981 actual
2012 – 35,986 estimate	34,739 actual

**Conservation Futures Fund**

1) Please provide a status update regarding conservation futures properties that were included in the 2015 acquisition Resolution including acquisition costs for the properties that have closed. What is the remaining fund balance that will carry over in this Fund into the 2017 budget? Does this proposed fund balance usage in FY 2017 provide the opportunity for acquisition of properties that were included in Resolution R2015-95 that initially appeared to be unfunded?

Busy Wild Creek – will close 4<sup>th</sup> Qtr 2016  
Harmon Farm – will close 4<sup>th</sup> Qtr 2016  
Jacobs Point II – will close 4<sup>th</sup> Qtr 2016  
Haugen Dairy Farm – will close 2017  
White Farm – will close 2017  
South Hill’s 100 Acre Woods – will close 2017  
Manke Acquisition – will close 2017  
Ford Farm, Phase 2 – will close 2017  
Franz Farm – not funded  
Bell Marsh – not funded

Dead Man's Pond – not funded

\$483,600 fund balance budgeted in 2017. The fund balance in FY 2017 will be used for the purchase of Ford Farm and for title reports, appraisals and administrative fees to nonprofit organizations for the 2017 CF Selection properties, not for the three remaining unfunded projects from the 2015 selection process. There will be another selection process in 2017 and a new property acquisition list to work from.

- 2) *Please provide a project summary detailing anticipated 2016, 2017 and any anticipated future year acquisition expenditures for each project included in the Conservation Futures Construction Fund.*

**2016 Purchases**

2015 CF Selection

\$300,000 Busy Wild Creek  
\$241,080 Harmon Farm  
\$ 92,000 Jacobs Point, Phase 2

**2017 Purchases**

2015 CF Selection

\$ 650,000 White Farm  
\$ 102,740 Haugen Dairy Farm  
\$1,867,500 South Hill's 100 Acre Woods  
\$ 271,500 Manke Acquisition  
\$ 378,000 Ford Farm, Phase 2

- 3) *Provide a summary of the administration, operation and maintenance expenditures associated with the Conservation Futures Fund.*

\$ 568,000 Maintenance, operation and recreational programming of Meridian Habitat Park and Community Center.  
\$ 50,000 Maintenance of other conservation futures properties.  
\$1,453,540 Debt service payment.  
\$ 306,840 Administrative salaries and indirect costs.

- 4) *Why is there such a large increase in the transfer out line item (259)?*

\$4,003,540 Transfer to Fund 325, Conservation Futures Capital Fund to purchase properties selected in the 2017 CF Selection process.

- 5) *Why do the conservation future tax revenue numbers on page 50 and 259 not match exactly?*

\$4,375,880 listed on p. 259 includes property tax, sale of tax title property, leasehold excise tax, and timber excise tax.

\$4,358,710 listed on p. 50 includes property tax but not all the excise taxes.

**Golf Courses Fund**

- 1) *What revenues are included in the \$20K charges for services increase and what fund(s) are included in the transfer in revenues (261)? What effect(s) do the estimated rounds for FY 2017 have on this estimate?*

Green fees, merchandise sales and restaurant at Lake Spanaway Golf Course.

Transfer In (\$294,960) from Fund 145, Park Sales Tax.

Estimated slight increase in rounds of golf, 1,000 to 2,000 more rounds, with associated increases in merchandise and restaurant sales.

- 5) *Does this fund have any specific performance measures?*

No.

**Parks and Recreation Services**

- 1) *Please provide the underlying reasons for the suggested adjustment in “staff hours to provide greater coverage at park facilities” described in the Park and Recreation Services Fund. Please include a summary of the various positions in the Department that work 35 hour weeks and 40 hour weeks (265)? How much of the anticipated increase is intended to be utilized for the increased in maintenance and emergency supplies? Describe where these increases fit in the program expenditures on page 267.*

There are 6 FTE positions that are budgeted less than 40 hours a week, three OA1 positions and 3 recreation positions supporting skate programs at Sprinker Recreation Center. These 6 positions are currently budgeted at 35 hours per week. This adjustment in staff hours would increase all 6 positions to 40 hours per week so all FTE positions in the department would be at 40 hours per week.

6 FTE – 35 hours per week  
71 FTE – 40 hours per week

The additional emergency supplies (\$6,620) and maintenance uniforms (\$8,730) are both purchases that would be coded to “Parks Grounds Maintenance.”

- 2) *Is the increase in general fund support (+4.5%) (266) a typical increase year-to-year increase? Please provide a 5 year history of this Fund’s general fund support.*

Yes.

2013 – 1.8% increase  
2014 – 4.4 % increase  
2015 – 7.0% increase  
2016 – 5.1% increase  
2017 – 4.5% increase

### **Parks Sales Tax**

- 1) *The Parks Sales Tax Fund indicates a transfer of \$264,960 for acquisition of the South Hill 100-acre woods conservation futures property. Does the acquisition cost of this property exceeded the funding request described in Resolution No.R2015-95?*

The acquisition cost of this property does not exceed the funding request described in Resolution No. R2015-95 which is \$1,867,500 plus \$267,500 in matching funds.

### **Park Impact Fee Fund**

- 1) *The Park Impact Fee fund includes \$75,000 for comprehensive planning efforts. This expenditure appears to be inconsistent the Park and Recreation Services fiscal policy, recently adopted through Resolution R2016-115. With the understanding the Department submitted their proposed budget prior to Council's adoption of the fiscal policy, please identify any other expenditures included within the proposed 2017 budget that may be inconsistent with the new fiscal policy.*

This expenditure is not inconsistent the Park and Recreation Services fiscal policy. This planning work is necessary to identify capital projects to add capacity to the park system. There are no expenditures in the Park Impact Fee fund inconsistent with the new fiscal policy.

# Pierce County Parks and Recreation Services - Organizational Chart

