

LIVERMORE AREA RECREATION AND PARK DISTRICT

MINUTES

FINANCE COMMITTEE

Thursday, April 25, 2019
3:30 PM

Robert Livermore Community Center
4444 East Avenue, Livermore, CA 94550-5053
West Wing Conference Room

Committee Members Present: Chair Palajac and Director Faltings

Staff Present: Jeffrey Schneider, Julie Dreher, Jill Kirk,
Patricia Lord, Lynn Loucks, Linda VanBuskirk

Members of the Public Present: None

1. **Call to Order:** The meeting of the Finance Committee was called to order at 3:30 p.m.
2. **Public Comment:** There was no public comment.

3. Audio/Video Recording of Board of Directors Meetings:

The Committee reviewed and discussed the staff report presented by Assistant General Manager Patricia Lord. Director Faltings gave a history of the decision the Board made long before the Special District Leadership Foundation's District Transparency Certificate of Excellence requirements came out. She said the driving factors were transparency, getting the District out there before the public, and that, at the time, the City of Livermore, Livermore Valley Joint Unified School District (LVJUSD) and LARPD were all approached by the local cable provider to video record their meetings to televise on the local community channel.

Director Faltings stated she does not support the idea of switching over to audio recording only of the District's Board meetings. Chair Palajac reported that, after an informal poll, those she spoke with said they don't care if it's audio or video, but that they would rather see the money used for something else.

- Staff was directed to prepare a balanced report on the range of options available, so the Board may consider the pros and cons of each.

The Committee suggested the item be forwarded to the Board for discussion to re-affirm whether the District wants to continue videotaping or change to a different method.

4. Board Compensation

The Committee reviewed and discussed the staff report presented by AGM Lord.

- Staff was directed to clarify compensable items listed in “Appendix A, Compensation Guidelines for the Board of Directors of the Livermore Area Recreation and Park District.” (*i.e. addition of 1:1 meetings with the GM*)
- Committee suggested making all meetings compensable at up to \$100, not to exceed \$600 per month.
- AGM Lord to confirm the annual increase of up to 5% language with legal counsel, Monica Streeter.

The Committee forwarded the item to the Board for review and discussion.

5. Proposed Update to Budget Policy FIN-07-2078

The Committee reviewed the staff report given by Administrative Services Manager Jeffrey Schneider, which highlighted proposed revisions to the District’s Budget Policy to address changing the Final Budget approval date to June 30th instead of August 30th, prior to the onset of the District’s new fiscal year. Revisions also include the Capital Improvement Plan budget process.

- Under the section “Budget Adjustments and Amendments” the Committee suggested including a specific delegation of authority amount for the General Manager to operate under. The amount should be a reasonable cumulative amount.
- On Attachment B at section 5788.5, although the PRC states the Board of Directors shall adopt a final budget on or before August 30th, the District should operate with a deadline of June 30th, unless the Board gives an extension of time to do so.

6. Financials through March / High-Level View

ASM Schneider walked the Committee members through two financial schedules handed out:

- 1) Actual Results vs. Budget, YTD thru Mar 19: Results by Unit/Department; and
- 2) Actual Results vs. Prior Year, YTD thru March 19: Results by Unit/Dept.

He reported that the results are favorable, and that managers have been effectively managing their budgets.

7. Status of Audit

ASM Schneider reported that the District has a Draft Audit. A management discussion and analysis narrative is pending to address how AB1600 funds are treated.

- The Draft Audit will be presented to the full Board on May 29th for review and to consider acceptance.

8. Status of Strategic Plan

ASM Schneider reported that a 5-year strategic plan is being developed.

9. Status of Bothwell

- In response to a question by Director Palajac regarding what upgrades the District is responsible for, ASM Schneider responded that the contract between LARPD and LVPAC will be reviewed for clarification.

10. Update on Finance Initiatives

ASM Schneider handed out “Administrative Services – FY18-19 Goals and Objectives – Finance” and reported on the current status of items listed.

11. Matters Initiated: None.

12. Adjournment: The meeting was adjourned at 5:00 p.m.

Documents handed out during the meeting: (see attached)

- 1) Actual Results vs. Budget, YTD thru Mar 19: Results by Unit/Department; and
- 2) Actual Results vs. Prior Year, YTD thru March 19: Results by Unit/Dept.
- 3) Administrative Services – FY18-19 Goals and Objectives – Finance

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARP)

Actual Results vs Budget, YTD thru Mar19: Results by Unit/Department

Unit	Department	Actual				Budget (MID-YEAR)				Variance - Better/(Poorer)				
		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	01 Administration	6,408,285	1,135,446	565,990	4,706,849	6,363,609	1,144,754	624,711	4,594,144	44,676	9,308	58,721	112,705	
	18 Technology & Communications	0	73,834	189,896	(263,730)	0	76,428	181,029	(257,457)	0	2,594	(8,867)	(6,273)	
	45 Capital Equipment	0	0	27,896	(27,896)	0	0	21,095	(21,095)	0	0	(6,801)	(6,801)	
	Administration Total:		6,408,285	1,209,280	783,782	4,415,223	6,363,609	1,221,182	826,835	4,315,592	44,676	11,902	43,053	99,631
Parks, Maintenance & Open Space	05 Building Maintenance	0	395,773	551,501	(947,274)	0	409,301	582,400	(991,701)	0	13,528	30,899	44,427	
	06 Camp Shelly	9,509	22,630	7,538	(20,659)	9,509	22,631	7,480	(20,602)	0	1	(58)	(57)	
	07 Park Operations	331,625	1,819,751	1,600,242	(3,088,368)	341,338	1,830,894	1,641,221	(3,130,777)	(9,713)	11,143	40,979	42,409	
	16 Open Space	263,134	840,140	54,178	(631,184)	202,462	841,828	63,227	(702,593)	60,672	1,688	9,049	71,409	
	60 CIP	0	83,193	3,028	(86,221)	0	83,211	3,837	(87,048)	0	18	809	827	
Parks, Maintenance & Open Space Total:		604,268	3,161,487	2,216,487	(4,773,706)	553,309	3,187,865	2,298,165	(4,932,721)	50,959	26,378	81,678	159,015	
Youth & Senior Services	09 Extended Student Services	3,855,979	3,069,133	276,357	510,489	3,881,111	3,163,038	336,977	381,096	(25,132)	93,905	60,620	129,393	
	10 Senior Services	171,398	230,152	105,475	(164,229)	144,904	217,743	109,947	(182,786)	26,494	(12,409)	4,472	18,557	
	11 Preschool	401,933	305,300	15,178	81,455	392,174	317,713	13,791	60,670	9,759	12,413	(1,387)	20,785	
	40 Believes Program	98,574	98,569	0	5	90,255	109,870	0	(19,615)	8,319	11,301	0	19,620	
	41 Middle School Program	468,919	356,336	30,617	81,966	454,924	364,993	34,470	55,461	13,995	8,657	3,853	26,505	
Youth & Senior Services Total:		4,996,803	4,059,490	427,627	509,686	4,963,368	4,173,357	495,185	294,826	33,435	113,867	67,558	214,860	
Recreation	02 Classes, Camps & Events	320,268	59,000	194,460	66,808	276,400	68,318	193,088	14,994	43,868	9,318	(1,372)	51,814	
	03 Adult Sports & Fitness	117,741	27,672	41,781	48,288	121,981	25,094	44,748	52,139	(4,240)	(2,578)	2,967	(3,851)	
	17 Marketing & Public Information	0	81,909	105,642	(187,551)	0	88,441	133,646	(222,087)	0	6,532	28,004	34,536	
	20 Customer & Business Services	0	345,321	134,420	(479,741)	0	344,524	133,414	(477,938)	0	(797)	(1,006)	(1,803)	
	25 Facility Use & Rentals	649,248	292,569	118,804	237,875	589,429	287,420	117,042	184,967	59,819	(5,149)	(1,762)	52,908	
Youth Sports & Fitness	26 Youth Sports & Fitness	124,746	92,252	34,150	(1,656)	120,566	96,386	39,623	(15,443)	4,180	4,134	5,473	13,787	
	27 Field & Gym Rentals	327,977	138,940	26,171	162,866	326,473	146,184	30,141	150,148	1,504	7,244	3,970	12,718	
	42 Building Operations	0	364,170	101,911	(466,081)	0	374,613	105,238	(479,851)	0	10,443	3,327	13,770	
	54 Aquatics	312,837	764,040	84,660	(535,863)	279,831	713,007	90,765	(523,941)	33,006	(51,033)	6,105	(11,922)	
	57 Concessions	35,682	24,551	12,640	(1,509)	33,923	25,683	12,104	(3,864)	1,759	1,132	(536)	2,355	
Recreation Total:		1,888,499	2,190,424	854,639	(1,156,564)	1,748,603	2,169,671	899,809	(1,320,876)	139,896	(20,753)	45,170	164,312	
District Totals:		13,897,855	10,620,681	4,282,535	(1,005,361)	13,628,889	10,752,074	4,519,994	(1,643,179)	268,966	131,393	237,459	637,818	

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARP)
Actual Results vs Prior Year , YTD thru Mar19: Results by Unit/Dept

Unit	Department	Actual				Prior Year				Variance - Incr/(Decr)			
		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													
01	Administration	6,408,285	1,135,446	565,990	4,706,849	5,912,125	931,576	527,903	4,452,646	496,160	203,870	38,087	254,203
18	Technology & Communications	0	73,834	189,896	(263,730)	0	88,715	184,925	(273,640)	0	(14,881)	4,971	9,910
45	Capital Equipment	0	0	27,896	(27,896)	0	0	299,799	(299,799)	0	0	(271,903)	271,903
Administration Total:		6,408,285	1,209,280	783,782	4,415,223	5,912,125	1,020,291	1,012,627	3,879,207	496,160	188,989	(228,845)	536,016
Parks, Maintenance & Open Space													
05	Building Maintenance	0	395,773	551,501	(947,274)	0	338,762	542,363	(881,125)	0	57,011	9,138	(66,149)
06	Camp Shelly	9,509	22,630	7,538	(20,659)	12,305	32,936	12,143	(32,774)	(2,796)	(10,306)	(4,605)	12,115
07	Park Operations	331,625	1,819,751	1,600,242	(3,088,368)	370,465	1,827,337	1,468,680	(2,925,552)	(38,840)	(7,586)	131,562	(162,816)
16	Open Space	263,134	840,140	54,178	(631,184)	463,192	820,180	90,123	(447,111)	(200,058)	19,960	(35,945)	(184,073)
60	CIP	0	83,193	3,028	(86,221)	0	64,490	44,548	(109,038)	0	18,703	(41,520)	22,817
Parks, Maintenance & Open Space Total:		604,268	3,161,487	2,216,487	(4,773,706)	845,962	3,083,705	2,157,857	(4,395,600)	(241,694)	77,782	58,630	(378,106)
Youth & Senior Services													
09	Extended Student Services	3,855,979	3,069,133	276,357	510,489	3,775,090	2,978,019	300,833	496,238	80,889	91,114	(24,476)	14,251
10	Senior Services	171,398	230,152	105,475	(164,229)	153,821	198,191	93,321	(137,691)	17,577	31,961	12,154	(26,538)
11	Preschool	401,933	305,300	15,178	81,455	386,857	285,851	8,275	92,731	15,076	19,449	6,903	(11,276)
40	Believes Program	98,574	98,569	0	5	118,431	118,621	0	(190)	(19,857)	(20,052)	0	195
41	Middle School Program	468,919	356,336	30,617	81,966	462,645	319,474	33,400	109,771	6,274	36,862	(2,783)	(27,805)
Youth & Senior Services Total:		4,996,803	4,059,490	427,627	509,686	4,896,844	3,900,156	435,829	560,859	99,959	159,334	(8,202)	(51,173)
Recreation													
02	Classes, Camps & Events	320,268	59,000	194,460	66,808	268,034	50,212	198,705	19,117	52,234	8,788	(4,245)	47,691
03	Adult Sports & Fitness	117,741	27,672	41,781	48,288	109,363	37,995	47,755	23,613	8,378	(10,323)	(5,974)	24,675
17	Marketing & Public Information	0	81,909	105,642	(187,551)	0	106,174	106,174	(212,348)	0	(24,265)	(532)	24,797
20	Customer & Business Services	0	345,321	134,420	(479,741)	0	294,394	135,959	(430,353)	0	50,927	(1,539)	(49,388)
25	Facility Use & Rentals	649,248	292,569	118,804	237,875	562,532	223,078	67,524	(430,353)	86,716	69,491	51,280	(34,055)
26	Youth Sports & Fitness	124,746	92,252	34,150	(1,656)	118,707	95,228	37,627	(14,148)	6,039	(2,976)	(3,477)	12,492
27	Field & Gym Rentals	327,977	138,940	26,171	162,866	224,657	146,307	29,881	48,469	103,320	(7,367)	(3,710)	114,397
42	Building Operations	0	364,170	101,911	(466,081)	0	307,610	102,481	(410,091)	0	56,560	(570)	(55,990)
54	Aquatics	312,837	764,040	84,660	(535,863)	331,306	713,190	97,387	(479,271)	(18,469)	50,850	(12,727)	(56,592)
57	Concessions	35,682	24,551	12,640	(1,509)	35,316	24,778	13,842	(3,304)	366	(227)	(1,202)	1,795
Recreation Total:		1,888,499	2,190,424	854,639	(1,156,564)	1,649,915	1,998,966	837,335	(1,186,386)	238,584	191,458	17,304	29,822
District Totals:		13,897,855	10,620,681	4,282,535	(1,005,361)	13,304,846	10,003,118	4,443,648	(1,141,920)	593,009	617,563	(161,113)	136,559

Administrative Services – FY18-19 Goals and Objectives – FINANCE

As of : 2/1/19 (prev update 12/20/18)

#	Item	Orig Date	Current Date/Status	Person(s)	Notes
1	Establish and enhance Great Plains-based financial reporting for FY18-19	Q1	DONE Q1	Schneider, Contractor	With contractor
2	Purchasing Policy and Procedures update	Q1	Q3 (Feb)	Schneider	Scope incl CIP, procurement methods, delegation of authority, cal cards, etc..
3	CIP vs Capital Equipment vs Maint guidelines	Q1	Q3 (Feb)	Schneider	Draft done months ago – formalize and complete policy
4	Reserve Analysis and recommendations	Q1	DONE Q1	Schneider, Loucks	Re: cash flows and reserve funds and bank accounts; analysis presented to Fin committee
New 4a	Reserve Recommendations revisited	NEW	Q3	Schneider/Fuzie	Revisiting existing reserve funds, including consideration of revised / refined objectives
5	Support 457 Match program (added contribution for Regular EE in Q2)	Q1	DONE Q1 plus NEW Q2 effort	Dreher	Payroll processes with Mass Mutual input (added 2% contribution for Regular EE in Jan19)
6	Fully allocated costing Methodology	Q1	Q4	Schneider	To support pricing decisions – in conjunction with unit mgmt
7	Audit Agreement and plan for FY17-18	Q1	DONE (agreement); Decoder Ring now Feb19	Schneider, Loucks	Agreement is complete agreement (multi-year but option to leave at any time at any cost is included; Decoder ring delayed to coincide with FY17-18 Audit.
8	Implement Fixed Assets Module in Great Plains	Q2	Q3 (Mar)	Schneider, Contractor	Replace excel-based “model”; consultant will implement and will clean up account structure in the process
9	MOU with City re: Developer Fees	Q2	May move to early Q3 (Feb)	Schneider	Meeting held w City in January: Goal: to codify eligible projects and approach to prioritizing fee use between the City and LARPD
10	Upgrade Accounting System	Q3	FY19-20 (other priorities)	Dreher	Accounting G/L and Procurement application (likely moving to cloud and will involve much needed Chart of Accounts clean-up); note: HR, Payroll to be addressed separately
11	Contract Administration Process update	Q2	Q4	Schneider	Standardized agreements (incl CIP), administration processes
12	Strategic Financial Plan	Q3	On Target	Schneider, Dreher	With vendor EPS (Feb19 is current plan for completion)
13	FY17-18 Audit completed	Q3	On Target	Loucks, team	DRAFT Received – unqualified opinion, but correction of AB1600 fund treatment is noted; MD&A (Feb19) and decoder ring remain open
14	Audit RFP issued	Q3	Q4	Loucks, Schneider	

#	Item	Orig Date	Current Date/Status	Person(s)	Notes
15	Integrated Payroll/HR information System (HRIS)	Q4	On target	Dreher, Ha, HR	Kronos agreement executed; Kick-off in Jan19 and Go-Live in Apr19. Will automate time recording and replace dated Great Plains HR and Payroll modules
New 16	Analysis of PT/FT Financial Impact; roll-out of new Regular and PT Benefitted status		DONE Q2	Schneider, Dreher, Shannon	Heavy effort that hadn't been anticipated in original plan; completion with pay period beginning Dec30
New 17	Mid-Year Budget Process		Mar19	Schneider, Dreher	Will involve reassessing personnel costs and casual employee staffing levels as well as timing of non-labor spend
New 18	Updated CIP Plans provided to City for their 2-yr plan for AB1600 funded projects		Jan19 (update Feb19)	Schneider, Dreher	Provided view as requested on Jan10. Rec'd updated Inflow projections late Jan19 and in FEB19 will deliver revised plans given revised inflow projections
New 19	Annual Operating and CIP budget process		Q419	Schneider, Dreher	
New 20	Implement Procurement Module in Great Plains		Q419	Schneider, Loucks	
New 21	Clean-up Chart of Accounts		Q419	Schneider, Loucks, Dreher, Contractor	Need to establish consistent use of account segments (location, fund, account, unit, etc..) and clean-up account descriptions
22	Assess and deploy new Budget/Reporting tool	Tbd	FY19-20	Dreher/Schneider	A significant effort that will begin once Payroll/HRIS and G/L applications are in place
23	ACERA submission format	Tbd	FY19-20	Dreher/Ha	Comply with ACERA file submission requirements
24	Implement Quarterly Forecast	Tbd	FY19-20	Dreher/Schneider	
New 25	Support new Recreation SW assessment	Tbd	FY19-20	Dreher/Schneider	With Recreation Mgmt, assess alternatives to Active