

LIVERMORE AREA RECREATION AND PARK DISTRICT

FINANCE COMMITTEE

DRAFT MINUTES

Monday, December 19, 2022

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 Boswell, Director Pierpont

LARPD Staff Present: Mat Fuzie, Linda VanBuskirk, Jill Kirk, Fred Haldeman, Jeffrey Schneider, Julie Dreher, David Weisgerber, Pamela Healy, Michelle Kleman, Lynn Loucks

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

1. **Call to Order:** Chair Boswell called the meeting to order at 1:03 p.m.
2. **Public Comment:** There was no public comment. Chair Boswell closed the public comment period.
3. **Discussion and Possible Action Regarding Teleconference During a Proclaimed State of Emergency (Resolution 2770-a):** Resolution No. 2770-a was approved unanimously.
4. **Approval of the Minutes of the Finance Committee Meeting held on October 17, 2022:** The minutes were approved unanimously, as written.
5. **Investment Policy Draft:** Business Services Manager (BSM) Schneider discussed the Draft Investment Policy.

Highlights covered include:

- The draft policy was written based on drafts from similar entities and in consultation with advisors from PFM Asset Management, LLC (PFM).
- PFM runs the California Asset Management Program (CAMP) investment.
- Investment policy goals include: preservation of capital, liquidity, the ability to achieve a reasonable return on our investments, and to be compliant with the California Government Code and the California Government Investment Advisory Commission.
- Roles, Conflict of Interest, Authorized Investments and Delegation of Authority are all contained in the draft policy.
- Finance staff meet weekly to monitor our operating cash accounts vis-à-vis payroll and accounts payable requirements.

- At present, staff, with GM Fuzie, have monies invested in 3-month CDs with US Bank that expire in January, and with CAMP. The CAMP funds are very liquid (funds can be moved to our US Bank operating account to support payroll and AP needs same-day). All investments are in line w the proposed investment policy and relevant government code.

Discussion ensued on the following:

- What should be included in an operational policy versus a Board policy.
- Operational policy should reflect strict Government Code compliance but otherwise need not be overly restrictive as that might be counterproductive to the goal of flexible investment.
- Board policy should reflect things like the frequency of Board-level reporting (the GM and BSM can manage the specific investment portfolio).
- The current Board policy manual does not have a policy on finance or investments. It should have a section for this.
- Administrative policies are only approved by the GM.
- At the upcoming Board retreat, the Board needs to discuss this in more depth. Two fundamental components that need to be addressed: Board and Chief Investment officer policies.
- It was suggested that as part of our annual budget process, we need to include a philosophical statement about what our investments are going to be, and investment performance outcome should be included as part of the GM's annual performance review.

Committee Questions and Comments:

- Does the draft policy align with our Administrative policy? Largely, yes.
- Did staff run this by our general counsel? Not yet. Members discussed doing so, pros and cons.

Action: Committee members will review the draft and will give feedback to BSM Schneider. A revised version will be sent out to subject matter experts and to legal counsel.

6. Fixed Asset Audit Update and Overall FY 21-22 Audit Plan:

Fixed Asset Audit Update: BSM Schneider reported that the Fixed Asset Audit work has been completed. Work done by Finance Officer (FO) Dreher and staff member Lynn Loucks has been exceptional. Additionally, our audit partner is comfortable with the approach we have taken.

FO Dreher shared her screen to review the repository she created of documentation listed by property. The dataset includes maps, APNs, property names, ownership status, and fixed asset values and related agreements are included in the document library. Non-LARPD-owned property has been analyzed and ownership status documented.

The committee expressed kudos to staff for their efforts on this item.

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

7. Preliminary Actuals for November:

BSM Schneider provided a summary review of YTD actual results through November 2022. The District's Net Operating Result through November is \$660k favorable versus Budget. We are \$351k favorable in total Revenue (\$290k of which is from Operations), \$399k favorable in salary and benefits, and \$3k favorable in Services and Supplies, and (\$94k) negative in Capital Equipment, though we will have \$61k of that amount reimbursed as it is related to a generator to support emergency operations use at the RLCC. We are earning interest on our investments and are \$24k favorable in our interest income.

Of note: we received our property and parcel tax income in December and are modestly favorable versus Budget (just where we targeted to be). BSM Schneider commented that he and Parks and Facilities Manager (PFM) Fred Haldeman are working on models to project energy and water costs, using price and volume data to allow for more informed variance analyses going forward.

Committee Questions and Comments:

- It was suggested that staff use charts to present this information to the full Board.
- BSM Schneider indicated he would update the presentation to add cash flow information (an updated presentation is attached to these minutes).

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

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

- GM Fuzie shared that the Veterans Memorial Building Warming Center opened last Friday night. Word is out, people are starting to use it.
- Chair Boswell again thanked staff for their efforts this year and wished everyone happy holidays.

9. Adjournment: The meeting was adjourned by Chair Boswell at 2:08 p.m.

/ph



Livermore Area Recreation and Park District

12/19/22

Preliminary Financials – November, 2022
As presented to the Finance Committee

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)
Summary View: ACTUAL Results Year-to-Date November, 2022

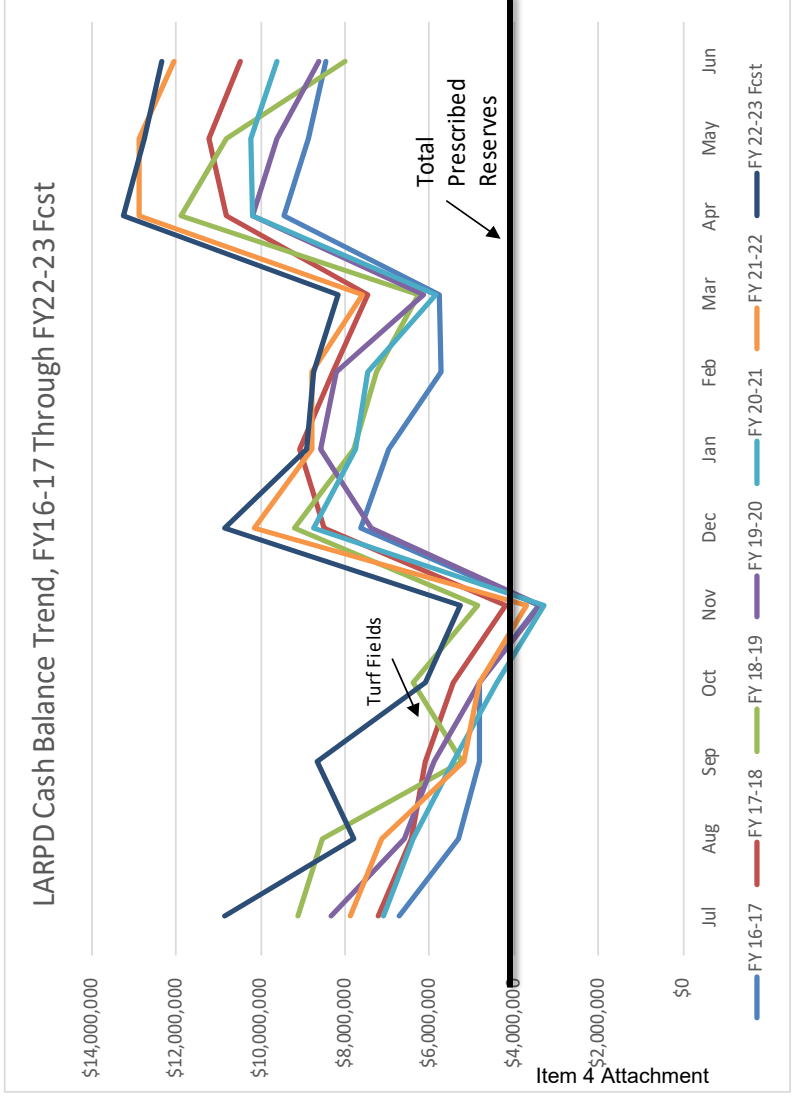
	FY20-21		FY21-22		FY22-23		Variance:	
	Actual		Actual		Actual	Budget	\$	%
Revenue								
Taxes	\$533,077	\$493,674	\$557,456	\$496,100	\$61,356	12%		
From Operations	1,500,647	2,594,737	3,075,001	2,784,899	290,102	10%		
Total Revenue	\$2,033,724	\$3,088,411	\$3,632,457	\$3,280,999	\$351,458	11%		
Salary and Benefits	\$5,259,362	\$4,899,874	\$5,079,754	\$5,479,576	399,822	7%		
Services and Supplies	\$2,003,910	\$2,705,399	\$3,239,994	\$3,242,672	2,678	0%		
Capital	\$8,795	\$9,506	\$93,638	\$0	(93,638)	0%		
Sub-total, Expenses	\$7,272,066	\$7,614,779	\$8,413,386	\$8,722,248	\$308,862	4%		
Net Operating Results	(\$5,238,342)	(\$4,526,368)	(\$4,780,929)	(\$5,441,249)	\$660,320	12%		

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARP)
Summary View: ACTUAL Results For the Month of November, 2022

	FY20-21	FY21-22	FY22-23		Variance:	
	Actual	Actual	Actual	Budget	\$	%
Revenue						
Taxes	\$22,339	\$12,221	\$2,862	\$0	\$2,862	-
From Operations	303,975	468,336	479,489	476,425	3,064	1%
Total Revenue	\$326,314	\$480,557	\$482,351	\$476,425	\$5,926	1%
Salary and Benefits	890,804	847,918	912,749	972,028	59,279	6%
Services and Supplies	320,613	384,961	508,953	496,916	(12,037)	(2%)
Capital	0	0	6,063	0	(6,063)	-
Sub-total, Expenses	\$1,211,417	\$1,232,878	\$1,427,765	\$1,468,944	\$41,179	3%
Net Operating Results	(\$885,103)	(\$752,322)	(\$945,414)	(\$992,519)	\$47,105	5%

**Livermore Area Recreation and Park District (LARP)
Cash Balance Trend, FY16-17 through FY22-23 (Actual results through November, 2022)**

Cash Balances	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 16-17	\$6,716,523	\$5,312,496	\$4,828,325	\$4,833,240	\$3,431,164	\$7,616,465	\$6,983,444	\$5,734,785	\$5,776,321	\$9,444,513	\$8,866,886	\$8,449,957
FY 17-18	\$7,211,205	\$6,415,464	\$6,102,495	\$5,421,188	\$4,216,126	\$8,517,984	\$9,082,537	\$8,299,859	\$7,476,258	\$10,815,046	\$11,245,594	\$10,462,708
FY 18-19	\$9,122,404	\$8,519,092	\$5,217,435	\$6,374,049	\$4,882,526	\$9,180,819	\$7,777,384	\$7,239,703	\$6,254,892	\$11,880,796	\$10,823,788	\$8,005,079
FY 19-20	\$8,348,385	\$6,614,964	\$5,886,458	\$4,834,536	\$3,389,775	\$7,380,457	\$8,580,640	\$8,217,162	\$6,138,998	\$10,178,118	\$9,606,803	\$8,620,548
FY 20-21	\$7,099,600	\$6,406,003	\$5,454,911	\$4,400,740	\$3,280,830	\$8,744,131	\$7,769,634	\$7,465,964	\$5,859,143	\$10,195,649	\$10,223,961	\$9,594,981
FY 21-22	\$7,865,653	\$7,133,487	\$5,187,607	\$4,837,480	\$3,693,645	\$10,156,325	\$8,792,378	\$8,773,655	\$7,575,649	\$12,857,659	\$12,867,733	\$12,056,382
FY 22-23 Fcst	\$10,872,768	\$7,811,080	\$8,676,996	\$6,119,662	\$5,272,392	\$10,871,691	\$8,931,446	\$8,737,956	\$8,153,155	\$13,266,616	\$12,757,226	\$12,360,184



Item 4 Attachment

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARP)
 Revenue View: ACTUAL Results Year-to-Date November, 2022

	FY20-21		FY21-22		FY22-23		Variance		
	Actual		Actual		Actual	Budget	\$	%	
Tax Revenue									
Property Taxes	\$525,216		\$495,668		\$554,198	\$494,100	\$60,098	12%	
Parcel Taxes	\$2,725		(\$4,396)		\$856	\$0	856	-	
Other Taxes	\$5,136		\$2,403		\$2,402	\$2,000	402	20%	
Total Tax Revenues	\$533,077	26%	\$493,674	16%	\$557,456	\$496,100	\$61,356	12%	15%
Earned Income									
Interest Income	\$10,582		\$12,417		\$35,277	\$11,000	24,277	221%	
Other Business Services	\$2,165		\$1,347		\$2,582	\$0	2,582	-	
Customer Services	\$1,969		\$3,518		\$5,868	\$3,000	2,868	96%	
Concessions	\$0		\$2,198		\$17,693	\$36,792	(19,099)	(52%)	
Business Services	\$14,717	1%	\$19,480	1%	\$61,420	\$50,792	\$10,628	21%	2%
Community Services									
Camp Shelly	\$0		\$55,822		\$73,455	\$55,575	\$17,880	32%	
Extended Student Svcs (ESS)	\$981,176		\$1,261,467		\$1,257,410	\$1,291,170	(33,760)	(3%)	
Senior Svcs and Volunteers	\$23,518		\$49,760		\$78,036	\$48,175	29,861	62%	
Preschool	\$73		\$67,939		\$145,055	\$111,550	33,505	30%	
Open Space	\$131,452		\$176,543		\$216,325	\$162,300	54,025	33%	
Believes Program	\$0		\$0		\$37,847	\$61,000	(23,153)	(38%)	
Middle School Program	(\$148)		\$0		\$0	\$0	0	-	
Recreation	\$1,136,071	56%	\$1,611,531	52%	\$1,808,128	\$1,729,770	\$78,358	5%	50%
Recreation Classes	\$1,898		\$66,263		\$159,449	\$109,000	50,449	46%	
Adult Sports and Fitness	\$607		\$26,036		\$32,110	\$29,850	2,260	8%	
Facility Use & Rentals	\$9,190		\$130,447		\$156,274	\$148,627	7,647	5%	
Youth Sports and Fitness	\$48,388		\$190,361		\$307,031	\$196,400	110,631	56%	
Field and Gym Rentals	\$94,222		\$220,652		\$250,022	\$214,400	35,622	17%	
Aquatics	\$76,594		\$209,118		\$247,362	\$260,000	(12,639)	(5%)	
Park Operations	\$230,898	11%	\$842,877	27%	\$1,152,247	\$958,277	\$193,970	20%	32%
Total Earned Income	\$118,960	6%	\$120,849	4%	\$53,206	\$46,060	\$7,146	16%	1%
Total General Fund Revenue	\$1,500,647	74%	\$2,594,737	84%	\$3,075,001	\$2,784,899	\$290,102	10%	85%
	\$2,033,724		\$3,088,411		\$3,632,457	\$3,280,999	\$351,458	11%	

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)

Salaries and Benefits View by Unit: ACTUAL Results Year-to-Date November, 2022

	FY20-21		FY21-22		FY22-23		Variance	
	Actual		Actual		Actual	Budget	\$	%
Administration	\$1,032,900		\$702,647		\$721,327	\$755,541	\$34,214	5%
Marketing and Public Info	\$71,488		\$0		\$0	\$0	0	-
Technology and Communications	\$25,283		\$0		\$0	\$0	0	-
Customer and Business Services	\$86,936		\$56,819		\$103,228	\$95,071	(8,157)	(9%)
Concessions	\$0		\$0		\$8,952	\$12,855	3,903	30%
Administration	\$1,216,606		\$759,466		\$833,506	\$863,467	\$29,961	3%
<i>% of total</i>	23%		15%		16%	16%		
Camp Shelly	\$0		\$17,632		\$3,320	\$26,735	\$23,415	88%
Extended Student Svcs (ESS)	\$1,350,477		\$1,334,920		\$1,131,974	\$1,261,463	129,489	10%
Senior Svcs and Volunteers	\$46,300		\$55,595		\$62,785	\$67,818	5,033	7%
Preschool	\$19,245		\$46,569		\$78,123	\$94,566	16,443	17%
Open Space	\$403,995		\$416,598		\$449,359	\$478,548	29,189	6%
Community Outreach	\$267,066		\$271,620		\$282,650	\$302,419	19,769	7%
Believes Program	\$3,676		\$27,650		\$157,567	\$154,338	(3,229)	(2%)
Middle School Program	\$49,583		\$0		\$0	\$0	0	-
Community Services	\$2,140,341		\$2,170,583		\$2,165,779	\$2,385,887	\$220,108	9%
<i>% of total</i>	41%		44%		43%	44%		
Recreation Classes	\$0		\$0		\$0	\$0	0	-
Adult Sports and Fitness	\$5,962		\$8,832		\$5,707	\$7,446	1,739	23%
Facility Use & Rentals	\$42,213		\$27,038		\$78,620	\$111,456	32,836	29%
Youth Sports and Fitness	\$30,759		\$60,191		\$88,495	\$113,673	25,178	22%
Field and Gym Rentals	\$62,942		\$81,984		\$96,189	\$107,444	11,255	10%
Recreation Administration	\$268,374		\$244,817		\$116,329	\$115,918	(411)	(0%)
Building Operations	\$163,451		\$171,596		\$189,253	\$206,845	17,592	9%
Aquatics	\$71,451		\$182,525		\$346,952	\$399,687	52,735	13%
Recreation	\$645,151		\$776,983		\$921,544	\$1,062,469	\$140,925	13%
<i>% of total</i>	12%		16%		18%	19%		
Building Maintenance	384,214		368,120		376,935	372,887	(4,048)	(1%)
Park Operations	873,049		824,722		781,990	794,866	12,876	2%
Parks and Facilities Maintenance	\$1,257,263		\$1,192,841		\$1,158,924	\$1,167,753	\$8,829	1%
<i>% of total</i>	24%		24%		23%	21%		
TOTAL Salaries and Benefits Expense	\$5,259,362		\$4,899,874		\$5,079,754	\$5,479,576	\$399,822	7%

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)
 Services and Supplies View by Unit: ACTUAL Results Year-to-Date November, 2022

	FY20-21		FY21-22		FY22-23		Variance	
	Actual		Actual		Actual	Budget	\$	%
Administration	\$363,462		\$474,888		\$619,634	\$650,130	\$30,496	5%
Marketing and Public Info	\$10,528		\$2,904		\$0	\$0	0	-
Technology and Communications	\$170,083		\$226,445		\$221,772	\$209,690	(12,082)	(6%)
Customer and Business Services	\$31,189		\$53,610		\$48,234	\$37,694	(10,540)	(28%)
Capital Equipment (excl CIP)	\$8,795		\$9,506		\$93,638	\$0	(93,638)	-
Concessions	\$0		\$10,656		\$7,973	\$18,582	10,609	57%
Administration	\$584,057		\$778,009		\$991,250	\$916,096	(\$75,154)	(8%)
<i>% of total</i>	29%		29%		30%	28%		
Camp Shelly	\$1,299		\$9,090		12,838	8,650	(4,188)	(48%)
Extended Student Svcs (ESS)	\$66,751		\$73,506		52,793	84,725	31,932	38%
Senior Svcs and Volunteers	\$12,091		\$24,248		50,324	24,830	(25,494)	(103%)
Preschool	\$39		\$3,139		3,325	6,250	2,925	47%
Open Space	\$24,033		\$33,981		32,798	43,500	10,702	25%
Community Outreach	\$131		\$5,339		10,451	12,093	1,642	14%
Believes Program	\$0		\$0		3,438	6,840	3,402	50%
Middle School Program	\$637		\$614		0	0	0	-
Community Services	\$104,981		\$149,915		\$165,967	\$186,888	\$20,921	11%
<i>% of total</i>	5%		6%		5%	6%		
Recreation Classes	\$1,785		\$40,060		\$93,190	\$65,300	(27,890)	(43%)
Adult Sports and Fitness	\$335		\$9,286		\$19,433	\$12,000	(7,433)	(62%)
Facility Use & Rentals	\$243		\$6,559		\$10,816	\$7,910	(2,906)	(37%)
Youth Sports and Fitness	\$10,481		\$36,044		\$77,102	\$47,660	(29,442)	(62%)
Field and Gym Rentals	\$1,004		\$8,134		\$13,756	\$14,400	645	4%
Recreation Administration	\$0		\$922		\$746	\$0	(746)	-
Building Operations	\$6,006		\$34,984		\$55,090	\$35,200	(19,890)	(57%)
Aquatics	\$14,872		\$29,858		\$55,148	\$23,250	(31,898)	(137%)
Recreation	\$34,726		\$165,846		\$325,279	\$205,720	(\$119,559)	(58%)
<i>% of total</i>	2%		6%		10%	6%		
Building Maintenance	\$203,358		\$246,719		346,451	323,400	(23,051)	(7%)
Park Operations	\$1,085,583		\$1,374,416		1,504,684	1,610,568	105,884	7%
Parks and Facilities Maintenance	\$1,288,941		\$1,621,135		\$1,851,135	\$1,933,968	\$82,833	4%
<i>% of total</i>	64%		60%		56%	60%		
TOTAL Services & Supplies Expense	\$2,012,705		\$2,714,905		\$3,333,632	\$3,242,672	(\$90,960)	(3%)

LIVERMORE AREA RECREATION AND PARK DISTRICT (LARPD)

Expenses by Type View by Unit: ACTUAL Results Year-to-Date November, 2022

	FY20-21		FY21-22		FY22-23		Variance	
	Actual		Actual		Actual	Budget	\$	%
Salaries and Benefits								
Salaries - Full-time	\$2,662,867		\$2,623,737		\$2,635,150	\$2,763,957	\$128,807	5%
Salaries - Part-time Benefited	\$476,860		\$289,788		\$405,175	\$385,514	(\$19,661)	(5%)
Salaries - Part-time	\$233,254		\$608,467		\$764,666	\$129,105	\$129,105	14%
Stipends - Board	\$12,900		\$12,600		\$13,100	\$15,000	\$1,900	13%
Retirement	\$677,223		\$423,292		\$258,129	\$292,238	\$34,109	12%
Employee Group Insurance	\$716,547		\$635,775		\$659,839	\$752,553	\$92,714	12%
Workers' Compensation	\$107,423		\$132,709		\$143,133	\$159,612	\$16,479	10%
Unemployment	\$222,051		\$0		\$0	\$0	\$0	-
Medicare/FICA Payroll Tax	\$150,237		\$173,505		\$200,562	\$216,931	\$16,369	8%
Total Salaries and Benefits	\$5,259,362	72%	\$4,899,874	64%	\$5,079,754	\$5,479,576	\$399,822	7%
<i>% of total</i>					60%	63%		
Services and Supplies								
Maintenance-Structures&Grounds	\$194,907		\$284,736		\$390,997	\$366,000	(\$24,997)	(7%)
Maintenance - Equipment	\$54,895		\$77,379		\$78,300	\$86,465	\$8,165	9%
Utilities - Water/Sewer	\$758,344		\$945,560		\$921,330	\$951,750	\$30,420	3%
Utilities - Gas/Electric/Other	\$136,595		\$146,244		\$229,896	\$150,750	(\$79,146)	(53%)
Communications	\$53,334		\$69,787		\$63,590	\$64,625	\$1,035	2%
Memberships & Subscriptions	\$15,816		\$21,738		\$18,590	\$17,513	(\$1,077)	(6%)
Travel	\$21,836		\$24,456		\$34,176	\$55,450	\$21,274	38%
Training & Conferences	\$535		\$5,299		\$13,485	\$22,990	\$9,505	41%
Publications & Legal Notices	\$967		\$827		\$1,493	\$3,000	\$1,507	50%
Legal	\$50,000		\$40,000		\$40,000	\$50,000	\$10,000	20%
Program Services/Supplies	\$7,049		\$20,149		\$33,354	\$25,765	(\$7,589)	(29%)
Professional Services	\$197,583		\$209,682		\$317,755	\$404,242	\$86,487	21%
Licensing	\$500		\$2,716		\$3,766	\$2,000	(\$1,766)	(88%)
Field Trips/Events	(\$1,135)		\$6,661		\$34,611	\$15,550	(\$19,061)	(123%)
Instructors & Sports Officials	\$24,428		\$95,102		\$188,581	\$137,990	(\$50,591)	(37%)
Insurance	\$227,137		\$228,846		\$269,119	\$259,250	(\$9,869)	(4%)
Rents/Leases - Equipment	\$49,559		\$47,600		\$59,513	\$46,085	(\$13,428)	(29%)
Rents/Leases-Structure&Grounds	\$68,984		\$69,026		\$62,309	\$88,595	\$26,286	30%
Rent & Lease - Vehicle	\$62,541		\$63,067		\$63,067	\$64,925	\$1,858	3%
Agricultural Supplies	\$13,663		\$30,069		\$49,894	\$55,050	\$5,156	9%
Uniforms/Safety Products	\$9,927		\$8,993		\$11,106	\$13,000	\$1,894	15%
Household Supplies	\$12,265		\$31,544		\$31,296	\$31,100	(\$196)	(1%)
Food	\$8,698		\$13,920		\$30,787	\$37,507	\$6,720	18%
Office Supplies	\$7,140		\$11,292		\$16,333	\$13,300	(\$3,033)	(23%)
Medical	\$3,305		\$4,091		\$3,635	\$6,800	\$3,165	47%
Tools & Instruments	\$5,753		\$8,260		\$20,885	\$11,250	(\$9,635)	(86%)
Non Capital Equipment	\$8,684		\$97,844		\$39,925	\$58,500	\$18,575	32%
Miscellaneous-Refunds Expense	\$14		(\$105)		\$148	\$0	(\$148)	-
Finance Charges/Active CC Fees	\$7,547		\$19,731		\$24,843	\$18,275	(\$6,568)	(36%)
Recreation Software Transaction Fees	\$3,039		\$11,009		\$14,012	\$11,750	(\$2,262)	(19%)
Pension Debt Service Interest	\$0		\$109,876		\$107,517	\$107,515	(\$2)	(0%)
P G & E debt service	\$0		\$0		\$65,680	\$65,680	\$0	0%
Total Services and Supplies	\$2,003,910		\$2,705,399		\$3,239,994	\$3,242,672	\$2,678	0%
Capital Equipment	8,795		9,506		93,638	0	(93,638)	-
Total Operating Expenses	\$7,272,066		\$7,614,779		\$8,413,386	\$8,722,248	\$308,862	4%



Thank You