

**HONEY LAKE VALLEY RECREATION AUTHORITY
GOVERNING BOARD MEETING
Regular Meeting Minutes
February 21, 2017 – *2:00 p.m.*
City Council Chambers 66 North Lassen Street Susanville CA 96130**

Meeting was called to order at 2:01 p.m. by President Wilson.

Roll Call of Board of Directors present: Dave Meserve, Tom Hammond, David Teeter, Kathie Garnier and Brian Wilson.

Staff Present: Jared G. Hancock, Executive Officer and Heidi Whitlock, Project Manager/Secretary.

APPROVAL OF AGENDA: Motion by Vice President Garnier, second by Board member Meserve, to approve the agenda with the only change of moving the closed session item to the end of the meeting. Motion carried unanimously.

2 **PUBLIC COMMENT ON CLOSED SESSION ITEMS (if any):** None.

3 **CLOSED SESSION:** Item moved to the end of the meeting.

5 **APPROVAL OF MINUTES:**

Motion by Board member Hammond, second by Vice President Garnier, to approve minutes from January 31, 2017 meeting. Motion carried unanimously.

6 **CORRESPONDENCE:** None.

7 **PUBLIC COMMENT:** None.

8 **MATTERS FOR BOARD CONSIDERATION:**

8A **Financial Reports through February 10, 2017**

Mr. Hancock presented the financial reports and stated that Ms. Wemple was present in case the Board had questions. He continued that the reports are in the same format as in the past and they include the transactions through February 10, 2017. He continued that the budget status, which is more like an income statement shows items as originally budgeted, the charges to the items as well as the unspent amount. The expenditure detail was discussed and how it shows the actual line items as inputted from the original budget. He added that the general ledger, detail ledger and revenue status were also included for review.

President Wilson requested comments from the Board then the audience. No comments were given.

8B **Review and Approval of City staff Reimbursement request**

Mr. Hancock stated that the attached invoice was for City staff time reimbursements through December 31, 2016.

Motion by Board member Hammond, second by Board member Meserve, to approve the City staff time reimbursement. Motion carried unanimously.

8C **Mid-Year Budget Review and Budget Amendment Adoption**

Mr. Hancock stated that a lot of discussion has occurred on this item. He continued that the budget is tight from now until the new fiscal year begins on July 1st, primarily due to costs associated with the completion of construction and

furnishing the facility. Discussion previously occurred with the Board on not including the projected gate fee income and those amounts have now been removed from the base budget. He stated that there was also discussion on the expense line items themselves and what they represented. Staff has been working with the budget numbers to create a break even budget without relying on usage fees. Attached is the previously approved 2016/2017 budget as well as the revised budget. He then stated that once the line items are approved, they will be presented to the County to be reapportioned into the County line item structure. To review, there are no revenues in the top section and a \$901.00 budget surplus, with an \$8,000 contingency fund. In summary, Mr. Hancock stated the revenues are only the contributions from both agencies, the pennies for the pool monies and fund balance from the previous year. The pennies for the pool money has been allocated in the revised budget to a particular line item in fixed assets, which includes the lane line, lane line covers and the reels.

Mr. Hancock continued that there are multiple items which still need to be purchased such as the office supplies (paper goods, business cards and front office supplies), fixtures, office furniture, lockers and equipment, computer etc...

Vice President Garnier stated that the reduction in the furniture and fixtures line item is rather large and Mr. Hancock added that staff has continued to research option and find better pricing.

President Wilson inquired as to whether or not that included the cost of cabinets, the cabinets along the top wall.

Mr. Hancock had Heidi Whitlock retrieve the list of pending items with associated costs.

President Wilson asked if anything was taken out or is it because costs are being found cheaper.

Mr. Hancock stated that staff is finding cheaper options for desks, cabinets etc... for the same items.

Vice President Garnier stated that she noticed the equipment cost being split between two line items now resulting in an increase in cost.

Mr. Hancock responded that a big portion of the line item was for outside furnishings and equipment which includes life guarding equipment and things of that nature.

Vice President Garnier asked where the savings are.

Mr. Hancock responded that administrative costs are slightly lower as well as some other lines. He continued that we are also including a contingency item just in case there is something else that comes up that we are not anticipating.

President Wilson inquired about the electrical cost for the sign and if it was included in the sign price.

Mr. Hancock responded that the cost was allocated to the landscaping budget.

Mr. Hancock continued that the bathhouse was still in need of a desk, printer, phone, POS system, supplies, life-saving supplies, miscellaneous tools and the bathrooms still needed lockers.

Mr. Hancock discussed the professional services line item, publications, special departmental expenses and land. He continued that Modern Building was fully covered in this budget, landscaping is estimated at \$21,000, pool equipment estimated at \$32,000 as well as an additional \$26,300 from the Pennies for the Pool account for equipment. He stated the discussions have also started between staff and the City for utility rates and insurance rates have been prorated for this year. He added that the one item that is not reflected on the budget is a \$6,000 allowance that Lassen Municipal Utility District (LMUD) is providing which we be reflected in the actual billing.

Vice President Garnier requested if that is why the budget was \$6,000 less. Mr. Hancock replied no, the budget is very tight and staff wanted there to be a contingency in case there was something unforeseen. However, any revenue taken in would cushion that amount.

Board member Teeter asked if any revenue that would be collected this year would go on this fiscal year or next.

Mr. Hancock responded that each year, at least for the City, and mid-year, an amendment could be done for the budget. He added that we want to ensure that the expenses are accurate and the line items are not exceeded. He continued that they follow GASB rules and, even if revenues are not budgeted originally, an amendment can be done to decide how to expense the revenue out.

Board member Meserve stated that a portion of the seasonal passes should be prorated back to this fiscal year.

Mr. Hancock agreed and stated that is what the City does with golf course seasonal memberships as well.

President Wilson inquired as to who approved the LMUD discount and if a letter of appreciation could be sent to them. He also inquired as to when the insurance item would increase due to being open.

Mr. Hancock replied that a letter could be prepared and that Modern is still in possession of the site. Once they sign it over to the HLVRA, we will be reporting the change to the insurance agency. However, this fiscal year's amount if prorated and will not change.

President Wilson inquired as to whether or not the item needed to have a motion?

Mr. Hancock responded that he was expecting more comment on the budget but the Board can make a motion to approve the budget as it is and bring it back at the next meeting with a resolution.

Motion by Vice President Garnier, second by Board member Hammond, to approve the revised 2016/2017 fiscal year budget.

9 BOARD MEMBER ISSUES/REPORTS:

Discussion on the date of the next meeting occurred and it was determined that the next meeting was to be held on March 21, 2017.

At 2:32 p.m., President Wilson requested a five minute recess before closed session began.

At 2:37 p.m. the Board went into closed session.

3 CLOSED:

4 RETURN TO OPEN SESSION:

The Board reconvened at 3:25 p.m. and the Board gave direction with no reportable action taken.

ADJOURNMENT: Meeting adjourned at 3:26 p.m.



Brian R. Wilson, President

Respectfully Submitted by:



Heidi Whitlock, Project Manager/Secretary

Approved on April 18, 2017