

Livermore Area Recreation and Park District

Staff Report

TO: Chair Pierpont and Board of Directors

FROM: Mathew L. Fuzie

PREPARED BY: Mathew L. Fuzie

DATE: 04/22/2026

SUBJECT: 2026/2027 Budget Preparation

COMMITTEES: N/A

RECOMMENDATION: That the Board of Directors discuss and provide direction to staff for budget development.

BACKGROUND: Every year in preparation of the District Budget for Board of Directors' approval, the Board of Directors has participated in a Budget Workshop. The purpose of the Budget Workshop is for staff to provide data and assumptions related to the data for the Board of Directors to discuss. After discussion the Board of Directors will provide directions to the General Manager to complete a draft Budget for approval at a future meeting prior to the next fiscal year.

This topic was discussed at the March 25 meeting of the full board.

DISCUSSION:

The following data points pertain to the development of the draft budget.

Property Taxes- The County of Alameda is forecasting a flattening of the property taxes as they relate to the past few years. The County is projecting that property taxes will grow no more than **2.5 percent in the next fiscal year. Property taxes are expected to generate approximately 17 million dollars in 26/27.**

No recommendation regarding property taxes.

Program Revenue- In all of the previous budgets prepared under this administration we have budgeted program revenues very conservatively and tend to outperform our

projections. Our position in the market has been as the value proposition in the service area.

Recommendation- Adjust program fees to be market competitive.

COLA- In approving the budget for fiscal year 2025/2026 the BOD approved a COLA of 2% be approved in January of 2026, 2027 and 2028. Setting the COLA expectation for 3 years. CPI for 2025/2026 was 2%

Recommendation- Affirm the previous cola decision. Make no change.

Insurance- CAPRI, our insurance pool, is recommending that we plan for a 15% increase in General Liability. There may be a slight decrease in Workers Compensation insurance.

No recommendation necessary

Legal – We anticipate spending approximately 35% more in legal expenses than in FY25/26.

Fee Schedule- The Fee Schedule for LARPD programs and services was last changed 3 years ago.

Recommendation- Approve new fee schedule with modest increase for next 3-year cycle.

Employee Benefits- Employee Benefits including medical are expected to increase by 7% next fiscal year with the administrative fees from the County of Alameda are going from 2% to 5%.

Recommendation- Maintain 75% of Kaiser contribution for one more year and revisit in committee.

Salary and Wages- Salary and wages continue to climb as we grow back from the pandemic as demand for our services continue to grow.

Recommendation- add positions only as they relate directly to increasing revenue absent any additional revenue stream.

CIP- No reserve fund will exist beyond the current fiscal year for deferred maintenance projects. The Two Parks program will have to be funded through the general fund. No new projects have been added to the CIP list unless they are funded through AB1600.

Recommendation- continue Two Parks Program with facilities committee and finance committee review. Incorporate asset replacement into the fee schedule.

East Bay Regional Parks annual open space contribution of 200k was not budgeted in their annual budget for this fiscal year.

Recommendation- Track EBRPD budget discussions

We are looking at an approximately 27 Million Dollar Budget with 17 million from taxes and 10 million in operating revenues and no planned surplus.

NEXT STEPS:

The discussion and direction given at this meeting will be used to complete the draft budget for fiscal year 2026/2027. The Board will receive a draft proposed budget for fiscal year 2026/2027 at the May 13 regular board meeting for consideration of approval.

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