

LIVERMORE AREA RECREATION AND PARK DISTRICT

FINANCE COMMITTEE

MINUTES

Monday, February 13, 2023

1:00 PM

NOTICE: Coronavirus COVID-19

In accordance with Governor Newsom's Executive Orders, members of the Livermore Area Recreation and Park District Finance Committee and staff participated in this meeting via Zoom teleconference. In the interest of maintaining appropriate social distancing, members of the public also participated in this meeting electronically.

Committee Members Present: Chair Pierpont, Director Boswell

LARPD Staff Present: Mat Fuzie, Jill Kirk, Fred Haldeman, Jeffrey Schneider, Pamela Healy, Michelle Kleman, Lynn Loucks

Others Present: There were no members of the public present.

1. **Call to Order:** Chair Pierpont called the meeting to order at 1:01 p.m.
2. **Public Comment:** There was no public comment. Chair Pierpont closed the public comment period.
3. **Discussion and Possible Action Regarding Teleconference During a Proclaimed State of Emergency (Resolution 2774-a):** Committee members discussed the fact that this is the last remote meeting allowed per AB361 and that as of March 1, 2023, all future meetings will be held in person. Director Pierpont commented that future meeting dates and times may be subject to change due to scheduling conflicts.

Actions:

- Resolution No. 2774-a was approved unanimously.
 - Chair Pierpont will follow up with staff to discuss any needed changes to future Committee meeting dates/times.
4. **Approval of the Minutes of the Finance Committee Meeting held on December 19, 2022:**
Action: The minutes were approved unanimously, as written.
 5. **2022 Finance Committee Recap:** A copy of this information was included in the agenda packet. The consensus was that it does not need to be approved by the full Board, as it is only a summary of actions already documented in the official minutes of each meeting.
Action: This was a discussion only, and no committee action was taken.
 6. **FY 22-23 Mid-Year Operating and CIP Budget Proposal:** Business Services Manager (BSM) Jeff Schneider shared his screen to review the 18 Month Financial Planning Calendar through FY 23-24, with a specific focus on the FY 23-24 Operating and CIP

Budget review meeting dates. The budget will be finalized in March. We are on target for these dates.

Committee Questions and Comments:

- We are in good shape.

Action: This was a discussion only; no Committee action was taken.

7. **Preliminary Review of Personnel-Related Budget Assumptions - FY23-24:** GM Fuzie commented that we are prepared for the upcoming March 8th Budget Workshop discussion with the Board, based on placeholder budget assumptions. BSM Schneider shared his screen to review the staff report.

Specific topics covered included: Salaries, Workers' Comp, ACERA, 457 Plan for Benefitted, Non-Pensioned Staff and Health Dental and Other Benefits. There will be additional assumptions brought forward for Services, Supplies and Capital spend.

Committee Questions and Comments:

- With regard to health coverage (dental) expenses, is Delta increasing costs or is this a placeholder? Human Resources Officer (HRO) Kleman indicated that our available information suggests a 5% increase is warranted.
- ACERA is unknown at this time, but based on what we know, which is limited to the poor investment performance through December, 2022, we are currently planning a 10% increase in the District's pension contribution rates for each of our three pension tiers.
- Committee members agreed that our bottom line is better informed through service-based budgeting; we are doing a good job of assessing fair value to providing our services.

Action: This was a discussion only; no Committee action was taken.

8. **Preliminary View of the FY 21-22 Financial Audit:** BSM Schneider reviewed the staff report. He commented that the most important component of the audit is the prior period adjustment to address previous accounting for the District's land assets. BSM Schneider complimented the efforts of the Finance Officer (FO) Dreher on the work she did to document property ownership and indicated the District's auditors have reviewed our work and are comfortable with the adjustments that we have proposed. Otherwise, the District received a favorable review by the auditors on all of our processes.

Other items of significance included growth in the General Fund of almost \$2 million. Overall, a very telling set of numbers and a great story operationally: we experienced a 2% reduction in overall operating expense while program revenues grew by 92%. Planning and management were very effective as we emerged from Covid.

Committee Questions and Comments:

- Overall, this is a very positive message.
- We are moving forward and doing things the right way.

Action: This was a discussion only; no Committee action was taken.

9. **Virtual Payment Program Results:** GM Fuzie requested to move this item to a future meeting, as FO Dreher was not available to present the information today.

Action: This item will be presented at a future Finance Committee meeting.

10. Directors'/General Manager's Reports and Announcements:

- GM Fuzie shared that the January 2023 storms have caused approximately \$500k damage to our infrastructure. Funding of the repairs will come partly from FEMA dollars, some out of our own budget. Staff have been working with City of Livermore (COL) engineers to calculate expenses. We experienced record rainfall, record water releases from Del Valle. Director Boswell noted there are potential grants available that are fire related and some for flood and disaster relief. GM Fuzie indicated the fire grant was voted on last week; we should have funding for prescribed burns and other fire management this summer.
- BSM Schneider added a comment about his contribution to the Audit Report, the Management Discussion and Analysis (MD&A), that the Board will see as a component of the FY21-22 Audit Report that the Board will be asked to accept at its February 22, 2023 meeting. The MD&A is intended to provide an overview of the key elements of the overall Audit findings presented by audit partner Marta.

11. Adjournment: The meeting was adjourned by Chair Pierpont at 1:54 p.m.

/ph