

**RICHLAND PUBLIC FACILITIES DISTRICT  
REACH, 1943 COLUMBIA PARK TRAIL, RICHLAND  
THURSDAY, MARCH 19, 2020 MEETING TIME: 5:30 P.M.**

**REGULAR MEETING: #03-20**

**MINUTES**

**CALL TO ORDER**

President Dan Boyd called the meeting to order at 5:30 p.m.

**ROLL CALL**

**MEMBERS**

Dan Boyd, President	Present
Bill King, Vice President	Present
Shirley Long, Secretary/Treasurer	Present
Veronica Kenney	Present
Miriam Kerzner	Present

**LIAISONS**

City Council Liaison: Phillip Lemley	Present
Reach Foundation: Steve Simmons	Excused

**STAFF**

Rosanna Sharpe, Executive Director  
Dianna Millsap, Executive Assistant  
Sherri Fluaite, Finance Manager

**APPROVAL OF AGENDA**

Mr. Boyd requested an amendment to the March 19, 2020, regular meeting agenda, removing approval of the February Financial Statements from the Consent Agenda.

Mr. King moved and Ms. Kerzner seconded a motion to approve the March 19, 2020, Richland PFD Agenda as amended

Motion Carried 4-0

**APPROVAL OF CONSENT AGENDA**

Ms. Kenney moved and Ms. Kerzner seconded a motion to approve the March 19, 2020, Richland PFD Consent Agenda as amended

Motion Carried 4-0

**COMMITTEE/LIAISON COMMENTS**

- City Council – Phil Lemley

Mr. Lemley reported City Council meetings to broadcast on Zoom, beginning April 7. No public attendance at the March 17, meeting. City Hall is closing to the public effective March 19. Mr.

Boyd mention Mr. Lemley's reappointment as City Council Liaison to the Richland PFD, no alternate is appointed.

- Reach Foundation – Steve Simmons – Excused

Mr. King provided a report from the March 9, Reach Foundation meeting. Members expressed concern regarding donor's financial uncertainty and future payments from the endowment. Planning for the June 25, Day's Pay event are moving forward. Allen Brecke will be the honoree at this year's event. A formal vote passed that 100% of the proceeds will go directly to the REACH.

### **PUBLIC COMMENT**

Davin Diaz, Executive Director, Arts Center Task Force, attended the meeting telephonically. Mr. Diaz reported that he has contacted the Army Corp of Engineers regarding the Columbia Park West site. Given the circumstances with the COVID-19, he does not have information to pass on at this time but the process has started. Mr. Diaz has spoken with Bill McKay, Dean for Arts & Humanities, CBC, regarding their capital request; he will relate that conversation to Ms. Sharpe.

### **REPORTS AND CORRESPONDENCE**

- Executive Director Report – Rosanna Sharpe

Ms. Sharpe reported that much of staff time has been dealing with the current health emergency. Consistent with the mandates and guidelines issued by Governor Inslee, March 16, regarding the closure of public venues to slow the spread of COVID-19, the REACH Museum temporarily closed to the public March 17. Staff provided information to prepare them as much as possible.

- Ms. Sharpe served as an accuracy judge for the statewide contest, Poetry Out Loud, at the Museum of Glass in Tacoma
- New hygiene protocols at the REACH are in place
- Ms. Sharpe, Ms. Fluaite and Ms. Millsap started sustainability and operational planning which includes expectations of loss of revenues over the next six to eight weeks
- Ms. Sharpe and Ms. Schafer presented the Outdoor Learning Upgrade Project to the City of Richland, Parks Commission. The request for \$5,000, the maximum granted with the provision we submit an updated budget
- The foundation is proceeding with the June 25, Day's Pay planning
- The following benchmarks are set for re-evaluation to make adjustments during this challenging time: March 31 Governor mandated 2-week closures of public businesses ends; March 31 cruise line visits begin; April 24 – schools reopen.

Ms. Kerzner suggested that through social media sources an opportunity to offer REACH exhibits and lessons at home. Ms. Sharpe reported that the education team is currently working on a video production. Education staff are attending ASTC webinars and exchanging information with colleagues on how to activate the museum in light of the closure. Ms. Carswell is building a small giving campaign that she will message in the next couple of weeks.

### **BUDGET COMMITTEE**

- February Financial Statements

Ms. Fluaite reviewed February's Profit and Loss Budget Performance, Balance Sheet, Statement of Cash Flows, and Disbursements Detail by Account. Ms. Fluaite pointed out under Salary and Benefits, budget reclassification of \$11,988 to Restricted Expense, Education Endowment Funds. Under Fixed Assets, increase under Exhibit Other, the first payment made for the Ag Wall

project funded by Benton County PFD. Expenses will be higher next month due to delay in receiving invoices from Spectrum and City of Richland.

Mr. King moved and Ms. Long seconded a motion to approve the February Financial Statements as presented

Motion Carrie 5-0

## **NEW BUSINESS**

- COVID – 19 Staff and Operations Plan

Ms. Sharpe presented Cash Analysis reports ending May 15, 2020, three staffing and operations scenarios in response to effects of COVID 19. Ms. Fluitte provided detail of each scenario and prepared minimal operation expenses to May 15, 2020, including the facility and maintenance project schedule for the next six to eight weeks. Included in the analysis current cash balance, estimated cash income showing all planned revenues removed, and estimated total cash at May 15, 2020.

- Scenario A  
Maintain current staffing, payroll and benefits
- Scenario B  
Six layoffs, remaining staff up to 40 hours weekly
- Scenario C  
Six layoffs, remaining staff up to 32 hours weekly

Ms. Sharpe considered for the next six weeks retaining some normalcy in staffing in preparation for ramping up to respond in real time to accommodate visitors. Ms. Fluitte pointed out that PTO is not included in the scenarios. Current PTO accrual due to employees is \$12,818. Employees can be on standby status for up to eight weeks and brought back as operations dictate.

Ms. Shafer has reached out to Marcus Whitman, Jason Lee and Jefferson schools regarding contracted services and their preference is to address this when school reopens. Ms. Fluitte has submitted an interim message to organizations and groups that have unearned income pending that we will respond to deferring services, rescheduling and refunding later.

Board members discussed staffing concerns. Their recommendation is that employee hours are at the discretion of Ms. Sharpe, to determine key program staff needed taking into consideration combining staff functionality.

In planning for the long term, members discussed possible options:

- Cutting expenses, making payroll cuts
- Redirecting restricted funds
- Considering the reserve fund
- Request to the foundation to consider approving funds earmarked for investment to the endowment be used as emergency funds for operating expenses
- After exhausting alternatives, reach out to the city with a proposal to borrow from the FCF Fund
- Take advantage of opportunities that may develop
- Giving campaign marketing

Members agreed that they must demonstrate proper oversight and consider the proposals presented by Ms. Sharpe.

Mr. Boyd provided a report on the Debt Service 631 Fund. The cash balance that can be accessed \$208,921.60, as of December 2019. The Richland PFD approved 2020 budget provides an annual draw from the 631 Fund of \$210,600; to date no transfers requested.

Ms. Sharpe stated that Scenario B is the most optimal; it makes the necessary retraction that we need but also maintains as much staff as we are fiscally able. Ms. Sharpe also realizes that in actuality of operations Scenario C is more likely.

Mr. Boyd summarized that in conclusion the board recognizes Ms. Sharpe's recommendation is Scenario B, amounting to a reduction of expenses of \$25,500, the difference between Scenario A and B. Consensus of board members is that Ms. Sharpe is in the best position to manage staff and make a decision on which scenario to implement. Ms. Sharpe has presented a good state of the union and possibilities. Board members recommendation is that Ms. Sharpe follow Scenario B as presented with the proviso that she have the authority to bring employees back to full time as needed and at Ms. Sharpe's discretion reducing expenses by approximately \$25,500. Ms. Sharpe will research the possibility of borrowing from the FCF Fund.

After reviewing each scenario members agreed Ms. Sharpe, have the flexibility, at her discretion, to follow the scenario of her choosing with the recommendation that Ms. Sharpe make cuts of \$25,500 between now and May 15, 2020.

Mr. King moved and Ms. Long seconded a motion recommending that the Executive Director reduce costs between March 19, 2020 and May 15, 2020 by \$25,500

#### Motion Carried 5-0

- Debt Service Transfer

Ms. Sharpe stated the need for a debt service transfer. Ms. Long recommended that due to Covid-19 issues, the deficit in the budget require the transfer. Mr. Boyd opened for consideration transferring \$50,000 and depending on a report from Ms. Fluaite authorizing another \$50,000 transfer at the April 16 meeting. Ms. Fluaite's mentioned concern regarding staffing at the city's accounting office to process an April transfer. Mr. Boyd offered \$100,000 transfer be authorized by the board. Due to the budget deficit created by the COVID-19, members agreed that a debt service transfer of \$100,000 is required.

Ms. Kenney moved and Ms. Long seconded a motion to authorize \$100,000.00 transfer from the Fund 631 Debt Service account

#### Motion Carried 5-0

### **OLD BUSINESS**

- 2020 Employee Compensation Plan

The 2020 Employee Compensation Plan deferred to the April 16, 2020, meeting.

- RPF Board Officers

Members in agreement to table discussion of Richland PFD Board Officers.

### **UNSCHEDULED ITEMS**

- Arts Center Task Force

Ms. Sharpe shared an email she received from Cindy Reents, City Manager, requesting clarification regarding an article in the Journal of Business. Mr. Wiley, Chair, Arts Center Task Force (ACTF), indicated in the article that the ACTF was close to announcing a partnership and went on to mention the ACTF discussions with the Richland PFD. Ms. Sharpe has been in contact with Wendy Culverwell, Editor, Journal of Business, and stated the position of the Richland PFD regarding the arts center; the PFD is in early stages of conversations with ACTF but there have been no endorsements. The PFD will take on no new projects without approval of the city. Ms. Kerzner added that the ACTF does not see a partnership as imminent, something they want to work towards as the best option at this point. Mr. Diaz conveyed that in speaking with Ms. Culverwell he reiterated multiple times that we are in step 1 of a 100-step process and that no agreement was in place.

**NEXT MEETING SCHEDULE**

The next regular Richland PFD is April 16, 2020.

**EXECUTIVE SESSION**

None

**ADJOURNMENT**

Ms. Kenney moved and Ms. Kerzner seconded a motion to adjourn

Motion Carried 5-0

President Boyd adjourned the regular meeting at 7:33 p.m.

Prepared by: Dianna Millsap

Reviewed by

*Approved as Presented  
Richland PFD Board  
April 16, 2020*