



Livermore Area
Recreation and Park District
An independent special district

**LIVERMORE AREA RECREATION AND PARK DISTRICT
BUDGET WORKSHOP**

5:30 P.M.

DRAFT MINUTES

WEDNESDAY, JUNE 12, 2019

ROBERT LIVERMORE COMMUNITY CENTER
4444 EAST AVENUE, LIVERMORE, CALIFORNIA

DIRECTORS PRESENT: Directors Faltings, Palajac, Pierpont, Wilson and Chair Furst

DIRECTORS ABSENT: None

STAFF MEMBERS PRESENT: Bruce Aizawa, Nancy Blair, Tom Doyle, Julie Dreher, Mathew Fuzie, Fred Haldeman, Alexandra Ikeda, Stacey Kenison, Jill Kirk, Patricia Lord, Lynn Loucks, Jeffrey Schneider, Rebecca Sermenio, Patrick Sotelo, Linda VanBuskirk, David Weisgerber, Vicki Wiedenfeld

1. CALL TO ORDER – ROLL CALL – PLEDGE OF ALLEGIANCE

Chair Furst called the meeting to order at 5:30 p.m. All Directors were present. Chair Furst led the Pledge of Allegiance.

2. PUBLIC COMMENT: There was no public comment.

3. BUDGET WORKSHOP

3.1 REVIEW OF PRELIMINARY FY 19-20 OPERATING BUDGET

Administrative Services Manager Jeffrey Schneider presented a detailed report on the District's FY 2019-20 Preliminary Operating Budget, noting that the budget is balanced, with total revenues and expenditures of \$23,811,913. Highlights of his presentation included: revenue is 6% above the FY 18-19 budget, and is balanced, with Taxes at 54% and Earned Income at 46% of total operating revenue; salary and benefits are the District's most significant investment, at

approximately 70% of the District's Operating Expenses; a contingency of \$500K is expected in the plan this FY.

- A Board workshop on reserves will be scheduled, tentatively in July. This will be a philosophical discussion with the full Board, then to the next Finance Committee meeting for fine-tuning.
 - The discussion will include the District's philosophy on reserves;
 - What is the purpose of the fund?
 - How much is to be invested?
 - Deferred maintenance fund.
 - Include a discussion on ACERA.

3.2 REVIEW OF PRELIMINARY FY 19-22 CAPITAL IMPROVEMENT PLAN (CIP) BUDGET

ASM Schneider led a detailed discussion on the Preliminary FY 2019-22 Capital Improvement Program (CIP) Budget as outlined in the staff report. He led the Board through discussions on Attachment A (Priority A and Priority B Projects) including their funding sources. Board members expressed appreciation for the layout of Attachment A, stating it is easy to read. The total proposed for Priority A Projects this FY is \$20,287,668. ASM Schneider reported on Attachment B, detailing the AB 1600 fund balances established with the City of Livermore. As of December 1, 2018, the starting balance was \$17.4M down to \$8.2M at the end of this FY. Attachment C included a list of the Unfunded Projects.

Discussion ensued regarding the process of obtaining Board input on moving unfunded projects into either Priority A or B lists. Some expressed frustration over the perceived lack of Board input, and proposed a workshop to discuss a change in the process to include phased funding for projects through the cycle from concept, design, to completion.

- A Board workshop on the CIP process, including prioritization, will be scheduled in September.

4. ADJOURNMENT: The Budget Workshop was adjourned at 6:44 p.m.

REGULAR MEETING

7:00 P.M.

DRAFT MINUTES

WEDNESDAY, JUNE 12, 2019

ROBERT LIVERMORE COMMUNITY CENTER
4444 EAST AVENUE, LIVERMORE, CALIFORNIA

DIRECTORS PRESENT: Directors Faltings, Palajac, Pierpont, Wilson and Chair Furst

DIRECTORS ABSENT: None

STAFF MEMBERS PRESENT: Mathew Fuzie, Patricia Lord, Jeffrey Schneider, Linda VanBuskirk, Monica Streeter

5. CALL TO ORDER – ROLL CALL – PLEDGE OF ALLEGIANCE

Chair Furst called the meeting to order at 7:01 p.m. All Directors were present. Chair Furst led the Pledge of Allegiance.

6. PUBLIC COMMENT: There was no public comment.

7. CONSENT ITEMS: (Motion)

- 7.1 Approval of the Minutes of the Regular Board Meeting of May 29, 2019
- 7.2 General Manager's Monthly Report – June 2019.

Chair Furst stated a redlined version of the minutes showing minor corrections suggested by Director Wilson and Chair Furst were provided to the Board and staff.

Moved by Director Wilson, seconded by Director Faltings, approved the Consent Agenda, with corrections as noted, by the following voice vote:

AYES: *Directors Wilson, Palajac, Pierpont, Faltings, and Chair Furst*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *None*

8. DISCUSSION AND ACTION ITEMS

8.1 PUBLIC HEARING ON REVISIONS TO THE DISTRICT'S BUDGET POLICY

Chair Furst stated that the Board would receive public comments on the proposed revisions to the District's Budget Policy.

ASM Schneider reported that when the mid-year budget was presented to the Board, a calendar was included which reflected completion of the Final Budget by June 30th; however, the policy had not been adjusted to reflect that calendar. Staff then created an adjusted version of the policy and reviewed it with the Finance Committee twice. Committee feedback about components of the policy have been highlighted in the staff report and the revised policy proposed here. Staff recommends approval of the updated version of the District's existing Budget Policy FIN-07-2078 that formally calls for the District to complete its Operating and CIP Budgets by the end of June. The formally approved budgets will then be in place at the time of the onset of the new fiscal year.

Chair Furst opened public comment. No public comments were received. Closed public comment.

Director comments/discussion included:

- At page 2 of Attachment A, under the "Final Budget" section, paragraph 1 should be changed to clarify that revisions to the Preliminary Budget will be reviewed with the General Manager at a Finance Committee meeting;
 - This meeting should be added to the calendar of the Finance Committee as it works through the budget building process.
- At page 3 of Attachment A, under the "Budget Adjustments and Amendments" section, paragraph 3 should be changed to read, "Supplemental appropriations of Operating Reserve Funds **must** be approved. . . " i.e., change the word "may" to "must".

Moved by Director Faltings, seconded by Director Palajac, adopted Resolution No. 2662, adopting revisions to the Budget Policy, by the following roll call vote:

AYES: *Directors Pierpont, Faltings, Wilson, Palajac, and Chair Furst*

NOES: *None*

ABSTENTIONS: *None*

ABSENT: *None*

8.2 BOARD COMPENSATION

Chair Furst stated that the Board would consider approving revisions to the District's Board Policy Number 4030.

AGM Lord presented the staff report. She reported that prior to 2019, recreation and park districts have had the authority to compensate their board members for attending meetings at a rate of up to \$100 per meeting and up to a maximum of \$500 per month. Public Resources Code section 5784.15, which became effective January 1, 2019, allows park and recreation districts to compensate its board members at a rate of up to \$100 per meeting, and up to a maximum of \$600 per month. The Board of Directors may, by resolution, establish that the members receive compensation not to exceed \$100 for attending each meeting of the board, with the monthly maximum of \$600. The fiscal impact to the District would be an increase of \$6,000 annually. Revisions to Board Policy 4030 for Remuneration and Reimbursement, including recommended revisions to Compensation Guidelines for the Board of Directors outlined in Appendix A were reviewed discussed.

Chair Furst opened public comment. No public comments were received. Closed public comment.

Moved by Director Wilson, seconded by Director Palajac, adopted Resolution No. 2663, approving revisions to Livermore Area Recreation and Park District's Board Policy Number 4030 for Remuneration and Reimbursement and revisions to Appendix A – Compensation Guidelines for the Board of Directors, by the following roll call vote:

AYES: *Directors Wilson, Palajac, Pierpont, Faltings, and Chair Furst*

NOES: *None*

ABSTENTIONS: *None*

ABSENT: *None*

8.3 SALARY AND BENEFIT RESOLUTION FOR FISCAL YEAR 2019-20

Chair Furst stated that the Board would consider approving employee salary and benefit levels for the Fiscal Year 2019-20, effective July 1, 2019.

ASM Schneider discussed the list of recommended salary and benefit improvements, including a Cost of Living Adjustment of 2.5%. He reported that Staff recommendations for salary and benefits for the upcoming fiscal year were reviewed with the Personnel Commission and the Board's Personnel and Finance Committees prior to the annual Board Budget Workshop. Changes to the structure of salary schedule, such as moving from an 8-step system to a 5-step system, were reviewed in detail.

Director comments/discussion included:

- It was suggested that on page 6, Attachment B, the information be organized either alphabetically or as an escalation of pay groupings - or according to relative pay levels.

Chair Furst opened public comment. No public comments were received. Closed public comment.

Moved by Director Palajac, seconded by Director Pierpont, adopted Resolution No. 2664, approving employee salary and benefit levels for the Fiscal Year 2019-20, effective July 1, 2019, by the following roll call vote:

AYES: *Directors Wilson, Palajac, Pierpont, Faltings, and Chair Furst*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *None*

8.4 PRELIMINARY FISCAL YEAR 2019-20 OPERATING BUDGET

Chair Furst stated that the Board would consider approving the District's Preliminary FY 19-20 Operating Budget. The item was discussed in the Budget Workshop in detail.

ASM presented the staff report. Director comments/discussion included: Chair Furst commended Staff on the significant amount of work that went into this item. He stated it is detailed, comprehensive, and the Board appreciates the clarity and efficiency of the reports.

Chair Furst opened public comment. No public comments were received. Closed public comment.

Moved by Director Faltings, seconded by Director Pierpont, adopted Resolution No. 2665, approving the District's Preliminary FY 19-20 Operating Budget, by the following roll call vote:

AYES: *Directors Faltings, Pierpont, Palajac, Wilson, and Chair Furst*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *None*

8.5 PRELIMINARY FISCAL YEAR 2019-22 CAPITAL IMPROVEMENT PLAN (CIP) BUDGET

Chair Furst stated that the Board would consider approving the District's Preliminary FY 19-22 Capital Improvement Plan (CIP) Budget. The item was discussed in the Budget Workshop in detail.

ASM Schneider presented the staff report which highlighted the District's approach to CIP projects. Staff recommends Board approval of the District's Preliminary FY 2019-22 CIP Budget.

Director comments/discussion included: The District's financial documents are easily accessible on the LARPD website. Documents discussed here have been posted along with the agenda packet online and at the Budget Workshop.

Chair Furst opened public comment. No public comments were received. Closed public comment.

Moved by Director Pierpont, seconded by Director Wilson, adopted Resolution No. 2666, approving the District's Preliminary FY 19-22 Capital Improvement Plan Budget, by the following roll call vote:

AYES: *Directors Wilson, Palajac, Pierpont, Faltings, and Chair Furst*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *None*

9. COMMITTEE REPORTS

- 1) Director Wilson reported on the June 5, 2019 Livermore Cultural Arts Council meeting.
- 2) Director Palajac reported on the May 30, 2019 Finance Committee meeting.
- 3) Director Faltings reported on the June 11, 2019 Program Committee meeting which highlighted the Camp Shelly and Open Space Programs. That presentation will be coming to the full board soon.
- 4) Chair Furst reported on the June 5, 2019 Chamber of Commerce Business Alliance meeting which included a very interesting presentation from the Livermore ~~Chief of Police. Cultural Arts Council.~~

10. MATTERS INITIATED/ANNOUNCEMENTS BY DIRECTORS

Director Faltings mentioned the LARPD vehicles have a fabulous new logo, which is large and colorful to identify all our busy employees while making their rounds, ensuring that our parks are safe and wonderful to use.

Chair Furst announced that several Board members attended the rodeo mixer and rodeo this year. Mr. Dave Finster of the Livermore Stockmen's Rodeo Association complimented LARPD Staff for keeping up the rodeo grounds, and stated those who work the rodeo said these are one of the finest rodeo grounds in the entire U.S.

11. MATTERS INITIATED/ANNOUNCEMENTS BY THE GENERAL MANAGER

GM Fuzie stated that this is his first time coming into summer as General Manager of LARPD. He said he is amazed at how much LARPD changes over the course of a year, and how it adjusts to the different programs that are

requested by the community. He emphasized how impressed he is with LARPD and the services it provides the people of this area. He said it is unprecedented how the quality of life is influenced by this District, when most municipalities are challenged to provide services at this level. He hopes that people are paying attention. The community outpouring was very evident during the rodeo parade this year.

**12. OPEN SESSION DISCLOSURE REGARDING CLOSED SESSION ITEMS
PURSUANT TO GOVERNMENT CODE SECTION 54957.7**

Chair Furst announced the Board would adjourn to Closed Session pursuant to item 13 listed below. Open Session was adjourned at 8:00 p.m.

13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government code Section 54956.9(d)(2) – one potential case.

**14. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION –
PURSUANT TO GOVERNMENT CODE SECTION 54957.1**

The Board came out of Closed Session at 9:08 p.m. and Chair Furst announced that no reportable actions had been taken in Closed Session.

15. ADJOURNMENT: The meeting was adjourned at 9:09 p.m.

APPROVED,

David Furst
Chair, Board of Directors

ATTEST:

Mathew L. Fuzie
General Manager and
Ex-officio Clerk to the Board of Directors