

Livermore Area Recreation and Park District

Staff Report

TO: Chair Pierpont and Board of Directors

FROM: Mathew Fuzie, General Manager

PREPARED BY: Jeffrey Schneider, Administrative Services Manager
Julie Dreher, Financial Officer

DATE: March 10, 2021

SUBJECT: **FY20-21 Mid-Year Operating Budget Update,
FY21-22 Preliminary Budget, and
CIP Plan for FY20-21 through FY22-23**

COMMITTEES: Reviewed and Recommended by the Finance Committee – March 1, 2021, and by the Facilities Committee – Capital Improvement Program (CIP) – March 4, 2021

This is an informational report only and requires no action or discussion by the Board of Directors.

BACKGROUND: At mid-year, the District reassesses its Approved Operating and CIP budgets and presents proposed revisions to the Board of Directors on an informational basis, unless the proposed changes exceed the General Manager’s approval authority (1). Before reviewing with the Board, proposed revisions are reviewed by the Finance Committee (operating and CIP budgets) and the Facilities Committee (CIP), whose guidance is then reflected in a subsequent review with the Board at a Budget Workshop and Board of Directors meeting, which are scheduled for March 10, 2021. In the case of CIP, a separate workshop is slated for March 31, 2021. Per the District’s Budget Policy, budget updates must be concluded by the end of March each year.

In its March 1, 2021 meeting, the Finance Committee indicated its support for the proposed mid-year adjustments to the District’s FY20-21 Operating budget as well as the CIP Plan for FY20-21 through FY22-23. In its March 4th meeting, the Facilities Committee also indicated its support for the attached CIP plan for FY20-21 through FY22-23, pending the results of the March 31st CIP workshop.

THE ATTACHED BUDGET PRESENTATION: The attached Budget presentation is divided into three main sections: 1) FY20-21 Mid-Year Operating Budget Update; 2) Preliminary Operating Budget, FY21-22; and 3) CIP Plan – FY20-21 through FY22-23.

To develop its 18-month financial plans (through June, 2022), staff completed a line-item level review of all Revenue, Personnel expense, and Services and Supplies accounts. In developing its Mid-Year FY20-21 Operating Budget update, the District has relied on actual results through December, 2020,

BUDGET WORKSHOP: Item Nos. 2.1, 2.2, 2.3

BOARD MEETING: Item Nos. 5.1, 5.2, 5.3

and projected results from January, 2020 through June, 2020. Thus, the updated FY20-21 Operating Budget reflects the favorable financial results that have been achieved year-to-date relative to the Approved Budget. The Preliminary Operating Budget for FY21-22 that is presented herein reflects similarly detailed plans that extend through June, 2022, and thus represents a thorough first pass at the District's Operating Budget for the coming year (formal approval will be requested in June, 2021).

- (1) From the Board-approved Budget Policy (revised June, 2019): The District formally revisits its annual Operating and multi-year CIP budgets as necessitated by changes in priorities and/or underlying business conditions during its annual, mid-year Budget Update process, which must be completed by March 31st. No action is required by the Board if the District's Mid-Year Budget Update calls for no increase to the annual appropriation and/or the multi-year CIP budget, except for line-item-specific changes that exceed \$250,000 in total initial year commitments (combined capital and annual operating expenses).

Attachment:

Review of: 1) FY20-21 Mid-Year Operating Budget Update; 2) Preliminary Operating Budget, FY21-22; and 3) CIP Plan for FY20-21 through FY22-23



Livermore Area Recreation and Park District 3/10/21 Budget Workshop and Board Meeting

Review of:

- 1) FY20-21 Mid-Year Operating Budget Update*
- 2) Preliminary FY21-22 Budget*
- 3) Capital Improvement Program (CIP) FY20-21 through FY22-23*

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Mid-Year Operating Budget - Overview

Background:

In the process of approving the District's Operating Budget in June, 2020, the Board established an ad-hoc budget committee to focus on the development of action plans to address the uncertain implications of the COVID-19 pandemic.

One recommendation was to establish quarterly forecasts to reflect the evolving understanding of the implications of the pandemic. On September 22, 2020, the Board approved a revised financial forecast that immediately became the most applicable "plan of record", given the enhanced understanding of what programming could be offered during the pandemic and thus what staffing would be required.

As well, the September, 2020 forecast reflected a series of organizational changes, resulting in staff reductions, hours reductions, and in a few instances, revisions to job classifications and full-time status. These changes were approved by the Board and were effected in October, 2020.

In the attached schedules, the District presents comparisons of the proposed Mid-Year Budget update versus both the Approved Budget and the 9/22 Forecast, for reasons outlined above.

Mid-Year Operating Budget – Overview (cont.)

1. Net Operating Contribution of \$781k for FY20-21 on Revenues of \$17.6million, fueled by on-going cost containment and property tax increases (consistent with the Approved budget) that have overcome a huge reduction in operating revenues.
2. Ability to fund \$341k worth of CIP initiatives via the General Fund without requiring the use of reserves.
3. No contingency is currently included in this budget, though the net contribution, after considering the use of the General Fund to finance certain CIP initiatives, which stands at \$440k, could certainly be considered as such.

Key Assumptions – Mid-Year FY20-21

District-wide:

1. No changes to salary and benefit programs relative to the status quo during FY20-21
 - a. No COLA, no Steps, no 457 match;
 - b. Program specific requirements will drive the timing of when full-time staff will see their schedules return to 40 hours per week from the current 38.

Administration:

1. Property Tax revenues will not be impacted by COVID-19 in April, 2021 and are projected to be 5% above prior year levels for the balance of FY20-21.
2. Election fee expense has not yet been invoiced; the Approved budget assumed \$200k, but we are assuming \$300k in this plan (voter turnout at high end of the cost per voters).
3. IT spend assumes the onset of Docusign (creation of smart forms, routing, esignature, etc...) in fiscal Q3, and Office 365 (cloud-based email, sharepoint (intranet), and updated MSOffice tools) in Q4.
4. Program Guides will be in digital form until late FY21-22;
5. A new support service will be deployed for our general ledger environment and will include project and on-going support (new chart of accounts, FA, Purch modules).

Key Assumptions – Mid-Year FY20-21 (cont.)

Community Services:

1. Open Space has exceeded their revenue projections due to the increased amount of visitors paying for daily parking. Science Camp revenue made up some of the shortfall in grants that arose due to COVID-driven restrictions that prevented our presence at schools.
2. ESS enrollment did not meet projections due to the limited number of students in each “cohort”, along with the continuation of Distance Learning and the increased number of parents working from home. Though all ESS sites were open and staffed to adhere to safety and cleaning protocols, we were not full in several of our classes.
3. Preschool resumed in Mid January with two classes opening at Jane Addams.
4. We did not open up PAL or the Believes program throughout FY21-22.
5. Senior programs stayed on budget.

Mid-Year FY2020-21 Key Assumptions

Recreation:

1. Aquatics

- a. No Recreation Swim at either RLAC or May Nissen this summer due to COVID restrictions.
- b. May Nissen will remain closed until mid-July; plaster project expected to start on May 24th and will take about 8 weeks to complete.
- c. Lap Swim will no longer have a drop in pass option – this program has been transitioned to a preregistration program to reflect actual cost and to control amount of total swimmers due to COVID restrictions. Only a AM Monday – Friday program.
- d. Swim team rental Monday – Friday from 2pm-6pm; this will change as of April 2021 – move to the evening (5 lanes from 4pm-8pm).
- e. Additional swim team rental starting April 2021 from 4pm-8pm – 7 lanes.
- f. Swim Lessons will start June 14th at the Robert Livermore Aquatics Center and will transition to May Nissen once the plaster project is completed.

2. Facility Operations and Rentals

- a. To accommodate anticipated facility rental volume in April, this plan returns staff to pre-COVID job classifications and full-time status (for staff who went to part-time) in March, 2021
- b. Facility Rentals are starting back up in April 2021 at Ravenswood and the Cresta Blanca Ballroom. / no rentals at Vets Hall (vac pod) or the Barn (ADA issues).
- c. Will hire additional casual staff as of April to support additional responsibilities of nights and weekends.

3. Sports Facility Rentals

- a. Alameda County is currently following the State of California's Youth Sports Guidelines and will be opening for youth sports play as of 2/26/2021.
- b. Facility rentals and weekend play will increase, as new guidance allows for league games both within the county and surrounding counties
- c. Casual staffing levels will grow to support sports field rental operations and maintenance. As well as picnic and intent to use activities

4. Front Counter Operations

- a. Anticipate building opening as of June 2021 – hours will change to Monday-Friday from 10am-5pm; no nights or weekends.
- b. One person in Rec Building and one person in Community Center. Bring casual staff back June 2021 to cover additional hours of operation.
- c. Facility staff and/or Supervisor overseeing program will cover nights and weekends. Programs will be pushed to one facility.

5. Recreation Classes and Events

- a. Planning a Movie in the Park – June 2021 – Recreation Event / early planning stages will charge a fee to offset cost of movie and equipment rental.

6. Sports & Fitness Programs and Classes

- a. Summer Sports Camp will be run from 8:30am-1:30pm vs. traditional programming of 7:30am-5:30pm – limited space available due to COVID restrictions.
- b. No Fun in the Sun Camp due to limited facility space and COVID restrictions.
- c. Continue to offer various camps and programs.
- d. Filling of vacant Recreation Coordinator as of May 2021.

Key Assumptions – Mid-Year FY20-21 (cont.)

Parks and Facilities Maintenance:

1. Utility and water expense projections have been revised to reflect actual experience for facility occupation (electricity usage, which has exceeded initial expectations for the COVID-driven shutdown) and water requirements (weather has been drier than anticipated)
2. Personnel expense reflects the recent retirement of two senior staff and the recent departure of a park worker who supported the District's weekend work and who will be replaced. The two leadership vacancies will be filled internally by early FY21-22.
3. The return of park maintenance contractor TerraCare is now planned for April, 2020, as with the onset of Spring comes additional maintenance requirements that cannot be adequately addressed with existing staff.
4. Maintenance of Structures and Grounds expenses were significantly reduced in both Parks and Facilities due to COVID-driven cost containment measures. Moving forward in 2021-2022, these expenses will return to pre-COVID levels.
5. In addition to on-going operations concerns, the Facilities maintenance team provides significant support to the District's CIP initiatives, which are planned to resume later this year, as documented later in this presentation.

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)

Summary View: PROPOSED MID-YEAR BUDGET

	FY19-20	FY20-21	Incr/(Decr) vs LY		FY20-21		FY20-21	
	Actual	Mid-Year Budget (Proposed)	\$	%	Approved Budget	Variance: Mid- Year Budget vs Approved	9/22 Forecast	Variance: Mid- Year Budget vs 9/22 Forecast
Revenue								
Taxes	\$12,887,484	\$13,388,169	\$500,685	4%	\$12,374,913	\$1,013,256	\$12,374,913	\$1,013,256
From Operations	\$7,254,852	\$4,167,159	(\$3,087,693)	(43%)	\$6,873,132	(\$2,705,973)	\$4,983,526	(\$816,367)
Total Revenue	\$20,142,336	\$17,555,328	(\$2,587,008)	(13%)	\$19,248,045	(\$1,692,717)	\$17,358,439	\$196,889
Salary and Benefits	14,947,213	11,922,102	(3,025,111)	(20%)	14,405,577	(2,483,474)	12,414,691	(492,589)
Services and Supplies	6,387,537	4,843,556	(1,543,981)	(24%)	5,195,329	(351,774)	4,943,748	(100,193)
Capital	39,128	8,795	(30,333)	(78%)	0	8,795	0	8,795
Sub-total, Expenses	\$21,373,878	\$16,774,453	(\$4,599,425)	(22%)	\$19,600,906	(\$2,826,453)	\$17,358,439	(\$583,986)
Net Operating Results	(\$1,231,542)	\$780,875	\$2,012,417	n/a	(\$352,861)	\$1,133,736	(\$0)	\$780,875
General Fund - CIP	\$213,556	\$341,325	\$127,769	60%	\$340,000	\$1,325	\$0	\$341,325
Total, General Fund	(\$1,445,097)	\$439,550	\$1,884,648	(130%)	(\$692,861)	\$1,132,411	(\$0)	\$439,550

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)
View of PROPOSED MID_YEAR BUDGET - FY20-21

Department	FY20-21 Mid-Year Budget Proposal (*)				Approved Budget				9/22 Board-Approved Forecast			
	Revenue	Salaries & Benefits	Services & Supplies	Revenue less Expense	Revenue	Salaries & Benefits	Services & Supplies	Revenue less Expense	Revenue	Salaries & Benefits	Services & Supplies	Revenue less Expense
Administration												
Administration	13,388,169	2,169,017	1,286,713	9,932,439	12,374,913	1,984,417	1,160,531	9,229,965	12,374,913	2,260,380	1,293,304	8,821,229
Marketing & Public Information	1,552	71,487	29,013	(98,948)	10,325	250,145	88,414	(328,234)	10,325	72,341	91,414	(153,430)
Technology & Communications	0	25,283	439,428	(464,711)	0	0	444,929	(444,929)	0	25,873	424,129	(450,002)
Capital Equipment	0	0	8,795	(8,795)	0	0	55,000	(55,000)	0	0	0	0
CIP	0	98,864	2,315	(101,179)	0	104,982	3,890	(108,872)	0	81,767	3,890	(85,657)
Administration Total:	13,389,721	2,364,651	1,766,264	9,258,806	12,385,238	2,339,544	1,752,764	8,292,930	12,385,238	2,440,361	1,812,737	8,132,140
Parks and Facility Maintenance												
Building Maintenance	0	918,546	515,569	(1,434,115)	0	1,031,759	404,230	(1,435,989)	0	932,231	404,230	(1,336,461)
Park Operations	383,350	1,986,651	2,041,627	(3,644,928)	385,848	2,454,388	1,993,542	(4,062,082)	385,848	2,074,733	1,967,442	(3,656,327)
Parks and Facility Maintenance:	383,350	2,905,197	2,557,196	(5,079,043)	385,848	3,486,147	2,397,772	(5,498,071)	385,848	3,006,964	2,371,672	(4,992,788)
Community Services												
Camp Shelly	65,000	0	13,359	51,641	65,000	0	14,030	50,970	7,500	0	14,030	(6,530)
Extended Student Services	2,373,869	3,139,380	162,551	(928,062)	3,417,800	3,134,019	208,926	74,855	3,131,086	3,262,913	174,398	(306,225)
Senior Services	58,163	118,809	35,832	(96,478)	132,434	168,262	88,172	(124,000)	46,924	129,214	36,196	(118,486)
Preschool	39,673	69,244	2,839	(32,410)	484,750	443,210	14,000	27,540	39,600	42,628	2,800	(5,828)
Open Space	458,190	906,604	94,330	(542,744)	512,849	1,043,616	124,390	(655,157)	512,849	998,544	124,390	(610,085)
Community Outreach	0	662,047	1,306	(663,353)	0	666,454	8,050	(674,504)	0	658,696	3,850	(662,546)
Believes Program	0	3,676	0	(3,676)	149,194	155,062	0	(5,868)	79,000	79,013	0	(13)
Middle School Program	(148)	49,581	768	(50,497)	301,521	341,417	8,000	(47,896)	0	78,809	0	(78,809)
Community Services Total:	2,994,747	4,949,341	310,985	(2,265,579)	5,063,548	5,952,040	465,568	(1,354,060)	3,816,959	5,249,817	355,664	(1,788,522)
Recreation												
Classes, Camps & Events	3,098	0	2,411	687	84,000	0	60,000	24,000	19,500	0	11,000	8,500
Adult Sports & Fitness	3,307	5,963	995	(3,651)	109,310	69,196	36,150	3,964	40,694	68,584	11,600	(39,490)
Customer & Business Services	450	158,510	107,717	(265,777)	0	316,766	169,870	(486,636)	0	150,610	169,870	(320,480)
Facility Use & Rentals	79,254	77,762	1,443	49	257,288	313,013	16,350	(72,075)	89,088	137,253	1,700	(49,865)
Youth Sports & Fitness	121,009	95,744	30,045	(4,780)	271,950	136,194	75,750	60,006	96,600	126,114	16,350	(45,864)
Field & gym Rentals	258,381	142,072	11,405	104,904	403,301	254,430	70,300	78,571	261,950	142,560	59,350	60,040
Recreation Administration	4,869	648,947	700	(644,778)	20,782	640,920	13,845	(633,983)	20,782	639,109	13,845	(632,172)
Building Operations	0	365,180	16,190	(381,370)	0	459,909	45,730	(505,639)	0	277,696	42,830	(320,526)
Aquatics (incl unit 04 - MN)	317,142	208,735	47,000	61,407	241,780	427,773	77,130	(263,123)	241,780	175,623	77,130	(10,973)
Concessions	0	0	0	0	25,000	9,645	14,100	1,255	0	0	0	0
Recreation Total:	787,510	1,702,913	217,906	(1,133,309)	1,413,411	2,627,846	579,225	(1,793,660)	770,394	1,717,549	403,675	(1,350,830)
DISTRICT TOTALS	17,555,328	11,922,102	4,852,351	780,875	19,248,045	14,405,577	5,195,329	(352,861)	17,358,439	12,414,691	4,943,748	(0)

(*) the proposed Mid-Year Budget includes actual results through Dec20 and forecasted results from Jan21 through Jun21

Trend Of Salary and Benefit Expenses

	FY19-20 Actual	FY20-21 Mid-Year	% growth
Total Salaries	\$10,320,213	\$7,673,572	(26%)
Retirement Expense	1,683,358	1,564,621	(7%)
Employee Group Insurance	1,898,746	1,601,776	(16%)
Workers Compensation	399,918	256,040	(36%)
Medicare FICA Expense	503,779	345,342	(31%)
Unemployment Expense	112,249	447,651	299%
Board Members' Stipend	28,950	33,100	14%
	4,627,000	4,248,530	(8%)
Total Salary and Benefit Expense	\$14,947,213	\$11,922,102	(20%)

Mid-Year Operating Budget – Headcount Plans

Department / Unit	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
<u>Administration</u>						
Sub-total, Administration	12	12	12	13	13	13
<u>Recreation</u>						
2 Recreation Classes	0	0	0	0	0	0
3 Adult Sports and Fitness	0	0	0	0	0	0
20 Customer and Business Services	2	2	2	2	2	7
25 Facility Use and Rentals	0	0	0	2	2	3
26 Youth Sports and Fitness	3	3	3	4	4	8
27 Field and Gym Rentals	2	2	2	4	5	6
31 Recreation Administration	4	4	4	4	4	4
54 Aquatics	9	9	9	14	16	62
57 Café	0	0	0	0	0	0
Sub-total, Recreation	20	20	20	30	33	90
<u>Parks & Facilities</u>						
5 Building Maintenance	7	7	7	7	7	7
7 Park Operations	26	26	26	26	26	26
Sub-total, Parks & Facilities	33	33	33	33	33	33
<u>Community Services</u>						
9 ESS	39	39	38	38	38	38
10 Senior Services	2	2	2	2	2	2
11 Preschool	4	4	4	4	4	4
16 Open Space	10	10	10	10	10	23
32 Community Outreach	5	5	5	5	5	5
40 Believes	0	0	0	0	0	0
41 PAL	0	0	0	0	0	0
Sub-total, Community Services	60	60	59	59	59	72
District Total	125	125	124	135	138	208

Mid-Year Operating Budget – Services and Supplies

Expense Category	FY19-20 Actuals	FY20-21 Mid-Year Budget	FY20-21 inc/(decr) vs FY19-20	NOTES
Household Supplies	104,125	42,752	(61,373)	Reduction in cleaning supplies due to facilities being closed
Food	94,169	21,659	(72,510)	Reduction due to fewer meetings and staff working remotely
Non Capital Equipment	53,825	33,819	(20,006)	
Maintenance - Structures/Grounds	892,251	488,271	(403,980)	FY19-20: \$46k for Max Baer fields; FY20-21: cut back landscape services (Terracare)
Maintenance - Equipment	188,650	185,648	(3,002)	
Utilities - Water/Sewer	1,308,527	1,240,982	(67,545)	
Utilities - Gas/Electric/Other	370,599	341,521	(29,078)	
Communications	144,892	129,731	(15,161)	
Travel	96,957	79,867	(17,090)	
Training & Conferences	13,463	8,185	(5,278)	
Legal	132,000	120,000	(12,000)	
Program Services/Supplies	125,085	337,229	212,144	Election expenses in FY20-21
Professional Services	1,396,306	614,879	(781,427)	FY19-20: \$258k write-off of CIP proj; \$145k landscape services (Express Services); \$32k open space consultant; \$96k finance consultants (GP/accounting); \$43k cleaning services (unit 42)
Field Trips	89,290	2,225	(87,065)	Reduction in trips due to COVID-19 pandemic
Instructors & Sports Officials	230,262	61,259	(169,003)	Reduction in classes due to COVID-19 pandemic
Insurance	403,471	546,118	142,647	Increase in liability insurance
Rent & Lease - Vehicle	146,047	59,998	(86,050)	Reduction is a result of the sales of old vehicles (\$132k)
Other	597,618	529,413	(68,205)	
	\$ 6,387,537	\$ 4,843,556	\$ (1,543,981) (24%)	

Preliminary Operating Budget – FY21-22

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Preliminary Operating Budget – FY21-22: Overview

In anticipation of the FY21-22 financial planning process, staff have generated detailed plans that extend through June, 2022. These plans for the upcoming fiscal year are presented herein for the Finance Committee's feedback, but their recommendation related to subsequent Board approval is not requested nor required today.

1. Net Operating Results (Revenue less operating expenses) of \$1.3 million for FY21-22 on total revenues of \$20.3 million. Relative to the District's proposed FY20-21 Mid-Year budget update, the Net Operating Results are \$542k, or 69% better.
2. Dramatic improvements in ESS, fueled by enhanced enrollment expected from less restrictive COVID requirements, are largely driving the year-over year gains, along with a continued focus on cost recovery and revenue optimization in Recreation. Reduced Administrative Services costs associated with the annualization of this year's restructuring of the organization are helping to offset the return to relatively normal operations in Parks and Facilities Maintenance, as are increased Property and Parcel Taxes.
3. Ability to fund \$368k worth of CIP initiatives via the General Fund without requiring the use of reserves.
4. No contingency is currently included in this budget, though the net contribution, after considering the use of the General Fund to finance certain CIP initiatives, which stands at \$955k, could certainly be considered as such.

Key Assumptions – FY2021-22

District-wide:

1. A new salary schedule will consider the following changes, effective in July, 2021:
 - a. A 2% COLA - \$ Impact: \$225k for FY2021-22 (incl sal, taxes, WC, retirement)
 - b. Adjustments to 6 job classifications are required to comply with the January, 2022 change to the state's minimum wage of \$15; no compression issues exist re: related job classifications.
2. Step Increases are assumed in January, 2022; prior to the onset of COVID, step increases would occur on each eligible employee's anniversary date, but we are planning to revisit this practice and provide them simultaneously. \$ Impact: ~\$140k for FY21-22 (half year).
3. Health premiums will increase by 4% for Kaiser (majority of benefited staff) and 5% for United Health Care as of February, 2022, and the District will assume 50% of this increase; \$ Impact for FY21-22 of 50% share for the District is \$11k for the period from Feb22-Jun22 (\$21k annualized).
4. The District's 457 match (4%) for non-pensioned, benefited staff will be re-implemented in July, 2021. \$ Impact: \$127k per year if 100% participation is realized.
5. Workers' Compensation expense is assumed to grow 5% for FY21-22. \$ Impact: \$16k
6. ACERA contribution rates are assumed to grow by 10%; \$ impact: \$150k
 - a. No impact of a Pension Obligation bond is assumed for ACERA contribution rates

Key Assumptions – FY2021-22

Administration:

1. Property Tax revenues will grow by 5% above prior year levels, and Parcel Taxes will increase by the maximum allowed by the underlying legislation (2%).
2. There's no election in FY21-22, so services spending will drop by approximately \$300k versus FY20-21.
3. Unemployment expense will drop considerably (from \$46k/mo this year to \$30k/mo in FY21-22). Variables abound – Cares act extension?
4. General Liability will grow by 10% (\$55k) for FY21-22.
5. IT spend assumes the completion of technology upgrades to eliminate old Win7 machines (roughly 50 units); the deployment of a budgeting tool, and a subscription cloud-based service for contract administration.
6. Wellness programs will continue (modest spend but significant importance).
7. The District's Program Guide will again be mailed in physical form for the Summer 2022 guide (produced in Q4 FY21-22).

FY 2021-22 Key Assumptions (cont.)

Community Services:

1. We will be slowly building back our ESS program as things continue to open. We are still under the health order, which is reflected in the current budget proposal. We have lost our Kidango Grant as of July 1, 2021, but will work with families who are on the Community Support Program, which assists low income families on a fee sliding scale (staff propose that the District provide approximately \$200k to continue the level of subsidy that would have been available via the Kidango grant).
2. Preschool enrollment has been limited to 4 sites/5 classes for FY21-22. We will increase that number in January if conditions allow. There is no plan to rehire a Full Time Coordinator
3. Middle School enrollment will not reach “normal”, pre-COVID-19 levels, and revenue and expenses have been adjusted accordingly. The ASES (After School Education and Safety) Grant has not been budgeted in FY21-22 (approximately \$159k/yr);
4. Open Space school programs will begin once school is back full time. We will continue the new programs that we began in FY20-21. Parking was budgeted to be at Pre-Covid levels.
5. Senior Trips will resume slowly in the Fall, increasing in 2022.

FY 2021-22 Key Assumptions (cont.)

Recreation:

1. Aquatics

- a. Swim Lessons will transition back to May Nissen once pool plaster project is completed / expected date: mid-July to August 2021.
- b. RLAC will be the comp pool: swim team rentals and high performance aquatic programs (lap swim).
- c. Long term pool rentals Monday-Friday from 4pm-8pm (all 13 lanes)/anticipated to have a dead lane to separate team cohorts until 01/2022.
- d. Rec Swim starting up at both facilities June 2022.

2. Facility Operations and Rentals

- a. No Barn (ada issues) and Vets Hall - no revenue projected; continue to push facility rentals at RLCC and Ravenswood.
- b. Hire casual senior office assistant to help with facility rental administration in August 2021

3. Sports Facility Rentals

- a. Sports Field Rentals continue at full capacity to meet our community's needs.
- b. Field closed November 2021 through Mid-February 2022 due to inclement weather, to allow for rest, and to provide yearly maintenance.

4. Front Counter Operations

- a. Anticipated building opening as of June 2021 – hours will change to Monday-Friday from 10am-5pm; no nights or weekends for front-office staff.
- b. Facility staff and/or Supervisor overseeing program will cover nights and weekends.

5. Recreation Classes and Events

- a. Planned for Movie in the Park – July and August 2021 – Recreation Event / early planning stages
- b. Trunk & Boo planned for October 2021.

6. Sports & Fitness Programs and Classes

- a. Adult sports leagues returning in the Fall 2021.
- b. Summer 2022 include both Fun in the Sun Summer Camp and Summer Sports Camp – all day programs with full capacity for registration.
- c. Continue to offer various programs and camps.

FY 2021-22 Key Assumptions (cont.)

Parks and Facilities Maintenance:

1. Utility and water expenses will grow vs FY20-21. Building hours will expand as COVID-driven restrictions subside, and water usage, which had been reduced during FY20-21 to levels that would not jeopardize the health of our turf but which would ensure cost savings, will revert to pre-COVID levels. Other things being equal, weather will play a significant role in determining water usage and costs.
2. Personnel expense reflects the restructuring of the Parks team to establish two non-pensioned leadership roles that we plan to fill with internal staff who will not be back-filled. The two leaders who retired in FY20-21 were ACERA participants.
3. FY21-22 will reflect a full year of services from park maintenance contractor TerraCare.
4. Maintenance of Structures and Grounds expenses were significantly reduced in both Parks and Facilities in consideration of the uncertainty driven by COVID. For FY21-22, these expenses will return to a more Pre-COVID level. Spending in these areas includes everything from preventive maintenance and small repairs to small/medium construction projects that keep our facilities and parks operating safely for our staff and the community.

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)
PRELIMINARY BUDGET: FY21-22 vs FY20-21 Mid-Year Budget and FY19-20 Actual Results

	FY19-20	FY20-21	Incr/(Decr) vs FY19-20		FY21-22	Incr/(Decr) vs FY20-21	
	Actual	Mid-Year Budget (Proposed)	\$	%	Preliminary Budget	\$	%
Revenue							
Taxes	\$12,887,484	\$13,388,169	\$500,685	4%	\$13,875,300	\$487,131	4%
From Operations	7,254,852	4,167,159	(3,087,693)	(43%)	6,438,777	2,271,618	55%
Total Revenue	\$20,142,336	\$17,555,328	(\$2,587,008)	(13%)	\$20,314,077	\$2,758,749	16%
Salary and Benefits	14,947,213	11,922,102	(3,025,111)	(20%)	13,295,973	1,373,870	12%
Services and Supplies	6,387,537	4,843,556	(1,543,981)	(24%)	5,695,061	851,505	18%
Capital	39,128	8,795	(30,333)	(78%)	0	(8,795)	(100%)
Sub-total, Expenses	\$21,373,878	\$16,774,453	(\$4,599,425)	(22%)	\$18,991,034	\$2,216,581	13%
Net Operating Results	(\$1,231,542)	\$780,875	\$2,012,417	n/a	\$1,323,043	\$542,168	69%
General Fund - CIP	\$213,556	\$341,325	\$127,769	60%	\$367,675	\$26,350	8%
Total, General Fund	(\$1,445,097)	\$439,550	\$1,884,648	n/a	\$955,368	\$515,818	117%

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)
View of PRELIMINARY BUDGET FY21-22

Department	FY19-20 Actual Results				FY20-21 Mid-Year Budget Proposal				FY21-22 Preliminary Budget			
	Revenue	Salaries & Benefits	Services & Supplies	Revenue less Expense	Revenue	Salaries & Benefits	Services & Supplies	Revenue less Expense	Revenue	Salaries & Benefits	Services & Supplies	Revenue less Expense
Administration												
Administration	12,887,484	2,068,937	1,040,876	9,777,671	13,388,169	2,169,017	1,286,713	9,932,439	13,875,300	2,056,868	1,101,398	10,717,034
Marketing & Public Information	20,926	218,804	148,241	(346,119)	1,552	71,487	29,013	(98,948)	0	0	67,080	(67,080)
Technology & Communications	0	94,863	410,912	(505,775)	0	25,283	439,428	(464,711)	0	0	487,644	(487,644)
Capital Equipment	0	0	39,128	(39,128)	0	0	8,795	(8,795)	0	0	0	0
CIP	0	261,785	258,990	(520,775)	0	98,864	2,315	(101,179)	0	107,479	0	(107,479)
Administration Total:	12,908,410	2,644,389	1,898,147	8,365,874	13,389,721	2,364,651	1,766,264	9,258,806	13,875,300	2,164,346	1,656,123	10,054,831
Parks and Facility Maintenance												
Building Maintenance	0	945,642	665,432	(1,611,074)	0	918,546	515,569	(1,434,115)	0	1,077,090	730,095	(1,807,185)
Park Operations	337,403	2,355,703	2,609,196	(4,627,496)	383,350	1,986,651	2,041,627	(3,644,928)	408,252	2,129,018	2,536,052	(4,256,818)
Parks and Facility Maintenance:	337,403	3,301,345	3,274,628	(6,238,570)	383,350	2,905,197	2,557,196	(5,079,043)	408,252	3,206,109	3,266,147	(6,064,004)
Community Services												
Camp Shelly	20,224	43,925	19,412	(43,113)	65,000	0	13,359	51,641	0	0	0	0
Extended Student Services	4,015,344	4,144,194	323,802	(452,652)	2,373,869	3,139,380	162,551	(928,062)	3,358,100	3,390,035	170,696	(202,631)
Senior Services	139,401	167,676	101,546	(129,821)	58,163	118,809	35,832	(96,478)	120,525	168,870	78,440	(126,785)
Preschool	314,638	327,411	10,308	(32,081)	39,673	69,244	2,839	(32,410)	172,800	159,761	10,800	2,239
Open Space	414,544	944,019	83,132	(612,607)	458,190	906,604	94,330	(542,744)	464,330	1,000,683	92,510	(628,863)
Community Outreach	0	171,208	3,030	(174,238)	0	662,047	1,306	(663,353)	0	717,412	7,050	(724,462)
Believes Program	148,586	153,010	0	(4,424)	0	3,676	0	(3,676)	148,586	155,393	0	(6,807)
Middle School Program	487,604	509,464	23,518	(45,378)	(148)	49,581	768	(50,497)	112,321	102,257	12,000	(1,936)
Community Services Total:	5,540,341	6,460,907	564,748	(1,485,314)	2,994,747	4,949,341	310,985	(2,265,579)	4,376,662	5,694,411	371,496	(1,689,245)
Recreation												
Classes, Camps & Events	62,810	2,995	88,686	(28,871)	3,098	0	2,411	687	46,000	0	29,600	16,400
Adult Sports & Fitness	72,558	47,148	46,543	(21,133)	3,307	5,963	995	(3,651)	72,035	0	41,200	30,835
Customer & Business Services @	0	307,728	140,661	(448,389)	450	158,510	107,717	(265,777)	0	192,435	146,200	(338,635)
Facility Use & Rentals	425,987	205,585	70,958	149,444	79,254	77,762	1,443	49	261,828	147,965	17,800	96,063
Youth Sports & Fitness	126,861	110,632	84,578	(68,349)	121,009	95,744	30,045	(4,780)	238,400	182,728	35,660	20,012
Field & gym Rentals	389,548	212,498	49,750	127,300	258,381	142,072	11,405	104,904	435,800	179,901	22,330	233,569
Recreation Administration	15,239	514,747	3,158	(502,666)	4,869	648,947	700	(644,778)	8,600	698,086	8,255	(697,741)
Building Operations @	28	583,912	92,138	(676,022)	0	365,180	16,190	(381,370)	0	384,120	26,800	(410,920)
Aquatics (incl unit 04 - MN)	232,180	541,834	103,534	(413,188)	317,142	208,735	47,000	61,407	574,200	440,151	64,350	69,699
Concessions	30,971	13,493	9,136	8,342	0	0	0	0	17,000	5,721	9,100	2,179
Recreation Total:	1,356,182	2,540,572	689,142	(1,873,532)	787,510	1,702,913	217,906	(1,133,309)	1,653,863	2,231,107	401,295	(978,539)
memo: Recreation Programs and Mgmt @	1,356,154	1,648,932	456,343	(749,121)	787,060	1,179,222	93,999	(486,161)	1,653,863	1,654,552	228,295	(228,984)
DISTRICT TOTALS	20,142,336	14,947,213	6,426,665	(1,231,542)	17,555,328	11,922,102	4,852,351	780,875	20,314,077	13,295,973	5,695,061	1,323,043

Trend Of Salary and Benefit Expenses

	FY19-20 Actual	FY20-21 Mid-Year	% growth	FY21-22 Preliminary	% growth
Total Salaries	\$10,320,213	\$7,673,572	(26%)	\$8,774,184	14%
Retirement Expense	1,683,358	1,564,621	(7%)	1,766,710	13%
Employee Group Insurance	1,898,746	1,601,776	(16%)	1,593,102	(1%)
Workers Compensation	399,918	256,040	(36%)	319,365	25%
Medicare FICA Expense	503,779	345,342	(31%)	446,612	29%
Unemployment Expense	112,249	447,651	299%	360,000	(20%)
Board Members' Stipend	28,950	33,100	14%	36,000	9%
	4,627,000	4,248,530	(8%)	4,521,789	6%
Total Salary and Benefit Expense	<u>\$14,947,213</u>	<u>\$11,922,102</u>	(20%)	<u>\$13,295,973</u>	12%

Preliminary FY21-22 Operating Budget – Headcount Plans

Department / Unit	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
<u>Administration</u>																		
Sub-total, Administration	12	12	12	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
<u>Recreation</u>																		
2 Recreation Classes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Adult Sports and Fitness	0	0	0	0	0	0	0	0	3	3	3	0	0	0	3	3	3	3
20 Customer and Business Services	2	2	2	2	2	7	7	7	7	7	7	7	7	7	7	7	7	7
25 Facility Use and Rentals	0	0	0	2	2	3	3	4	4	4	4	4	4	4	4	4	5	5
26 Youth Sports and Fitness	3	3	3	4	4	8	8	8	8	5	5	5	5	5	5	5	11	11
27 Field and Gym Rentals	2	2	2	4	5	6	7	7	7	7	6	6	6	6	7	7	7	7
31 Recreation Administration	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
54 Aquatics	9	9	9	14	16	62	62	62	25	25	25	25	25	25	25	25	92	92
57 Café	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	3
Sub-total, Recreation	20	20	20	30	33	90	91	92	58	55	54	51	51	51	55	55	132	132
<u>Parks & Facilities</u>																		
5 Building Maintenance	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
7 Park Operations	26	26	26	26	26	26	28	28	28	28	28	28	28	28	28	28	28	28
Sub-total, Parks & Facilities	33	33	33	33	33	33	35	35	35	35	35	35	35	35	35	35	35	35
<u>Community Services</u>																		
9 ESS	39	39	38	38	38	38	51	51	51	51	51	51	51	51	51	51	51	51
10 Senior Services	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
11 Preschool	4	4	4	4	4	4	4	10	10	10	10	10	10	10	10	10	10	10
16 Open Space	10	10	10	10	10	23	24	24	11	11	11	11	11	11	11	11	11	24
32 Community Outreach	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
40 Believes	0	0	0	0	0	0	0	8	8	8	8	8	8	8	8	8	8	8
41 PAL	0	0	0	0	0	0	0	6	6	6	6	6	6	6	6	6	6	6
Sub-total, Community Services	60	60	59	59	59	72	86	106	93	93	93	93	93	93	93	93	93	106
District Total	125	125	124	135	138	208	225	246	199	196	195	192	192	192	196	196	273	286

FY21-22 Preliminary Operating Budget – Services and Supplies

Expense Category	FY20-21 Mid-Year Budget	FY21-22 Prelim Budget	FY21-22 inc/(decr) vs FY20-21	NOTES
Household Supplies	42,752	48,400	5,648	
Food	21,659	46,473	24,814	
Non Capital Equipment	33,819	75,300	41,481	
Maintenance - Structures/Grounds	488,271	888,300	400,029	Reinstating landscape services (Terracare) @ \$25k/mo.; new roof at Trevarno (\$35k)
Maintenance - Equipment	185,648	257,201	71,553	
Utilities - Water/Sewer	1,240,982	1,293,960	52,978	
Utilities - Gas/Electric/Other	341,521	381,000	39,479	
Communications	129,731	144,397	14,667	
Travel	79,867	113,240	33,373	
Training & Conferences	8,185	16,835	8,650	
Legal	120,000	120,000	-	
Program Services/Supplies	337,229	76,320	(260,909)	~\$300k Election in FY20-21 while none in FY21-22
Professional Services	614,879	641,278	26,399	
Field Trips	2,225	42,560	40,335	
Instructors & Sports Officials	61,259	114,860	53,601	
Insurance	546,118	616,240	70,122	Assuming 10% liability insurance increase in FY21-22
Rent & Lease - Vehicle	59,998	155,820	95,823	Increase to normal run rate in FY21-22 after vehicle sales (\$94k) in FY20-21
Other	529,413	662,876	133,463	
	\$ 4,843,556	\$ 5,695,061	\$ 851,505	18%

CIP Plan – FY20-21 through FY22-23

P28 Overview

P29 CIP Plan – FY20-21 through FY22-23

CIP Overview – FY2020-21 through FY2022-23

1. **The Approved CIP budget (as of June 2020) for FY20-21** was limited to three projects:
 - A. Sunset Park renovation project - assumed to be completed (\$300k left; AB funding) by August, 2020 , with spending to be completed within the approved \$1.2M budget.
 - B. Rodeo Stadium Improvements – May 2021 (\$340k)
 - C. Michell Buildings – budgeted at \$1.5M and assumed to be completed in the Spring of 2022.

2. **The proposed budget** now assumes the following:
 - A. Pushing the rodeo stadium improvements to FY2021-22;
 - B. Michell Buildings – now projected to fall below the total project budget by \$165k, while timing of project completion remains Spring 2022;
 - C. Solar project onset – 6-8 month project with zero capital outlay, to begin late March (assuming City Council approval on March 8th);
 - D. Addition of \$200k for May Nissen Pool resurfacing in FY2020-21 (will support expanded Aquatics rental and programming opportunities);
 - E. Resuming work on the Patterson Ranch project in FY2021-22;
 - F. Bike Pump Track – consulting to reassess this project in FY2020-21, with project work to follow in FY2021-22;
 - G. Resuming Shade Structure deployment in FY2021-22;
 - H. Addition of a line item labeled “Park Capacity Enhancements”, a placeholder required for us to submit AB1600 plans to the City, while set to address numerous projects to facilitate outdoor activities (such as pavilions, etc);
 - I. Several modest projects to address infrastructure enhancements at May Nissen

3. The District’s revised **CIP planning process**, which allows for the critical review of projects as major phases are completed (Concept, Design, Bid, Construction), will support discussion of additional projects as clarity surrounding the District’s financial projections improves.

FY2020-21 Through FY22-23 CIP Budget (Preliminary)

LARPD 2/23/21

Item	Project #	Project Name	Funding Source
1	902	Joe Michell Building	AB1600
2	719	Sunset Park Renovation	AB1600
2	732	Solar Energy Implementation	n/a
3	109	May Nissen Pool Resurfacing	General Fund
4	730	Rodeo Stadium Infrastructure Improvements	General Fund
5	723	Patterson Ranch Trail	AB1600
6	451	Bike Pump Track	AB1600
7	455	Shade Structures/Various Parks	AB1600
8	727	May Nissen Bleacher Demolition	General Fund
9		Park Capacity Enhancements	AB1600
10		Resurface/restripe May Nissen Tennis Court	AB1600
11		May Nissen Tennis Court Fence	General Fund
12		May Nissen Basketball Court Paint/Re-stripe	General Fund
13		May Nissen Fence Replacement	General Fund

Annual Totals		
FY20-21	FY21-22	FY22-23
509,951	875,000	
32,827	-	-
-	-	
200,000	-	
52,325	287,675	
72,505	44,495	
56,000	300,000	
-	280,000	280,000
33,000	-	
77,000	923,000	1,000,000
45,000	-	
36,000	-	
20,000	-	
-	80,000	
\$ 1,134,607	\$ 2,790,170	\$ 1,280,000
\$793,282	\$2,422,495	\$1,280,000
\$341,325	\$367,675	\$0
\$0	\$0	\$0
\$1,134,607	\$2,790,170	\$1,280,000

TOTALS		
AB1600		
General Fund		
City of Livermore		
TOTALS		

DEFERRED MAINTENANCE items

Item	Project #	Project Name	Funding Source
14	901	COL Trails Grant	City of Livermore

FY20-21	FY21-22	FY22-23
82,857	497,143	-

* Total Project Spend includes life to date spend (some of which pre-dates FY2020) plus projections from January 2021 through June 2022



Thank You