



**Park Board of Trustees of the City of Galveston  
Finance and Operations Committee**

6/15/2021 - Minutes

I. Call Meeting To Order

The meeting was called to order at 1:34 p.m.

II. Roll Call And Declaration Of A Quorum

Roll was called and a quorum declared.

Committee members present: Dave Jacoby, Marty Fluke, Will Wright, Jason Hardcastle (1:35 p.m.) and Maureen Patton (1:43 p.m.).

III. Conflict Of Interest Declarations

There were no conflicts declared.

IV. Requests To Address The Committee

There were no requests to address the committee.

V. Discuss And Consider Approval Of Meeting Minutes (Schel Heydenburg)

**Motion: Marty Fluke motioned to approve the May 18, 2021 Finance and Operations Committee meeting minutes.**

**Second: Will Wright seconded.**

**Vote: Approved (3-0, Hardcastle and Patton not present at time of vote).**

VI. Discuss And Consider Approval Of The Official Visitor Guide Printing Bid For The Fall/Winter Issue (Michael Woody, 10 Minutes)

Bryson Frazier shared that as part of the agreement with Midwest Luxury publishing, they are required to get printing bids for each issue and present for approval prior to contracting the service. They have asked for approval to award the printing to Publication Printers for the amount of \$43,413.18. Staff recommended approval of this vendor.

**Motion: Will Wright motioned to approve Publication Printers for the printing of the visitor's guide.**

**Second: Marty Fluke seconded.**

**Vote: Approved (4-0, Patton not present at time of vote).**

VII. Discuss And Consider Purchase Of A Hyundai HL940A Wheel Loader For Coastal Zone Management (Bryson Frazier, 5 Minutes)

Bryson Frazier reported that the Coastal Zone Management department has four wheel loaders that they use regularly. Due to the harsh conditions and wear, the maintenance and repairs are becoming more costly and the department is requesting to purchase this loader to replace one that has been in the shop with costly repairs. Mr. Frazier shared that this purchase is being made through an approved co-op and no additional bids were required.

**Motion: Will Wright motioned to approve the purchase of the wheel loader.**

**Second: Jason Hardcastle seconded.**

**Vote: Approved (4-0, Patton not present at time of vote).**

VIII. Discuss And Recommend Status Of Employee Health Benefits Plan And Decision To Stay In The Plan (Bryson Frazier, 10 Minutes)

Bryson Frazier reported that the Park Board is currently in a health insurance pool with the City and Port via an interlocal agreement and that this pool is managed by a board of trustees. He shared that this pool balance has steadily decreased since 2017 and it is estimated that it could be upside down by 2023. He also shared that the Port is looking to withdraw from this pool. Mr. Frazier stated that the benefit plan is a good plan and after soliciting quotes for the Park Board individually, it remains the best benefit for staff at the lowest cost unless a large premium increase is presented. At this time, he reported that staff is recommending to stay in the pool until a decision has been made about the Port and the impacts of their decision since they were the main contributor to the fund deficit. He added that a final decision would need to be communicated to the City by November 1, 2021. In addition, He also would like to ask for a voting position on the Board that oversees this plan since both the City and Port have seats. Marty Fluke shared that he understands that the port withdrawal from the plan has been confirmed and recommends tabling this item for 60 days.

**Motion: Marty Fluke motioned to defer this item until the September 2021 Finance and Operations Committee meeting.**

**Second: Jason Hardcastle seconded.**

**Vote: Approved (5-0).**

IX. Discuss And Consider Approval Of Merit Increases And Incentive Programs (Susan Keeble, 10 Minutes)

Susan Keeble reviewed the merit and incentive programs. She shared that staff is recommending budgeting a 3% merit increase and continuing the park manager and sales team incentive programs for fiscal year 2022. Mrs. Keeble added that the increase would be in addition to any salary adjustments being made per the new salary grade schedule which is on the upcoming Board agenda for approval.

**Motion: Maureen Patton motioned to approve the staff recommended 3% merit increase and the continuation of the incentive programs.**

**Second: Marty Fluke seconded.**

**Vote: Approved (5-0).**

X. Discuss And Consider Value Of Fiscal Year 2020-2021 Hotel Occupancy Tax (Bryson Frazier, 15 Minutes)

Bryson Frazier reviewed the Hotel Occupancy Tax trends and reported that both March and April figures

came in higher than anticipated. He shared that after his presentation to the Tourism Development Advisory Committee, they are recommending budgeting a penny value of \$2.1 million. Staff agrees with this recommendation.

**Motion: Will Wright motioned to approve a HOT penny value of \$2.1 million for FY 22.**

**Second: Jason Hardcastle seconded.**

**Vote: Approved (5-0).**

- XI. Discuss And Recommend Alternate Stewart Beach Pavilion Disposition Options (Bryson Frazier, 10 Minutes)

Bryson Frazier explained that the two options being discussed today were preferred by the Board and include the decommissioning of the pavilion, with the intent to demolish once all of the amenities and functionalities are replaced. Jason Hardcastle pointed out that the two preferred options vary only by choosing to either lease or purchase accommodations for staff and amenities. Dave Jacoby recommended that when presenting to City Council that the first point made is that the pavilion is deteriorating and unsafe and needs to be decommissioned and demolished and then explain the plans for the functions and amenities. Marty Fluke shared that he had recommended to staff to contact builder Miguel Frida about looking at the pavilion. He believes his knowledge on concrete buildings would be beneficial.

**Motion: Marty Fluke motioned to recommend as proposed modifying it as one option with two variants.**

**Second: Maureen Patton seconded.**

**Vote: Approved (5-0).**

- XII. Discuss And Consider The Technology And Accounting System Assessment (Bryson Frazier, 10 Minutes)

Bryson Frazier shared that due to the retirement of two long-tenured staff in the accounting department, the Park Board hired a third party to evaluate the operations of the accounting department. Out of this evaluation, came several recommendations that staff would like to pursue. He reviewed each recommendation which included a security risk assessment, Abila consulting and support for the current accounting system, development of a point of sale (POS) system and the outsourcing of payroll.

**Motion: Marty Fluke motioned to authorize the four areas identified in the assessment and to bring back updates to the Finance and Operations committee and the Board as individual items.**

**Second: Jason Hardcastle seconded.**

**Vote: Approved (5-0).**

- XIII. Discuss And Recommend Analysis Of Interfund Transfers To The General Fund And Standard Operating Procedure (Bryson Frazier, 15 Minutes)

Bryson Frazier reviewed the process for interfund transfers to the General Fund and explained that the hotel occupancy tax (HOT) revenue related transfers currently are done to budgeted amounts exactly and are not reflective of the actual performance of HOT as is experienced in the HOT recipient funds. He is recommending that this policy be adjusted to create more consistency in the financial reporting between funds and budget for a 10% cap. Mr. Frazier included an updated standard operating procedure (SOP) for interfund transfers for review.

**Motion: Marty Fluke motioned to approve the updated SOP for implementation.**

**Second: Will Wright seconded.**

**Vote: Approved (5-0).**

XIV. Discuss And Review Short Term Rental Ordinance Implementation Plan And Resource Needs

Bryson Frazier reviewed the current responsibilities of the Park Board per the interlocal agreement with the City as they relate to the current short term rental ordinance and the expected changes with the recent amendments made to this ordinance. He presented an overview of the implementation plan drafted to address these changes. Recommendations were made to define the specific needs of the Park Board, determine the registration fund allocations, i.e. sharing in Net revenues, the Park Board is not responsible for code enforcement and implement the plan in phases.

XV. Discuss And Consider Approval Of Fiscal Year 2021 April Unaudited Financial Statements (Bryson Frazier, 20 Minutes)

Bryson Frazier reviewed the April 2021 unaudited financial statements.

**Motion: Maureen Patton motioned to accept the April 2021 unaudited financial statements.**

**Second: Will wright seconded.**

**Vote: Approved (5-0).**

XVI. Future Agenda Items

- Health Plan
- IT Items follow-up
- STR Discussion updates

XVII. Announcements

XVIII. Adjournment

The meeting was adjourned at 3:47 p.m.