I. Roll Call

II. Approval of Consent Agenda
   A. Approval of Agenda
   B. May 9, 2018 Minutes
   C. Claims Items from May 1, 2018 – July 31, 2018 = $53,768.75

III. Information Items
   A. Pool Manager & Facility Update – Kelley Lemons & Herb Amick
   B. 2018 City Pool Budget Position through 7/31/2018 – Chantell Steiner
   C. 2016-2017 Assessment Audit Report from the State Auditor
   D. Strategic Planning Continued Discussion
      a. Marco Aurillo – Ice Rink Presentation

IV. Action Items

V. Adjournment
Upper Valley Park & Recreation Service Area

Check Register

May 1, 2018 – July 31, 2018

Total Expenditures for the Period: $53,768.75

Signed

Signed

Signed

Signed

Signed

Signed

Signed

Staff Volunteer

8/6/18

Date
## Expenditure Detail Report

**Chelan County of Washington**  
05/01/2018 through 07/31/2018

### Account Number

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5/25/2018 apivoice IN 2018-02  
Vendor: 100383 CITY OF LEAVENWORTH Check # 822629

| Total Upper Valley Park & Rec |                             |                             |                             |                             |         |           |
# Expenditure Detail Report

Chelan County of Washington  
05/01/2018 through 07/31/2018

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|                | 0.00                    | 53,768.75  | 68,768.75                  |                           | 0.00    | -68,768.75 |
UPPER VALLEY PARKS AND RECREATION SERVICE AREA (PRSA)
Leavenworth City Hall Conference Room
May 9, 2018

MINUTES

I. CALL TO ORDER

PRSA Vice Chair Aaron Simon, called the May 9, 2018 meeting of the PRSA to order at 9:00 AM.

Board Present: Aaron Simon, Elizabeth Thomson, Jason Lundgren and Mia Bretz via Conference Call for Action Items.

City Staff Present: Joel Walinski, Herb Amick, Kelley Lemons, and Chantell Steiner.

Visitors Present: Sharon Waters.

II. APPROVAL OF CONSENT AGENDA

A. Approval of Agenda
B. February 14, 2018 Minutes
C. Claims Items from January 1, 2018 – April 30, 2018 = $15,000.00

Boardmember Lundgren moved to approve the consent agenda. The motion was seconded by Boardmember Thomson and passed unanimously.

III. INFORMATION ITEMS

A. Pool Manager & Facility Update – Kelley Lemons & Herb Amick

Public Works Director Herb Amick reviewed the repairs to the facility that included fixing leaks around the solar heating panels and the dry well surge tank. He stated that the pool is ready for operations and noted the need to consider replacement of the diving board in the near future. The Board discussed options for the diving board and to consider replacement with another board or maybe a slide when looking into the costs for the resurfacing project. Boardmember Thomson requested no tiles be placed in the zero dive section with the resurface project if possible. Director Amick stated that he will also look at the removal of the small crab grass area as it typically goes unused and could create more seating area if it was more appealing; he will look into concrete or other options.

Pool Manager Kelley Lemons updated the Board on the progress towards opening that includes hiring and training the lifeguards for the season. She noted some concern at the lack of applicants thus far this year and that she may have to have some adjustments in the pool schedule for the weekends. She stated that the Pool will open as planned on Saturday, May 26th of the Memorial Day weekend. She then reviewed the need to purchase more chairs for seating and that she would be looking into that before the pool opens. Pool Manager Lemons stated that they have implemented a decision to allow only two adults per family pass this year with an unlimited amount of children to see if that alleviates some of the previous issues with multiple families (parents, adult children and grandparents specifically) signing up for one family pass. She noted that there is no designation on who the two adults can be so that could include a parent and grandparent or babysitter if that is the preference of the applicant.
Vice Chair Aaron Simon presented Pool Manager Lemons with an honorary plaque in regard to her quick actions while on a flight last year to save a choking infant. The Board was very thankful for her speedy response to the situation and grateful that we have her as part of our team.

B. 2018 City Pool Budget Position through 4/30/2018 – Chantell Steiner

Director Steiner reviewed the year to date totals noting that the budget amendment discussed at the November meeting has been incorporated by the City. She said some revenues from property taxes are included from the County Treasurer and that pool passes are on sale, which can be purchased at City Hall. She then reviewed the expenditures to date noting that most of the costs are typical for pre-season expenses with no surprises. It was noted that there will need to be interior painting done again this year which will be covered from the maintenance line item.

C. 2017 Annual Report Update – Chantell Steiner

Director Steiner stated that she completed the 2017 Annual Report and had the City’s Deputy Clerk Tami Gates review it this year as a training exercise before submission to the State Auditor’s Office. She said the report is available on the City’s website Pool page and that she could forward a copy if anyone was not able to locate it.

D. Strategic Planning Discussion Continued

Vice Chair Simon gave a brief summary of the previous meeting discussions regarding the need to renew the 6-year maintenance and operation (M&O) levy. He reminded the Board of the intent to increase the rate by three cents to acquire the necessary funding for the resurfacing project. He provided an update on previous subcommittee meetings explaining the processes involved thus far regarding strategic planning. He reviewed the outreach to all of the community recreation groups last year that lead to further review on whether the PRSA should explore expanded services or fine tuning current activities through the funding of a Community Recreation Coordinator position. He provided a copy of the draft position that the subcommittee has created and discussed options for further community outreach before requesting additional funding through a new levy option. The Board reviewed the various options for community input that includes using survey monkey, paper surveys and community open public house meetings. Vice Chair Simon noted that the estimated cost of the coordinator position has not been determined; however based on a four to five cent levy it would generate about $45,000 to $55,000 for a year round full-time position. This position would take over some of the current services provided by the City of Leavenworth and add a new perspective to coordinating the many recreational groups within the Upper Valley. He reminded the Board of the upcoming expiration of the Interlocal Agreement in 2020 that will dissolve the PRSA when the final debt payments are completed and the need to work with the Chelan County Commissioners to renew the Service Area through voter approval. The Board had a brief discussion on some of the other options that have been discussed for expanded services, such as an ice rink or covering the pool for year-round use. They reviewed the previous presentations by the Leavenworth Ski Hill Heritage Foundation on different options for an Ice Rink and the challenges with location regarding losses to parking at the P1 or P2 parking lots. Boardmember Lundgren asked if community member Marco Aurillo could be invited to the next PRSA meeting to discuss the current plan for an ice rink; Vice Chair Simon stated that he would contact Marco to attend.

IV. ACTION ITEMS

A. Resolution 1-2018 Ballot Title M&O Levy Request for August Primary Election
Boardmember Lundgren moved to approve Resolution 1-2018 Ballot Title M&O Levy Request for the August Primary Election. The motion was seconded by Boardmember Bretz and passed unanimously.

B. Resolution 2-2018 Ballot Title M&O Levy Request for November General Election

Boardmember Bretz questioned whether to include the word "continuation" in the language to further enforce no change with this request should the August Primary ballot measure fail. The Board briefly discussed this as an option and whether there are legal stipulations on how the ballot language is written; Director Steiner said that she would research that further. Administrator Walinski stated that the community notice that the City will put together and any additional information that is announced by the Swim Team would be a good mechanism for explaining the difference in the ballot measures as the elections come forward. For the record, it was noted that Resolution 2-2018 would only move forward to the General Election if the voters rejected Resolution 1-2018 at the August Primary.

Boardmember Bretz moved to approve Resolution 2-2018 Ballot Title M&O Levy Request for the November General Election. The motion was seconded by Boardmember Thomson and passed unanimously.

C. Future Meeting Dates

The Board discussed some scheduling issues due to the change in meeting dates this year and approved moving the future meeting dates for August and November back to the third Wednesday at 9:00 a.m.

Boardmember Thomson moved to approve the new dates of August 15, 2018 and November 21, 2018 for the remainder of meetings this year. The motion was seconded by Boardmember Lundgren and passed unanimously.

V. ADJOURNMENT

Seeing no other business, Vice Chair Aaron Simon moved to adjourn the May 9th meeting of the Upper Valley Park and Recreation Service Area. The meeting adjourned at 10:30 AM.

Respectfully submitted by Chantell Steiner.
## 5 YEAR BUDGET COMPARISON

**All Years Thru July 31**

**MCAG #: 0222**

### 176 Community Swimming Pool

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- **146,485.61**
- **155,857.27**
- **174,427.85**
- **172,559.67**
- **281,798.00**
- **0.00**

- **Salaries & Wages** 28,960.76 33,878.05 33,852.65 33,473.67 108,000.00 0.00
- **Benefits** 2,747.55 3,399.55 3,237.50 3,186.27 15,000.00 0.00
- **Office & Operating Supplies** 16,277.43 16,122.43 20,600.74 15,919.16 27,000.00 0.00
- **Operating Supplies-Concessions** 2,831.88 1,960.75 975.76 1,407.00 1,500.00 0.00
- **Small Tool & Minor Equipment** 194.03 0.00 0.00 129.86 0.00 500.00 0.00
- **Other Interfund Svs & Chgs** 2,334.00 1,843.50 1,968.00 1,438.50 1,918.00 0.00
- **Professional Services** 0.00 135.51 0.00 136.58 0.00 0.00 0.00
- **Comm-Phone/Postage/Fx** 391.93 416.06 358.52 322.11 700.00 0.00
### 5 YEAR BUDGET COMPARISON

**MCAG #: 0222**

**Time:** 10:48:22 **Date:** 08/06/2018

**Page:** 2

#### 176 Community Swimming Pool

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**TOTAL EXPENDITURES:**

| 83,495.50 | 87,649.36 | 112,309.26 | 76,975.47 | 281,798.00 | 0.00 |

**FUND GAIN/LOSS:**

| 62,990.11 | 68,207.91 | 62,118.59 | 95,584.20 | 0.00 | 0.03 |
Exit Letter: Upper Valley Parks and Recreation Service Area

7/30/2018

About our Office
The Washington State Auditor's Office’s vision is government that works for citizens. Our goal is for government that works better, costs less and earns greater public trust.

The purpose of this letter is to share our audit results with management and the board. We value and appreciate your participation. This letter is not your official audit report, which publishes on our website. You will receive a separate email with a link to that report.

Audit Highlights
- Meeting minutes are informative and meet OPMA standards.
- Annual report files were comprehensive and the Schedule 01 reconciled.
- I want to thank the District for their participation in the audit process and for being so organized. It made this audit very straight forward.

About The Audit
We performed a Local Government Assessment Audit for the years 2016-2017 for your Upper Valley Parks and Recreation Service Area: This type of audit is a risk-based audit wherein we review the Parks and Recreation Service Area’s materials that were submitted via the annual report filing process. This type of audit, Assessment Audit, is typically performed for governments that receive less than $300,000 in revenue, annually. Other factors may be present that keeps your government on an Assessment Audit cycle even if reaching $500,000 in annual revenue. However, an on-site audit may be performed if your government receives and spends more than $750,000 during the audit period from federal funds. Further, if the government continues to exceed the thresholds stated or is noncompliant with filing requirements then the audit could be performed on-site in the future.
Audit Results

In relation to our report that will be issued on our website, we would like to bring to your attention the results of our audit:

- Based on the procedures performed, nothing came to our attention in the areas we reviewed that caused us to believe the Parks and Recreation Service Area was not in substantial compliance with applicable state laws, regulations, and its own policies, or had significant weaknesses in controls over the safeguarding of public resources. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Status of Prior Audit Recommendations

<table>
<thead>
<tr>
<th>Prior Audit Recommendations</th>
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<td>None</td>
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Additional Reminders

Below is a list of areas that small local governments may need additional guidance.

Board Compensation

The Office of Financial Management raised the allowable Elected Official Pay for most special purpose districts to $114 per day/meeting attended, which was effective July 1, 2013. Please note that you cannot legally increase Board compensation or other staff member pay retroactively for any services already rendered.

Any Board Member that receives less than the full allowable compensation must sign a waiver of compensation and file it with the government’s secretary. Please let us know if you would like an example of this waiver.

Procurement and Public Works Projects

State law (RCW 39.04) requires competitive procurement for public works projects and purchases of supplies and equipment for most local government types. Laws that require specific methods of procurement differ per government type. Furthermore, all public works contracted for by the government must meet state prevailing wage requirement by obtaining an “Affidavit of Prevailing Wages Paid” from the contractor unless the work is performed exclusively by the business owner.

For additional guidance on public works projects and procurement for your specific government type, please visit Municipal Research and Service Center of Washington’s website: Procurement and Public Works Requirements

Credit Cards

The state Department of Enterprise Services has a Purchase Card Contract with US Bank that local governments are eligible to use. The card has no annual fee and offers annual rebates on purchases made using the card. For more information go to Purchase Card Guidance.
It is also important to note that having policies and procedures for credit/debit cards and charge account use is important for safeguarding the local government’s funds. Local governments are allowed by state law (RCW 43.09.2855) to utilize credit cards. This statute provides some guidelines for their use, which include adopting a system for distribution, control, authorization, etc. of credit cards.

**Concluding Comments**

**Report Publication**

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: https://portal.sao.wa.gov/saoportal/Login.aspx

**Audit Cost**

In the entrance email, we estimated the cost of the audit to be $1,140 and actual audit costs will approximate that amount.

**Audit Survey**

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Thank you for all your assistance throughout the audit. I hope you find the information above informative and helpful to the government’s operation. If you have any questions or concerns, please call or email at your convenience and we can discuss your audit.

Sincerely,

Owen Thompson
Assessment Audit Report

Upper Valley Parks and Recreation Service Area

Chelan County

For the period January 1, 2016 through December 31, 2017

Published August 6, 2018
Report No. 1021927
August 6, 2018

Board of Commissioners
Upper Valley Parks and Recreation Service Area
Leavenworth, Washington

Report on Assessment Audit

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor’s Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

The attached report describes the procedures performed and conclusions for the areas we reviewed. We appreciate the opportunity to work with your staff and we value your cooperation during the assessment audit.

Sincerely,

[Signature]

Pat McCarthy
State Auditor
Olympia, WA
AUDIT SUMMARY

Results in brief

Based on the procedures performed, nothing came to our attention in the areas we reviewed that caused us to believe the District was not in substantial compliance with applicable state laws, regulations, and its own policies, or had significant weaknesses in controls over the safeguarding of public resources. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

About the assessment audit

This report contains the results of our independent audit of the Upper Valley Parks and Recreation Service Area from January 1, 2016 through December 31, 2017.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives. Local governments are also required by state law (RCW 43.09.230) to prepare and submit certified annual reports to our Office summarizing such things as revenues received, collections made, amounts receivable or payable, expenditures made, and debt owed.

This assessment audit was conducted under the authority of RCW 43.09.260, which requires the State Auditor’s Office to examine the financial affairs of all local governments at least once every three years. Assessment audits are risk-based, limited-scope reviews of small local governments, generally defined as local governments with less than $300,000 in annual revenues. To help minimize audit costs, our work for this engagement was conducted off-site primarily using financial and other information provided by the District.

This assessment audit was limited to the following:

- Reviewing meeting minutes for compliance with the Open Public Meetings Act.
- Inquiring as to internal controls over assets, revenues, and disbursements.
- Verifying that annual reports submitted to our Office were complete and filed timely in compliance with state law.
- Reviewing the District’s annual revenues and expenditures for unusual transactions or trends.
- Corroborating financial information reported by the District by comparing its annual revenues, expenditures, and cash and investment balances to third-party sources.
- Reviewing expenditures for indications of unusual activities, excessive Board of Commissioners compensation, conflicts of interest, or procurement requirements.
- Evaluating the District’s financial information for indications of financial difficulties.
INFORMATION ABOUT THE DISTRICT

The Upper Valley Parks and Recreation Service Area was created in 1997 by an interlocal agreement between Chelan County and the city of Leavenworth. The purpose of the formation was to initially build a pool facility for the citizens that encompasses beyond the boundaries of the city of Leavenworth.

A six-member Board governs the District. The Board consists of one Chelan County Commissioner, two city of Leavenworth elected officials, one member of the Cascade School District Board of Directors and one member each of the Peshastin and Chumstick Community Councils. The Board continues to meet quarterly each year to review and pass the budget for operation of the pool and reviews recommendations for future expansion of a recreation area. The District operates on approximate annual revenue of $210,000. The District's main source of revenue is property taxes.

Contact information related to this report

| Address: | Upper Valley Parks and Recreation Service Area  
c/o City of Leavenworth  
P.O. Box 287  
Leavenworth, WA  98826 |
| Contact: | Chantell Steiner, Finance Director/City Clerk |
| Telephone: | (509) 548-5275 |

Information current as of report publish date.

Audit history

ABOUT THE STATE AUDITOR’S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as fraud, state whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our website and through our free, electronic subscription service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor’s Office

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<tr>
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<th><a href="mailto:PublicRecords@sao.wa.gov">PublicRecords@sao.wa.gov</a></th>
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<tr>
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<td>(866) 902-3900</td>
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