

Parks & Recreation Consolidation

Tuesday, August 21, 2018 – 2:00 pm

Minot Municipal Auditorium, Room 203

Attendees: Tom Barry, Dave Lakefield, Scott Collins, Shaun Sipma, Paul Pitner, Perry Olson, Ron Merritt, Jared Olson, Elly Deslauries, Lisa Jundt, Kelly Matalka, Brock Harstad, Anne Nesheim, Kelly Hendershot, Stephan Podrygula, Kelli Kronschnabel, Jill Schramm

The committee discussed the following:

Goals & Objectives:

Elly Deslauries distributed a document containing the goals the Park District came up with for the merger and Ron Merritt, the Parks Director, explained what they had so far.

Tom Barry, the City Manager recommended creating objectives to clarify how the goals would be accomplished. He said, the goal is to improve the customer experience and that is predicated on making improvements through objectives. He provided the following examples:

- Cost
- Service Area
- Stability
- Quality
- Accessibility
- Customer Service
- Customer Experience
- Coordination/ Streamlining
- Oversight
- Accountability

The Park District will continue to work on the goals and objectives.

Discussions with the County:

Dave Lakefield, City Finance Director, said he had a few conversations with the County Auditor regarding the logistics of merging Recreation with the Park District. It is still unclear but could be done in stages to ensure the 12% cap on the mill levy increase is not met. Preliminary budgets for all taxing entities have already been submitted for 2019 so they would not be able to make an additional increase this budget cycle. If the merger proceeds in 2019, it could be done through a mechanism such as a lease of assets from the City to the Park District.

Mr. Lakefield said, ND Century Code addresses the issue of school consolidation, which is similar but would require language to be amended legislatively during the next session if it were to apply to this situation.

The City Manager suggested reaching out to other cities who have undergone similar consolidations, such as Valley City or Grand Forks.

The City Attorney will contact the Attorney General's Office and the State Tax Commissioner to investigate the appropriate way to make the transfer.

Mr. Lakefield said, the Recreation Department currently accounts for 8 mills of the City budget. Transferring the cost to the Park District would not increase the overall tax levy but would increase the Parks District budget more than the allowed 12%. Based off of their current budget, it would take more than three years to incrementally transfer the entire Recreation budget while remaining under the cap.

Analysis of Assets:

Scott Collins, Auditorium/Recreation Director, said he gave the Parks Director a list of current assets. He is working on a layout of the City offices located in the Auditorium. Most of the assets could be easily transferred but the Auditorium is more complicated because it contains City offices. Mr. Collins confirmed with the City Manager, even after the merger, they would still have access to IT employees if the Auditorium was leased to the Park District. The City will hold the Auditorium as an asset but IT is a leasable service that can be included in the agreement.

Public Meeting:

Before a meeting with the public takes place, the Auditorium/Recreation Director said he would like to meet with his staff to alleviate any concerns they may have regarding pay and benefits. A meeting will be arranged with the HR Director and Park District staff the first week in September.

The City Manager brought up a potential obstacle if the City adopts NDPERS as the pension plan. Any employee hired after January 1st will be enrolled in the new plan but could not transfer it to the Park District.

Other Business:

The Parks Director provided an organizational chart to visualize the structure of the Park District.

Action Items:

1. Elly Deslauries and Ron Merritt will continue to develop a formalized list of goals and objectives
2. The City Attorney will reach out to the Attorney General and the State Tax Commissioner.
3. Scott Collins will provide a full list of assets and a layout of facilities. A drawing of the Auditorium will identify leasable space
4. A meeting will be scheduled to discuss details with Auditorium/Recreation staff; The HR Director will be available to answer questions.

There being no further business, the meeting was adjourned at 2:45 pm