

AGENDA
REGULAR MEETING
BOARD OF DIRECTORS

EAST BAY REGIONAL PARK DISTRICT

Tuesday, December 1, 2015

C. BUSINESS BEFORE THE BOARD

5. CONSENT CALENDAR

- b. Finance Committee Minutes and Recommended Actions from the June 24, 2015 (Lane)

Attendees

Board: Directors Beverly Lane, Ayn Wieskamp, Dennis Waespi

Staff: Robert E. Doyle, Dave Collins, Debra Auker, Deborah Spaulding, Pam Burnor, David Sumner, Kim Balingit, Nadine Vargas, Jeff Rasmussen, Lisa Ballinger, Meadow D'Arcy, Sukari Beshears, Adora Nnoruka, Larry Tong

Public: Sharon McAleavey (AFSCME 57)

Committee chair Beverly Lane began the meeting at 12:35 PM with the introduction of committee members.

Agenda Item No. 1

Community Facilities District (CFD) Draft Rate and Method of Apportionment and Remaining Steps in Formation Process

CFO Debra Auker reported on the remaining steps in the formation process of the Community Facilities District (CFD). The current CFD proposed is for a 20-parcel single family residential development project located in the Town of Danville. The conditions of approval issued by the town requires the dedication of 96 acres of open space in the Las Trampas Hills and a funding mechanism to finance the maintenance of this open space and the trails adjacent to the development.

Special tax consultant, Tim Seufert, Managing Director with NBS was available to answer questions.

CFD Formation Process

- Adoption of Local Goals and Policies
- Rate and Method of Apportionment – Establish Annual Maximum Staff
- Receive Petition/Waiver from Developer
- Approve File Boundary Map with County

- Distribute Resolution of Intention
- Election Materials
- Board Actions to Approve Resolution of Formation and Election Results
- Approve Ordinance to Levy Special Taxes

Next Steps

- Budget model
- Maximum Annual Tax Calculation
- Resolution of Intention
- Landowner/Developer Petition
- Board to hold public hearing on September 1, 2015.

Committee member Waespi asked if the Board passes a resolution in favor of CFD, will the Annual COLA be added to the Special Tax. NBS Seufert answered yes; the tax amount of \$298 is defined as 2015/2016 tax rate, it will increment from there.

CFO Auker explained the difference between residential property, non-residential property, and undeveloped property.

Committee member Waespi questioned if the initial CFD will be the template for future residential CFD's. NBS Seufert advised with every CFD staff would analysis the different types of properties and the District will have ability to change the tax.

Committee member Wieskamp asked if parcels adjacent to parks are more valuable. NBS Seufert agreed, adding that the parcels that front open space have a higher tax base than those that do not.

Committee member Lane inquired if residents understand the cost model, and do not dispute tax rate. CFO Auker replied yes. RMA was reviewed with the property owner and will be noticed to all potential buyers.

Committee member Waespi questioned in the coming years will the 20 resident voters vote every year. NBS Seufert replied no, there is no annual requirement; and there is only the one-time land owner vote and no sunset is established in CFDs

AGM David Collins added it will be enforced unless the District wanted to change the rate or methodology, and at that time, it would go to a vote. NBS Seufert confirmed and noted theoretically in five years the residences could request the District to provide additional services and they would need a majority role to pay for it.

RECOMMENDATION: Motioned by Ayn Wieskamp and seconded by Dennis Waespi that the Finance Committee recommends to the full Board of Directors acceptance of: a) approval of necessary resolutions to continue the Community Facilities District formation process; b) approval of the Rate and Method

of Apportionment (RMA), and c) establishment of public hearing dates. Motioned Approved.

Agenda Item No. 2

Authorizing First Advantage as Service Provider for Affordable Care Act (ACA) Reporting and Monitoring

Benefits Manager, Adora Nnoruka brought before the Finance Committee a recommendation to select First Advantage for the District's Affordable Care Act (ACA) provider. Starting in 2015, the District is subject to the new ACA Employer Shared Responsibility provision and health care law reporting by the IRS. The District employs part-time, seasonal, and temporary employees whose hours need to be tracked (in order for the District to provide benefits) in addition to recording at the end of the year to comply and report to the IRS. The District's current system, One Solution does not have the full capabilities for ACA reporting and tracking.

- If a temporary or part-time employee works an average of over 30 hours in a 12 month period the District would offer medical benefits to the employee; there are strict penalties for non-compliance.
- Implementing First Advantage would assist staff in new reporting requirements and keep the District within compliance as well as provide required reporting to IRS.

Committee member Waespi asked if One Solution will still be involved in reporting.

Benefits Manager Nnoruka advised One Solution will provide the required data but does not fulfill reporting requirements at this time. The ADA reporting is time sensitive; there is a window of 90 days to offer benefits to the employee.

Committee member Waespi requested information on what One Solution provides.

Assistant Finance Officer Deborah Spaulding advised One Solution is the District's financial and payroll software. One Solution is working on an Affordable Care Act reporting product. Staff felt it would be best to go with an established provider; once One Solution provides ACA reporting, staff will look into their product.

RECOMMENDATION: Motioned by Ayn Wieskamp and seconded by Dennis Waespi that the Finance Committee recommends to the full Board of Directors acceptance of the District's contract with First Advantage for Affordable Care Act (ACA) Services for a three year term. Motioned Approved.

Agenda Item No. 3

2016 Measure CC Expenditure Plan

AGM Dave Collins introduced Assistant Finance Officer Jeff Rasmussen and Admin. Analyst Lisa Ballinger to present the 2016 Measure CC Expenditure Plan to the Finance Committee. Provisions of Measure CC require an annual expenditure plan to be adopted by the Board of

Directors. The purpose of this item is to review the proposed expenditure plan and recommended it be adopted as the basis of the 2015/2016 Tax Report and 2016 Budget

Asst. Finance Officer Rasmussen provided committee members with handouts illustrating ongoing and first time funded projects.

Asst. Finance Officer Rasmussen reported a correction to the appropriation for FEMA, the District has adequate funds in the East Bay Hills Fuel Management Plan to appropriate the \$1.2 M for FEMA.

Committee chair Lane ask if the \$700,000 for the Atlas Road Bridge and Public Access project (Reserve Fund) will be spent soon. AGM Collins answered yes the project goes to bid and will be awarded in September/October of 2015.

Committee member Ayn Wieskamp pointed out Point Pinole calls for initial funding, and is the District moving forward on the design? General Manager Robert E. Doyle responded, the committee appropriated funds for the site study, the rendering where building should be located. The initial funding is to start putting money in a project for the future building.

Assistant Finance Officer Rasmussen continued reporting on the six projects requiring modifications. Handouts were provided to committee members.

Committee chair Lane asked if all group picnic areas in Miller Knox were ADA accessible. AGM Collins replied as Miller Knox project status are completed they will be ADA accessible.

Committee chair Lane asked if Measure CC details are in the budget. AGM Collins advised the committee that no details of Measure CC projects are in the budget; the District budget shows the Measure CC projects and dollar amounts involved.

Committee chair Lane inquired if District has done the study on opening the lagoon to the bay. AGM Collins replied it is in for initial review.

Committee member Wieskamp asked if probable cost for the Point Molate project was a challenge. Assistant Finance Officer Rasmussen replied, the District will use all money appropriated.

AGM Collins concluded report stating that starting in 2015 Measure CC had a beginning balance of \$3.3 million and the ending fund balance is \$2.4 million to spend.

RECOMMENDATION: Motioned by Dennis Waespi and seconded by Ayn Wieskamp that the Finance Committee recommends to the full Board of Directors acceptance of the Measure CC 2015 budget and adopted as the basis for the 2015/2016 Measure CC Tax Report. Motion Approved.

Agenda Item No. 4

First Quarter 2015 General Fund and Other Governmental Funds Financial Reports

Assistant Finance Officer Deborah Spaulding presented the First Quarter 2015 General Fund Reports and Unaudited Financial Statements. Assistant Finance Officer Spaulding distributed summarized first quarter revenues and expenditures for the District.

General Fund Revenues and Expenditures

Revenue highlights:

- Revenues are on track to end the year at budget.
- First quarter revenues were \$10.8 million, slightly above the \$10.1 million received the same period last year.

Expenditure highlights:

- Expenditures were \$27.6 million in the first quarter, similar to expenditure levels same period last year.
- Budgeted annual allocation of \$200,000 to Livermore Area Recreation & Park Department was completed in February.

General Manager Doyle appreciated the footnotes and ease of reading the report.

Committee chair Lane asked how many full time employees (FTE's) does the District employ during peak season. CFO Auker replied District is budgeted for 762 FTE's, however Finance is processing payroll for up to 1,000 employees (including temporaries).

RECOMMENDATION: Motioned by Dennis Waespi and seconded by Ayn Wieskamp that the Finance Committee recommends to the full Board of Directors to acceptance of First Quarter 2015 General Funds and Other Governmental Funds Financial Reports. Motion Approved.

Agenda Item No. 5

March 31, 2015 Investment Report

CFO Auker presented the March 31, 2015 Investment Report and informed the Committee that the total of the District's cash and investments as of March 31, 2015 was \$291,385,249.

- Pooled cash/investments managed by the CFO equaled \$195.1 million, \$8.5 million less than cash/investments as of December 31, 2014. This is expected and a recurring trend, as the District spends down the property taxes received in December of the previous year.
- The 2015 investment earnings budget total \$318,845, which is less than previous year due to \$22.3 million less in bond funds invested.
- Banking and investment fees are consistent with prior years, totaling \$31,930.00

Graph handouts included pie chart of District's cash and investments by type along with a bar graph of the mid-term securities investment maturities.

Committee member Waespi asked if there is a limit on the amount the District can put in CAMP Fund.

Audit Manager David Sumner answered no.

RECOMMEDATION: Motioned by Dennis Waespi and seconded by Ayn Wieskamp that the Finance Committee recommends to the full Board of Directors acceptance of the March 31, 2015 Investment Report. Motion Approved.

Agenda Item No. 6

Request September Meeting date change from September 23 to September 30, 2015.

CFO, Debra Auker requested date change for September finance committee meeting to September 30, 2015. All Committee members approved date change.

Agenda Item No. 7

Committee Member Comments

No comments.

Agenda Item No. 8

Public Comment

None

Meeting adjourned 2:35 p.m.

Respectfully submitted,

Connie Swisher
Finance