

**GREATER BOCA RATON BEACH & PARK DISTRICT**  
**MINUTES OF A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS**  
**SUGAR SAND PARK - 300 SOUTH MILITARY TRAIL, BOCA RATON**  
**July 26, 2017**

The MEETING was called to order by CHAIRMAN Robert K. Rollins, Jr. at 5:30 p.m.

**COMMISSIONERS PRESENT:** Craig F. Ehrnst  
Steven M. Engel  
Robert K. Rollins, Jr.  
Susan Vogelgesang  
Erin A. Wright

**CHANGES TO AGENDA:** None

**PUBLIC REQUESTS:** None

**PURPOSE:**

The purpose of the meeting is to discuss the 2017-2018 Budget and other financial matters.

Mr. Koski, District Executive Director, provided an initial draft of the proposed budget for Fiscal Year 2018 prepared by Mr. Merv Timberlake, District Financial Advisor. He furnished a FY 2017-2018 Budget Summary Worksheet which included fixed line items and anticipated revenues based upon the current year's millage rate of 0.9147. Mr. Timberlake projects that the 2017 ending balance to be carried forward will be \$19,530,900.

**Taxes**

Current Ad Valorem Taxes are \$23,155,700; Delinquent Ad Valorem Taxes are estimated at \$20,000.

**Other Revenues**

Interest \$60,000; Charges for Park Fees and Services \$1,400,000; Special Interest Activities \$2,100,000; and School District Cooperative Funding (Don Estridge Middle School) \$20,000.

The return of the Ocean Breeze Golf Course deposit, \$2,400,000 [placed in escrow for the acquisition], is listed as a revenue item. It is intended that if the District moves forward with the acquisition, the City will borrow the full amount of the purchase price [\$24 million] and, possibly, two years of capitalization.

**Expenditures/Expenses: Park Operations**

***Special Interest Activities***

\$2,100,000 - the City projects this amount as both a revenue and expense item.

**District Capital Expenses**

***Patch Reef Park***

The District will need to discuss with City staff the anticipated savings from the installation of artificial turf and the fact that the facility will be out of service for three months.

***Spanish River Athletic Facilities***

The City is requesting in its proposed budget \$900,000 for design of Phase II, and \$9 million for construction (the District is carrying \$7 million from last year's budget). The proposed construction elements include: three grass multi-purpose rectangular fields, pickleball and volleyball courts and improvements to Mizner Bark (restroom facility). The District will need to discuss with City staff whether to consider four rectangular fields and no pickleball courts (as patrons prefer to play indoors) and if it would be better to construct the volleyball courts at some other location at the park.

An explanation is needed from City staff as to why the design cost is \$900,000 when all of the schematics have been done and approved by City staff. The Board will need to decide if it is willing to contribute part of the \$9 million for improvements at DeHoernle Park, or whether to phase the project.

***Swim & Racquet Construction***

\$4,100,000 - bids will be opened on August 11, 2017.

***Patch Reef Park Construction***

\$3,100,000 - installation of artificial turf on three rectangular fields.

***Florida Atlantic University***

The District is contemplating a \$650,000 infrastructure project which will provide the District with additional playing facilities.

***Contract Administration***

Salary for District Construction Consultant.

***Beach Renourishment Sinking Fund Contribution***

The District historically allocates \$300,000 per fiscal year into the sinking fund.

***Ocean Breeze***

The District is engaged in discussions with the Assistant City Manager, the City Finance Director and Merv Timberlake as to whether the District can anticipate any expense this year if and when the acquisition takes place.

Mr. Koski commented that at the end of August, the District will be in a better position to fill-in the Ocean Breeze acquisition, as well as some other items for Operation & Maintenance (O&M), and items that the City is requesting for capital improvements, both on City owned property and District owned property.

**Other Expenses**

***Boca Raton Community Redevelopment Agency (CRA)***

The District will contribute to the Boca Raton Community Redevelopment Agency (CRA) in Fiscal Years 2017-18 and 2018-19. Thereafter, the relationship with the CRA will end and there will be no further contributions.

## **Reserves**

### ***Operating Reserve***

As a safety cushion, the District has always carried \$2,000,000 for this line item.

To facilitate budget deliberations, Mr. Koski offered that the District should answer the question “Are you satisfied with the quality and level of service of all of the District parks?”

### **Board Discussion:**

Commissioner Rollins commented that the parks are in very good condition.

Commissioner Wright requested an organizational chart for each park to better understand where employees are located. Ms. Briann Harms, Assistant Director, will provide this information at the next meeting. A more appropriate method of budgeting for personnel from the District’s perspective needs to be discussed with the City.

Commissioner Engel favors establishing a reserve fund to cover the City’s higher than actual expenditures for personnel.

Mr. Koski suggested establishing both a District Operating Reserve Fund and a City Operating Reserve Fund.

It was the opinion of Commissioner Ehrnst to allocate \$15.6 to \$16.3 million for park operation and maintenance based on the fact that the playground at Sugar Sand Park is new and should not require maintenance; Patch Reef Park will be closed during construction of the artificial fields, and, once completed, the fields should result in lower operational costs; beach renourishment is complete and no major beach work is anticipated.

Based on general discussions, it was the consensus of the Board to provide \$16 million in the 2017-18 budget for all park operation and maintenance (excludes CIP and special interest activities). Personnel and maintenance will be allocated and spent as the City deems necessary to maintain the same level of service at District facilities. Any additional requests for funding will have to be approved by the Board.

Mr. Koski stated that if and when the District acquires the Ocean Breeze property, with the assistance of the City, it makes sense to have a respite in the debt service payment for the first two years as funds will be required for design and the engagement of consultants.

Commissioner Ehrnst suggested taking long-term low interest rates as long as possible and decide if it should be paid back earlier.

It was the consensus of the Board to capitalize the first two years of the debt service.

Commissioner Rollins would like City staff to answer the question “what happens to the salvage that the District gets from the disposal of equipment that is being replaced?”

Mr. Koski will amend the 2017-2018 Budget Summary Worksheet to include the following line items: City Operating Reserve; District Capital Reserve and City Actual Reserve.

As the District is paying one-half of all beach restoration costs, it may be time for the City to consider a more equitable distribution of revenue from the sale of beach stickers by raising the District's distribution rate from one-third to one-half.

**INVOICES:**

Secretary-Treasurer Susan Vogelgesang provided a "revised" invoice disbursement list and recommended approval.


**MOTION** was made by Commissioner Vogelgesang and seconded by Commissioner Engel to approve the revised invoice disbursement sheet totaling \$2,004,089.93.

**MOTION UNANIMOUSLY APPROVED**

**ADJOURNMENT:**

**MOTION** was made by Commissioner Engel and seconded by Commissioner Vogelgesang to adjourn the meeting at 6:45 p.m.

**MOTION UNANIMOUSLY APPROVED**

  
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Robert K. Rollins, Jr. Chairman

  
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Susan Vogelgesang Secretary-Treasurer