February 2024 Staff Report

# Call To Order:

Please order a Drink and your meal on the way into the meeting.

# Public Comment

*At this time members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration or action. Public comments are limited to Three (3) minutes per speaker unless a different time limit is announced. The District also accepts written public comments or correspondence that must be submitted to the Executive Director and Clerk to the Board 2 hours before the meeting for inclusion in this meeting. Written comments may be submitted via email to* *buildingcommunity@soledadrec.org* *with the Specific Subject line: FOR PUBLIC COMMENT or submitted via mail addressed to Soledad-Mission Recreation District ATTN: PUBLIC COMMENT P.O. Box 1650 Soledad CA 93960. Speakers shall refrain from using profane language and other disruptive remarks or behavior which disrupts or Disturbs the meeting, or risk being removed. Please contact District offices at 831.678.3745 if you have any questions.*

# Strategic Planning:

* 1. **Strategic Planning Session:**
		1. Feedback:
		2. Official Report still needed from strategist.
		3. Invoice Pending
		4. Work Item 1- Legislative Earmark Funding, Communicate with Senators office and Grants office. Push to receive funding.
		5. Work Item 2- Introduce the idea of a resolution formalizing a partnership between the Recreation District and the City/School District March 6
		6. Work on Finding a Feasibility Study organization limit $25,000
			1. Outreach
			2. Strategic Meeting
			3. Phone conversations
			4. RFP/Q

# Consent Agenda

*Items on the consent agenda are given to the Board Members prior to the meeting. These items represent routine organizational and operational matters. They are not voted upon separately unless decided on by the board.*

* 1. *Minutes from January Regular Meeting*
	2. Checklists January to Date

Roll Call for Vote on Consent Agenda Items

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| Amendments or Notes: |  |
| Motion: |  |
| Second: |  |
| Yeses |  |
| Noes |  |
| Abstention, Vacancy, Absent |  |
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# Financial Reports

* 1. **Quarter 2 2023-2024 Financial Reports ACTION**

There were a few categories that required amendments and research in order to give the Board the best information prior to accepting the Quarterly Financial Reports. ***Updated information*** written in Bold italic.

*Revenue:*

*4000- Property Taxes increasing at a lower rate than prior years in this category.*

*4151- Recreation Swim- combined with Family swim as the rates are the same and the names just indicate a time difference. When you consider the combining of two unstructured swim time, participation and pool use is down from 2019 & 2022 (but not as much)*

*4154- Rental Revenue is way down- There is an outstanding invoice for the Dolphins Swim Team Pool use for $9,000, but private rentals are very reduced. The Board voted to keep rental fees same as 2023 in hopes that this will boost revenue in this area.* ***Staff will provide rental access online starting April 2024***

*4161- Swimming Lesson Revenue is up from prior years but staff believes that to be due to increase in prices and not increase is participation.*

*4162- Water Exercises- while rate has increased some participation has decreased. This program requires consistency, and the evening pool space is very impacted not allowing for consistent classes. Difficulty finding committed instructors.* ***Potential consideration: Instead of a like membership approach, consider a class approach, selling a Monday Class, Tuesday Class, Wednesday Class, etc. for the month and if there is not enough enrollment we cancel that day of the week class. Then every Month we are covering the cost of the instructor per day.***

*4163- Staff restarted pre-Team as program as a way for kids to transition from lessons on to competitive swim. We are seeing decreased participation in the Dolphins Swim Program due to difficulty finding coaches and perceived cost barriers.*

*4165- Day Camp- was only offered two weeks this summer, when our typical summer is 4-5 weeks. After this year depending on participation and response the Board may consider cutting Day Camp from program offerings.*

*4180- Resales are down from prior years- I think it is due to keeping a reduced inventory on site.*

*4200- Holly Jolly Christmas Tree Raffle Ticket sales were down along with those donations that result from those mailers.*

*Programs with Instructors- Shows SUSD Contract Art Program accrual.*

*Expenses*

*6005.1 Salaries-* ***Settlements are listed in this category with transfers from covid relief found in “other income/expenses“ .***

*6005.2- Hourly Employees- Increase from prior partly due to minimum wage increases partly due to additional staff to support in ED absence.*

***There was a Board question about why this category was $10,000 more than prior year. Minimum wage increases, also One of the settlement agreement payments included here, also two additional positions worked in while the pool was open in October, but also worked additional hours into December. Organized Advertised a Fundraiser Turkey Trot had to be canceled due to rental and permit fees, support Andy in Recruiting and hiring employees, Holly jolly fundraiser, employee file review, implementing online registration system, website, promotions, Notion workspace, Sling switch, planning, and opening girls softball open in December, there are a few hours that can be reimbursed by the legislative grant (>$2,000) and completing wrap up for Andy. These two positions totals $10,000. Although additional work in December did result in less staff hours in January with less need for additional Front Desk people when most registrations and payments are done at home. Also for context is $10,000 more than the prior year but $10,000 less than budgeted for the quarter.***

*6020- Workers compensation is far above prior quarters this is due to a miscalculation when completing estimation paperwork submitted to insurance company. Staff expects a refund at the end of they year to more accurately reflect actual employee costs and category hours worked.*

*6200- Facility Expenses appear to fluctuate depending on the year, also related to damage or equipment needing repair or replacement.*

*7000- Other income is where many corrective steps were implemented*

***Divided and specific name to projects and funds***

***Diving Block outlay.***

***Covid Relief funding- Although this is primarily where we show the flow of funding in and out of this fund, on the balance sheet. As Covid Relief funding was for “lost revenue” in the year 2020-2021. All income was reported to the State Controllers Report., and continuing to show it as a separate fund account on our balance sheet does not align with our State Controllers Report. Staff will confirm appropriate reporting with the auditor but all funds that have not been assigned have been placed into the Unassigned Fund Balance.***

***Legislative Grant by official OGALS number***

***Prop 68 Per Capita Grant***

***Unassigned Fund Balance-***

* ***Dana specializes in Profit & Loss Reporting, so when it comes to managing unassigned and assigned fund balances, she is adapting along side us, in the future should we ever get to a place where we have additional fund balance to manage we may want to find a firm that offers that service.***
* ***Deferred Revenue $27,275 is assigned to specific purposes or projects.***
* ***A Reserve policy would require this account to remain at 3-6 Months of Operating Expenses $211,000-421,000).***

**Graphs**

* **Dana also agreed providing bar graphs is possible and more informative as the pie charts require more manipulation.**
* **Pie Charts will be provided at the year end for comparisons to prior year and proposed budget.**

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| Amendments or Notes: |  |
| Motion: |  |
| Second: |  |
| Yeses |  |
| Noes |  |
| Abstention, Vacancy, Absent |  |

* 1. **January 2024 Financial Reports-**

When looking at the months of January Here are a few items to note:

Revenue:

4154- Rental income – has SHS Rental accruals and Dolphins outstanding invoice, still private lessons down

4161- Swim Lessons- revenue down in January and enrollment down in February- Will have prelim February Numbers at meeting.

4162- Water Ex is down, not offering PM class, but morning class is not changed just slow to return. Price has not changed, and registrations have been in person, so we know it isn’t a tech barrier. This program might require overhaul see notes from quarterly report.

4168.5- Girls Softball- Run all through Teamsideline, registration was slower this year, and staff altered the fundraiser which was met with a general acceptance. There were some implementation changes that may change the totals but by the end of the program will result in a more sustainable program. There were a limited number of slots in each age group with 11-14 and 8-10 selling out. The fundraiser will bring in less money but cost significantly less. So we will changes in both 4168.5 and 4200.

4160- Art program expected accrued income

4400- Donations- Soliciting donations for Operations/Programming has not been implemented yet.

Expenses

6005.1- Salaries- As stated settlement payments are subject to payroll taxes so are paid through this category. With a payment in this month.

6005.2- Increased minimum wage, put in place practices to close or limit open hours when there was no one attending. Limited staff with Op. Manager, Art Coordinator, and Aquatics Supervisor covering needed shifts. As stated in Quarterly narrative, online registration is saving on requiring a second front desk person for registration days, although during the summer we may require two to help facilitate online registrations for now it means savings.

6020- Significantly higher than budgeted due to error in anticipated wage filings. With this item corrected the District should see a refund of several thousand dollars for 2023-2024 workers compensation paid.

6200- Facility Expenses showed some savings also from closure period, also some repairs happened in January that we will probably see in February, but utility estimates have proven to be higher than actual.

6300- Audit is scheduled to happen so any additional funding here will be required.

7305- This is reimbursable to the legislative earmark, however the process is halted at the contract making the reimburssements impossible to submit for payment. Staff has contacted Senators office for support and the grants office for confirmations. This really affects the January 2024 bottom line.

You can see significant reduction in expenditures from our anticipated budget for the month. Staff hopes to see savings continue although expects some repairs and expenses planned in January to come through in February.

Directives to Staff:

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# BUSINESS ITEMS INFORMATION

BOARD MEMBER REPORTS *-Any member of the Board who has represented the District at a community function or meeting will now report on said event or meeting.*

## Board Compliance Requirements

1. AB 1234- Required of All Board Members- Staff imposed schedule on even years, please provide proof of completion.

 <https://www.fppc.ca.gov/learn/public-officials-and-employees-rules-/ethics-training.html>

FPPC is working to provide a free training through a different training platform soon. Please check regularly to complete this requirement.

Or you can sign in to the CSDA.Net website and access Free on demand webinars that meet this requirement.

1. AB1661 Sexual Harassment for Public Officials

Harassment prevention training for supervisors- offered by CSDA.net also meets requirements of AB 1661. you can sign in to the CSDA.Net website and access Free on demand webinars. You can also provide proof of certification to ED to ensure the District is compliant.

1. E File Form 700 on or before April 1, 2024 as required by the County of Monterey.

CSDA has other webinars that may be free to CSDA members should you like to pursue Board Development in your free time.

# Executive Director Report

1. Specific Grant
	1. Completed 2024 Winter Improvements and Payments
	2. Contacted the Office of Grants regarding contract, management has not released contracts yet. So the District is stuck having put out some funding, and not having access to reimbursement.
		1. Staff has also gotten some comments from Patrons about improvements and where the money went.
	3. Contacted the Senators office regarding contract receipt in hopes they will support.
	4. Moving Forward with project- Until we are guaranteed to get reimbursed Staff needs explicit direction to move forward with Pool Specialists or architects regarding scheduling and planning.
		1. Pool specialists said priority would be underground plumbing of pool
			1. Refinishing pool
			2. Considering changing gutter system
			3. Updates to mechanical equipment
			4. Very limited funding available after these items.
			5. Will contact me again when they have better numbers and timelines if we are considering installation in October of 2024 or 2025. The Pool finish really needs to be completed soon. This also depends on access to funding.
			6. We are to meet again in February.
2. Prop 68 Per Capita Grant- We are combining both Grant projects to have one closure completing most eminent repairs and rehabilitation.
3. Strategic Work
	1. Identifying clearly needs of board for feasibility and planning portion of revenue possibilities
	2. Identified list of potential companies
	3. Initial emails and Phone conversations
	4. May require Board amendment of directive:
4. LAFCO Municipal Services Review pushed back and they will contact us when they are able to come and get project done. This could be a tool for garnering support for funding possibilities.
5. SUSD Programs:
	1. SUSD Art Program
		1. Going well, as an effort to save money we havn’t hired a third staff although that is included in the proposal, and I and Andy have been supporting the class through giving rides in the van, prepping materials, or attending as a substitute in the event of absence.
	2. Potential Future Possibilities:
		1. Suggestion to propose swimming lessons through afterschool for January of 2025 to ensure funding is coming in for staff required for Jan.
		2. Family Resource center might want to purchase swim lessons for high risk families, also will propose art classes.
		3. SHS Swim Team has started in water practices as MOU outlines, and will be hosting 3 meets at home this year.
			1. March 8
			2. April 12
			3. April 19
		4. SUSD Swim Lesson Proposal- Submitted to Superintendent and Assistant Superintendent, follow ups have been attempted.
		5. SUSD Special Education Pool Visits- Submitted to SpEd Coordinator and Adaptive PE specialist, for Board approval in December.
6. City of Soledad
	1. Submitted Diving Block Report for City Council Review
		1. On Agenda for March 6th for presentation to the Council. I just have a few comments to make.
		2. Board Comments
		3. Patron Comments
	2. Emailed City Manager, Rec Manager, and Board chair- Regarding a facility use agreement after seeing Little League efforts on City Council agenda.
		1. Andy Conference with Little League.
	3. City of Soledad Board Appointed Vacancy- City Manager wants to wait until after new council seat is in place before trying to appoint to this seat. This will give the District time to finalize Bylaws.
7. ADP- Payroll Services- Scheduled for 3/4/2024
8. Outstanding Human Resources activities
	1. Approved HR Specialist Review of Employee Manual with RGS. We have not heard back from original company. Looking into alternative consultants to complete this. Items of Question
		1. On-Call Employee Practices
		2. “15 Minutes early is on time, on time is late” Training terms
		3. Proposed personal retirement matching for FTE Response from Counsel: (The District) *(Cannot be offered) procedurally for a single employee – even in (the Executive Director) position. A retirement account of that type would have to be offered to similarly situated people. I’m in agreement with bookkeeper that procedurally, cashing out PTO to keep (employees) under (stipulated) accrual balance for purposes of making a contribution isn’t appropriate. I’m NOT a benefit specialist in retirement accounts; however, I think that logistically, you can’t cash out PTO in order to make the contribution. Contributions need to be made over time before they are recognized by the employee, and those are already earned and credited hours.*
		4. Employee Uniforms
		5. Employee required Certification Reimbursements
	2. CAPRI General Managers Roundtable with Counsel regarding new Employment Laws. 1/30/24
9. Fund seeking Efforts-
	1. Soledad Recreation Foundation news:
		1. Need to Schedule Board Meeting of Foundation to update.
		2. ED has filed new Treasury Forms for the Foundation for the last five years and statements of activities. Per a second request for additional filings. Should be hearing about next steps in the next few weeks. Awaiting next steps
		3. The Foundation is in good standing with the Federal Government but has been out of compliance with the State of California and has triggered penalties by attempting to reinstate and return the Foundation to a non profit of good standing. We may have to start meeting as a Foundation Board again and dedicate staff time to working on this process moving forward. The Foundation represents additional opportunities for program funding and capital improvement funding.
		4. Research on different operational fundraising options for the District-
			1. Selling Drinks at Pop Up for high school Swim Team
	2. Facility Needs: The Gutters on the pool building appear to be in need of maintenance and repair, starting to note water damage inside on ceiling along walls. Has a request for pricing to multiple gutter companies but Also Dilbeck.
10. Professional Development and Required Trainings
	1. Form 700- Completed
	2. Started AB 1234 Compliance Training
	3. Started CJIS Training- For Custodian of Records for the District

Operations Report

**See Attached Report**

**Staff Recommends approving the resolution as presented.**

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| Amendments or Notes: |  |
| Motion: |  |
| Second: |  |
| Yeses |  |
| Noes |  |
| Abstention, Vacancy, Absent |  |

## Adoption of Streamline Website services

Staff was approached by Streamline services in October to consider switching from a self managed website service wix to one managed by Streamline. While researching other Special District staff noted the majority of special Districts use this service as it is very thorough in ensuring all transparency and accessibility requirements are in place for the District websites. Streamline presented at the January Board meeting. Logistically the switch would take a few months due to District employee workloads and the desire for this item to affect our 2024-2025 budget more than the current. Affect on the current budget:

* $500 Initial sign up fee
* $249/ monthly fee starting in May of 2024
* Annually not to Exceed

Outstanding concerns include a booking system for private lessons, however Streamline has indicated they may have the capability to provide some kind of system that may meet our requirements however would use a third payment system outside of our point of sale system and our online teamsideline registration system. Teamsideline system provides registrations for swim lessons, softball, martial arts, day camp, pool rentals, and will provide water exercise class should we decide to alter water exercise structure.

Attachments include the proposed agreement for review. Approving this item switching to streamline, authorizing the Executive Director to enter in an agreement with streamline for website management services.

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| Amendments or Notes: |  |
| Motion: |  |
| Second: |  |
| Yeses |  |
| Noes |  |
| Abstention, Vacancy, Absent |  |

## Board authorization for planning and feasibility study for the District

The Board has been working toward a more sustainable future for the District. There have been many steps and research done to find the most sustainable and best way to provide this future for the District. It has become evident to the Board that the next steps are to pursue additional tax revenues for the District, as grants are not permanent nor reliable, participation fees are reliant upon patrons attendance, and expenses continue to rise. The board has identified the first step in this process to be a feasibility study but more than that Staff recommends adding a component to include a planning piece to this element. Working with a firm to plan potential activities that the District can undertake to generate some revenue and the feasibility of each of those steps, this may or may not include a survey depending on advisement of firm of the need to identify amount the District can pursue and reasonably be successful. Staff understands the main goals of the Board is to gain some insight and reassurance before investing completely in any one activity. Staff has also identified that education and information will be integral to the Board and to educating the community as we move forward.

This is a formal resolution to a directive the Board has already given, which would authorize the Executive Director to collect proposals, review via committee, and present a recommendation to the Board for approval for a planning and feasibility phase of a multiphased effort to generate more revenue for the District. This effort will not exceed $25,000.

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| Amendments or Notes: |  |
| Motion: |  |
| Second: |  |
| Yeses |  |
| Noes |  |
| Abstention, Vacancy, Absent |  |

Directives to Staff:

# Miscellaneous

# Closed Session:

# Annual Review of Executive Director

Item for clarification prior to official action.

See attachments in Board Packet:

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| Reportable Action: |  |
| Motion: |  |
| Second: |  |
| Yeses |  |
| Noes |  |
| Abstention, Vacancy, Absent |  |

### Items to be added to March 2024 Agenda

LAFCO Municipal Services Review

Audit & RFP for Audit Services Next 3 biennial Cycles (FyE 2024 & 25, FYE 2026 & 2027, and FYE 2028 & 2029)

 Committees to Consider

* + 1. Budget
		2. Executive Review
		3. City of Soledad Subcommittee
		4. SUSD Subcommittee
		5. Fee Review
		6. Program Development
		7. Public Townhall
		8. Community Task Force

Updates to County/City Appointments

RFP for Audit Services Next 3 biennial Cycles (FyE 2024 & 25, FYE 2026 & 2027, and FYE 2028 & 2029)

Outstanding Items of Concern in Relationship with the City:

* + - 1. Upcoming LAFCO MSR
			2. Long-Term MOU for Softball Field Connex Boxes.
			3. Field Rental Process & fees
			4. Developer Fees- Potential, Park Solutions for new developments
			5. Utility Billing Classification follow-up
			6. Inclusion in the Parks and Recreation Master Plan
			7. Potential Reconvene of Sub-Committee

# Adjournment

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| --- | --- |
| Amendments or Notes: |  |
| Motion: |  |
| Second: |  |
| Yeses |  |
| Noes |  |
| Abstention, Vacancy, Absent |  |