

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

Note: Governor Inslee’s Proclamation 20-28 prohibits public meetings from being conducted in person. For this meeting, the Richland Public Facilities District will meet remotely and only take action on necessary and routine matters or matters necessary to respond to the COVID-19 outbreak until such time as regular public participation is possible. The public may attend this meeting remotely as provided at www.visitthereach.org. Public attendance by audio only. Effective June 1 the governor’s prohibition on taking “action” was removed by proclamation 20-28.4.

REGULAR MEETING: #11-20

MINUTES

CALL TO ORDER

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

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	Absent

STAFF

Rosanna Sharpe, Executive Director	Present
Dianna Millsap, Executive Assistant	Present
Sherri Fluaitte, Finance Manager	Present

APPROVAL OF AGENDA

Mr. King moved and Ms. Long seconded a motion to approve the November 19, 2020, Richland PFD Agenda as presented

Motion Carried 5-0

APPROVAL OF CONSENT AGENDA

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

Motion Carried 5-0

COMMITTEE/LIAISON COMMENTS

- City Council – Phil Lemley

Mr. Lemley reported the latest shutdown restrictions due to increased COVID cases. The City of Richland along with the other cities and counties are working together to implore the governor to change his mind. It is a difficult situation for the governor, schools superintendent, and health department director; they will do what they think is best. What is an acceptable number, apparently we are not there yet with the business community, which is understandable. The business community is doing their very best to be as safe as possible and after spending towards upgrades to provide a safe environment, they are shut down again.

Mr. Lemley reported that the ribbon cutting for the Duportail Bridge was today. The bridge is not officially open pending operational signal lights. Expectation is mid-December for full operation of the bridge to SR240.

- Reach Foundation – Steve Simmons – Absent

Mr. King reported on the November 9, 2020, Reach Foundation meeting. The foundation has agreed to release the additional funds requested. Mr. King stated that on the cautionary side, the request not easily met. The foundation has concerns regarding rules in terms of building the endowment, there was some pushback and members were clear that the RPFDD not look to them again anytime soon. Foundation members understand the situation and they are aware there are very few options.

Ms. Sharpe added in her assessment of the foundation meeting, there were several things brought up by foundation members that struck her as being very curious. The foundation has made a commitment to the RPFDD to either raise funds or get them through a different avenue; the endowment is the only place they have to go. Ms. Sharpe stated that Ms. Fluaite met with Mr. Dunwoody before the meeting; Mr. Dunwoody provided the messaging that kept the foundation on track, prompting members to make the right decision on behalf of the foundation fulfilling the commitment to the REACH.

Mr. King stated that the foundation is having difficulty recruiting new members. As far as corporate sponsorship, a main responsibility of the foundation, we are lacking help in reaching those groups. Mr. Boyd will attend the next foundation meeting with Mr. King to address the foundation regarding their mission. Mr. King feels that the next foundation meeting is a strategic time regarding the 2021 budget, which includes an expectation of fundraising.

Ms. Sharpe reported that the foundation authorized payment of the DonorPro overdue invoices. She will present at the next foundation meeting a matrix of the strengths and weaknesses of DonorPro compared to two other products. The RPFDD is responsible for the financial commitment of maintaining the software; ultimately, it will be the RPFDD decision on which course to take.

PUBLIC COMMENTS

None

REPORTS AND CORRESPONDENCE

- Executive Director Report – Rosanna Sharpe

Ms. Sharpe provided highlights of the Executive Director's report:

- The reopening path we were on hit a roadblock. Four-week shutdown of museums beginning November 16, ending December 14.

- Consensus of Reach Foundation members is that the museum open immediately, even if one day a week. Ms. Sharpe informed foundation members that the RPF is weighing the cost, benefit and safety of opening.
- Foundation members donated a total of \$750 to sponsor November and December weekend programs, which have moved from onsite to virtual programming.
- Restrictions may be in place longer, we are rethinking what the reopening date may be. Currently planning for reopening weekends beginning the week of January 4.
- Floors refurbished, they look fantastic. The building is maintained and ready to open at a moment's notice.
- Reopening plans communicated to our volunteers. Staff and volunteers are at the ready to reopen and welcome visitors safely to the museum.
- Heather Cannell, Facility Events Coordinator, has resigned. She accepted another full-time position.

BUDGET COMMITTEE

- Draft 2021 Budget

Ms. Fluitte presented the 2021 Draft Operating Budget. Ms. Fluitte explained her method in determining the 2021 budget, which is different from how she would normally approach it by adjusting up or down based on plans for the year. Budgeted numbers originally used for 2020 adjusted by percentage: January 15%, February 20%, March through April 25%, and May through December 50%.

Ms. Fluitte reviewed income totals by line item noting the adjustments. Ms. Sharpe pointed out that the January 631 Fund transfer reflected is from the Benton County PFD. The \$86,876.91 shortfall amount after expenses is included as a line item Facility Contingency Fund (FCF), not recorded as revenue because it is not a revenue item but included to show where the additional cash would come from to balance the budget, showing on the balance sheet as a loan that is repayable. Ms. Fluitte provided a breakdown of Grants and Corporate Sponsorships revenues.

Ms. Fluitte reviewed expenses total by line item noting that under Salary and Benefits, \$388,105, reflect current levels: Ms. Sharpe at 40 hours, Ms. Fluitte, Ms. Millsap and Ms. Schafer reduced from 40 hours a week to 30 hours; Mr. Flores and Mr. Monk at 40 hours per week; and two part time education staff at 25 hours per week. The only change is adding Laura Cranford, Visitor Services, beginning in January at 24 hours per week. Ms. Fluitte reviewed each line item noting adjustments. Ms. Fluitte provided a breakdown detailing expenses for Tech Support, Projected Operations, Repair and Maintenance, and Education Expenses explaining adjustments.

Ms. Fluitte noted that \$5,000 would be added to the Exhibit Fabrication & Rental line item to include a grant from Benton County Historical Society that we need to fulfill in 2021. Benton County Historical Society allowed us to carry this over from 2020. Ms. Fluitte will adjust the budget and include in revenues.

Restrictions for education remains as a payroll cost line to report actuals. An adjustment is needed when we get money from the endowment or grants to show funds spent on education.

Ms. Sharpe added that in making projections for June, July, and August, we do not have good data anymore based on COVID. Ms. Sharpe recommended reviewing the budget more frequently, perhaps on a quarterly basis.

Board member questions and comments regarding the draft 2021 budget:

- Pointed out that the October financials approved in the consent agenda indicates the total amount in repair and maintenance spent in 2020 is less than \$15,000. The 2021-budgeted amount is \$44,920, determined by Ms. Fluitte as a worst-case scenario because that is the most unknown area.
- Pay levels remain the same, no increases included.
- Questioned whether reduction in hours for several employees, although necessary due to closure, if this will work once the REACH does reopen. Ms. Sharpe stated that as we ramp up operationally we would look at the budget to ensure proper staffing, another reason for reviewing and adjusting the budget quarterly. The staffing level proposed in the budget is with opening three days a week. Salary and benefits remains as 2020 budget except adding Laura Cranford, Visitor Services, at part-time hours.
- Pointed out that the October financial reports approved under the consent agent, total contribution income for 2020 is \$268,000 through ten months. This amount will increase by the end of the year. The 2021 draft budget total contribution income is \$139,000. To make the budget balance, the \$87,000 shortfall added as a Facility Contingency Fund (FCF) line item. Mr. Boyd suggested the \$87,000, shortfall be included in the foundation's contribution for 2021 bringing the total contribution to \$226,000, to avoid borrowing from the FCF.

After discussion, RPF members agreed that Mr. Boyd and Mr. King would take the purposed budget to the next foundation meeting and discuss with them our expectations in terms of fundraising, with contributions line item of \$226,000, which includes the \$87,000 shortfall to avoid borrowing from the FCF. Mr. Boyd and Mr. King will present the budget at the December 14, foundation meeting, this will allow three days following the foundation meeting to adjust for approval at the December 17, RPF meeting.

With no further comments or questions, Mr. Boyd summarized the draft budget discussion. The board directs Ms. Fluitte to remove the FCF line item and add the additional shortfall of \$87,000 to the 2021 contribution income. Ms. Fluitte will adjust the budget to reflect the extra \$5,000 added to contributions, and additional \$5,000 expense to exhibit fabrication.

Board members thanked Ms. Sharpe and Ms. Fluitte for their work in preparing the 2021 draft operations budget. Ms. Sharpe added that Ms. Fluitte has done a remarkable job this entire year, exceptional performance and good reporting. She expressed her appreciation of what Ms. Fluitte brings to the table especially in light of where we are.

NEW BUSINESS

None

OLD BUSINESS

- Reopening the REACH in Phase 2

Ms. Sharpe stated that she will keep an eye on changes to the restrictions and will look forward to the week of January 4, the earliest we could expect to open. We will work with that date in mind. The education team is trying to be as creative, flexible and responsive as possible. They are getting ready to launch virtual field trips. Doing exceptional work with very limited resources. She will provide updates on what programming looks like as it develops. We need to set our sights on planning for opening on weekends. The current restrictions may be in place

longer, Thanksgiving, Christmas and New Years will be pivotal where perhaps we will be looking at spikes in the transmission rates following those holidays.

UNSCHEDULED

Mr. Boyd reminded members that at the last RPF meeting Ms. Sharpe had mentioned continuing to pay medical benefits for Laura Cranford after furlough. Mr. Boyd contacted Dan Hultgren, Attorney, and his response is that there is an issue because the employee handbook does not technically allow this. Ms. Sharpe has drafted a statement regarding health insurance for employees on temporary leave. The statement sent to Mr. Hultgren for review, he sees no legal issues with the plan set forth with the statement regarding medical insurance, which applies to emergencies such as COVID 19 that necessitates the closure of the REACH.

Ms. Sharpe reported that she reached out to Ms. Cranford to inform her that the extension of her health insurance was ending, if she wanted to continue she would need to do it through Cobra. Ms. Cranford was able to enroll in Obamacare the next day; she is no longer on the RPF health insurance. Ms. Sharpe will distribute the draft policy to board members for discussion and approval at the December board meeting. Ms. Sharpe stated that there would be a revision to the employee handbook related to health insurance, when the dust settles there may be many changes to the handbook related to COVID, statewide and federal.

Mr. Boyd reported that Ms. Fluitte received an updated 631 Fund report from the city accountant reporting funds through October. The city books show that 631 Fund cash available balance is \$171,000. It appears sales tax dollars did not fall as much as some of us thought.

NEXT MEETING SCHEDULE

The next Richland PFD meeting is December 17, 2020.

EXECUTIVE SESSION

None

ADJOURNMENT

Ms. Long moved Ms. Kenney seconded a motion to adjourn

Motion Carried 5-0

President Boyd adjourned the regular meeting at 7:10 p.m.

Prepared by: Dianna Millsap

Reviewed by

*Approved as Presented
at the December 17, 2020
Richland PFD meeting*

