

Approve the Minutes of the April 2025 Regular Board & Committee Meetings

4.1 Accept Financial Activity

- a. Summary Financial Statement of Activity YTD April 2025
- b. Received Budget to Actual Department Reports for YTD April 2025
- c. Receive the Program Revenue and Refund Report for April 2025
- d. Receive Revolving Fund Report for April 2025
- e. Receive the Payroll Report for April 2025
- f. Receive Claims for April 2025
- g. Receive Parks, Recreation, Facility Rentals, and Security Report April 2025
- h. General Manager's Monthly Update (under separate cover)

Secretary Stricklin made the motion to accept the consent agenda; Director Fischer seconded the motion. The motion passed with a vote of 3-0-0-2 (Ayes, Noes, Abstain, Absent)

5. PRESENTATIONS

None.

6. DISCUSSION AND DIRECTION ITEMS (Motion or Approval Required)

The Board will review and discuss taking appropriate action on the following matters:

6.1 Adopt a Resolution Authorizing the Issuance and Sale of General Obligation Bonds (GO Bonds), Election of 2024, Series A, and Approving Related Documents and Actions With Respect Thereto

GM Ballus introduced the District's Bond advisor Jon Isom to explain the next steps for the issuance and sale of the GO Bonds. Mr. Isom provided a summary of the results of the Measure Q from the November 2024 elections followed by a brief overview of GO Bonds and how GO Bonds issuances are calculated. Mr. Isom educated the Board on the next steps of setting up, preparing, and selling the bonds, which includes 1). legal documents - structure and disclosure of the bond financing, 2). preparing the bonds - ratings and insurance, and 3). selling the bonds - method of sale. Mr. Isom described the details and working within each category listed above.

Public Comments:

Larry Bain, who is the District's independent auditor asked if there is a reserve requirement on the Bonds. Mr. Isom indicated that there are no reserve requirements.

Mr. Bain asked the about the use of funds on the assessments – is it only for the use of bond and debt service or can it be used for the maintenance for the debt service of the bonds. Mr. Isom stated that there are two separate items: the District's use of funds that are deposited into the accounts are limited to capital items, and the debt service funds which the District does not have access to since these funds are held by the County and the paying agents use those funds to pay off the bonds.

Mr. Bain asked about the timeframe the District must use before an arbitrage issue is triggered. Mr. Isom stated that per the IRS, the GO requires that the money be spent within a 5-year period, with most funds spent within three years. Within the first six months five percent is be used or committed, then eighty percent is to be used or committed over the next two and half years. Eighty-five percent of the bonds would be used within the first three years, and the remaining fifteen percent would need to be committed within the final two years.

Discussions:

Vice Chair Seaman asked if the Funds can be used to pay-off existing debt on real estate? The District has approximately \$902,00 in long term debt that can be paid off using the bond funds, which would provide financial flexibility with the annual saving on the debt service of the loan.

Resident Steven Rice asked about the timing of paying off the existing debt. Mr. Isom stated that it depends on the needs of the District and the permissibility would depend on factors such as the type of debt that exists.

Director Fischer asked if the District identifies the use of Series A, and can the District make an advance on Series B ahead of 2027 issuance date. Mr. Isom indicated "yes."

Director Lavalley made the motion to authorize the Issuance and Sale of the GO Bonds, Election of 2024, Series A; Secretary Stricklin seconded the motion. The motion passed with a vote of 4-0-0-1.

6.2 Approve the District's 2023/24 Financial Audit.

Larry Bain, CPA the District's independent auditor, presented the 2023/24 Financial Audit. Mr. Bain stated the District received an unqualified (clean) opinion, which is what the District should expect and received for the 2023/24 Financial Statements. Mr. Bain explained the various statements provided in the audited financials. Mr. Bain indicated the Audited Financial Statements present a long-term view of the financials. He indicated that nothing unusual exists but noted that in 2025, compensated absences will need to be recorded in long-term liabilities pursuant to the Governmental Accounting Standards Board (GASB), via issuance of GASB Statement 101, which requires compensated absences such vacation and sick pay be accounted for in the financial statements.

Mr. Bain discussed the section on Fund Financial Statements, which are prepared under the modified accrual basis which does not include long-term assets and liabilities, such as capital assets and long-term debt. Mr. Bain pointed out the General Fund had a cash balance of \$816,000, which is about 27 percent of the annual expenditure, and suggested this is not a strong cash balance. Mr. Bain suggested that the cash balance continued to be closely monitored. He further indicated that the operating results show a decrease in the fund balance of \$337,000.

Public Comments:

No public comments were made.

GM Ballus clarified for the Board that even though the District paid the two claims from the Sheriff's Office of approximately \$525,000 in the current year, part of those costs is included in the 2024 audit because they are 2024 charges. Mr. Bain stated that the liability is reflected in the 2024 audit even though it was paid in the current fiscal year.

GM Ballus asked about ERAF, and Mr. Bain stated the for Fiscal Year 2024, the ERAF payment was approximately \$766,000, and since its inception in 1991, the accumulated payout is over \$14 million. The ERAF disclosure is noted on page 31 of the Financial Statements.

Secretary Stricklin made the motion to accept the 2023-24 financial audit, and Director Fischer seconded the motion. The motion passed with a vote of 4-0-0-1.

6.3 Adopt Resolutions for Fund and Assessments Budget Adjustments.

A shortfall in the current budget requires allocating reserve funds into general and assessment funds.

The board considered adopting resolutions to amend the year-end operating budgets for the Fiscal Year Ending June 30, 2025, for the following Funds: General Fund 342A, Assessment #1 Fund 396A, and Assessment #2 Fund 396B. These budget adjustments are necessary to address unexpected shortfalls, for the following expense items:

- General Fund 342A:
 - Increase: Legal Fees from \$59,500 to \$150,000, an increase of \$90,500 due to operational issues with the Park Police Department and the influx of public records requests.
 - Increase: Other Professional Fees rose due to unbudgeted Voter Registration expenses totaling \$38,000.
- Assessment #1 Fund 396A:
 - Increase in electricity expense from \$59,000 to \$85,595, an increase of \$26,595
 - Increase in water expenses from \$163,800 to \$202,546, an increase of \$38,746
- Assessment #2 Fund 396B:
 - Increase in Land Improvement Management Services from \$146,625, to \$181,149, an increase of \$34,524. The increase is a result of an oversight identified in the original budget projections.

Public Comments:

No public comments were made.

Discussions:

Director Lavalley made the motion to approve the three resolutions to amend the budget; Secretary Stricklin seconded the motion. The motion passed with a vote of 4-0-0-1.

7. INFORMATIONAL ITEMS (No Action Required)

7.1 Staff Report: Disposal of Surplus Items from the Park Safety Department

GM Ballus stated that while a resolution or vote is not required regarding the surplus items Beth Johnson will present a staff report on the surplus items from the park safety department to date. Staff Director Johnson summarized the status of the surplus of the surplus items from the closure of the Police Department. She indicated that the lease of the McClellan property was terminated on April 30, 2025, and staff were able to remove all the equipment.

Staff Director Johnson stated that the largest surplus items were department vehicles. Many of the cars were donated to the department by other agencies and do not carry a high cash value, so these items were disposed of as follows:

- Two vehicles were repurposed to FECRPD.
- 2 ATVs were repurposed to the Maintenance department
- Three vehicles were donated to the Butte College Police Academy, which serves three different law enforcement agencies
- 2 Crown Victoria police vehicles went to the Val Verde Unified School District Police Department in San Bernardino
- The Ford Explorer was donated to the Cal Maritime Police Department
- Three older vehicles were donated to Cars for Kids
- Four vehicles were sent to auction and two were sold
- Other items such as lockers were given to our District for use at Cottage Pool and another locker was donated to State Parks, which shared the office space at McClellan.

Staff Director Johnson indicated that she is working on the armory which is currently being secured and stored at Twin Rivers as FEC lacks the required secure space for storage. Radios still need to be decommissioned and reprogrammed. Tasers cannot be repurposed, so staff are looking for appropriate disposal methods.

Director Lavallee indicated that as FEC was the beneficiary of those donated items it is only appropriate to now donate them to other agencies. Director Lavallee thanked staff director Johnson for her help and hard work. Secretary Stricklin also expressed her support for handling donations of assets from the parks safety department. Director Fischer indicated that as the District now has a communications consultant, staff should let the public know about the donations via social media, or other means.

7.2 Staff Report: Unity Fair on May 17, 2025

Manager Jaden Delfer gave an update on the Unity Fair work with Supervisor Rich Desmond and other personnel from the County of Sacramento and suggested that it was leading to a successful event. The event will include free food for the first five hundred attendees. There will be over thirty-eight resource booths, several vendor booths, three health booths, a health clinic in the hall for vaccinations, and a parked clinic van, as well. Mr. Delfer indicated that the group expected between 500 to 1,200 people to attend.

8. CORRESPONDENCE/ANNOUNCEMENTS

- a. Letter of Opposition to Senate Bill 315, Grayson – Quimby Act
- b. Letter of Support for Senate Bill 499, Residential Projects, fees, and charges; emergency services
- c. Letter of Support Senate Bill 496, Hurtado – Advanced Clean Fleets
- d. Unity Fair and Celebration Flyer

Vice Chair Seaman gave a summary of the letters a thru c above.

9. COMMITTEE REPORTS

- a. Personnel and Finance – Chair, Director Lavallee – Director Lavallee gave an update from the meeting held on Monday, May 12, 2025, and discussed the Budget Adjustment brought to the Board today for approval and reviewed the April YTD Financials.
- b. Programs, Facilities and Projects – Chair, Director Seaman – Did not meet.
- c. Community Relations – Chair, Secretary Stricklin – Secretary Stricklin provided an update from the tour of our parks for the benefit for our new Director Fischer and mentioned the Group will be touring the Marconi Ave on Tuesday, May 20, 2025. Director Fischer stated he appreciated the tour and looks forward to meeting next week for the tour of the property available for sale on Marconi Ave.

10. FUTURE AGENDA ITEMS/MATTERS INITIATED/ANNOUNCEMENTS BY THE DIRECTORS

Director Lavallee did not have any announcements or updates.

Secretary Stricklin stated that the District has not thanked our residents for approving the Bond Measure and it has been seven months since the election. She would like to get a Banner placed in our parks thanking our residents. Secretary Stricklin would like to have on the agenda for next month's meeting on how to secure our parks. Secretary Stricklin asked about solar in our parks and GM Ballus stated that we will be addressed this item using Bond funds.

Vice Chair Seaman stated that he is looking forward to the CARPD Conference next week, which Chris Fischer and GM Ballus will be attending. Vice Chair

Seaman made comments about the passage of our Measure Q and discussed the trust that has been built within the community. Vice Chair Seaman would like to have the Bond Oversight Committee provide the Board input on strategy on where the public would like to have things done at our parks. Vice Chair Seaman indicated that he was concerned about the Creekside Nature Area being mowed.

Director Lavallee stated that this topic should be agendized rather than in directors' comments. The District's attorney Jeni Buckman concurred and indicated that agendizing the matter would be the appropriate method to address the issue.

11. FUTURE AGENDA ITEMS/MATTERS INITIATED/ANNOUNCEMENTS BY THE GENERAL MANAGER

GM Ballus indicated that Twin Rivers is installing a fence in Babcock Park to separate the school from the park. That construction should take place between May 5, 2025, and July 30, 2025. Once the fence is installed, GM Ballus is hopeful that between Twin Rivers and the City, all parties would agree to reopen the Park.

GM Ballus stated that the District received the advance from the State Parks for the Bohemian Project of \$510,000. GM Ballus stated that the Bond Oversight Committee met, and Steven Rice was named Chair. GM Ballus stated that she will be presenting on the District to the Sacramento Breakfast Optimist Club on May 28, 2025.

GM Ballus stated that we applied again for a house appropriation through Congressman Bera as staff was advised that none of the 2025 appropriations were granted. GM Ballus also reported that the pool pump was stolen from Cottage Park pool.

GM Ballus requested that the Board consider continuing the board meeting to discuss the survey results when they come in. Vice Chair Seaman would like to address the survey at next month's scheduled meeting. GM Ballus advised the Board that Chair Higgins requested the meeting be continued to help expedite the decision on the community center at Bohemian Park. After some discussions, the Board agreed to meet on Friday, May 30, at 6:30pm.

12. ADJOURNMENT

Vice Chair Seaman announced that the meeting will be continued on Friday, May 30, 2025, to discuss the results of the survey and to discuss the Bohemian project. The meeting was adjourned at 8:50pm, and will be continued on May 30, 2025, at 6:30pm.

Respectfully submitted by: Mike Chahal, Director of Finance and Administration / Clerk of the Board.

APPROVED: _____
Michael Seaman, Vice Chair, Board of Directors

ATTEST: _____
Kathleen Stricklin, Secretary, Board of Director