

**AUBURN AREA RECREATION AND PARK DISTRICT  
MEETING OF THE BOARD OF DIRECTORS AGENDA**

**6:00 PM**

**THURSDAY, JULY 29, 2021  
CANYON VIEW COMMUNITY CENTER, BOARD ROOM  
471 MAIDU DRIVE, AUBURN, CA 95603**

Materials related to an item on this Agenda submitted to the District after distribution of the agenda packet are available for public inspection by contacting the District Administrator at [kmuscott@auburnrec.com](mailto:kmuscott@auburnrec.com) or by calling (530) 537-2186 (M-F).

The public may participate in the meeting in-person or through Zoom. The link for this meeting is <https://us06web.zoom.us/j/84057088738>. The public can use this link and/or call 1 669 900 6833 Webinar ID: 840 5708 8738 to participate.

People using the Zoom website will be able to see and hear the Board, and the Board will be able to hear the public. The Board will not receive any visual/video from the public. This is done to avoid inappropriate visual content at the meeting.

Questions and comments can be sent via email to the District Administrator no later than one hour before the meeting. These emails will be read aloud at the meeting and responded to accordingly. Emails can be sent during the meeting, and staff will work to ensure that all are read, however the best way to have your comment heard is through the Zoom meeting or the associated phone number.

If you are a person with a disability and need an accommodation to participate in the District's programs, services, activities and meetings, contact Kahl Muscott at (530) 537-2186 or [kmuscott@auburnrec.com](mailto:kmuscott@auburnrec.com) at least 48 hours in advance to request an auxiliary aid or accommodation.

**1.0 CALL TO ORDER**

**(PLEDGE TO THE FLAG)**

The Board of Directors of the Auburn Area Recreation and Park District welcomes you to its meetings. Regular meetings are scheduled at 6 p.m. the last Thursday of each month. The November and December Board meetings will be scheduled in consideration of recognized holidays. Your attendance and interest is encouraged and appreciated. Special accommodations may be made upon request to the District Administrator 72 hours in advance of the meeting.

**Roll Call**

Ainsleigh \_\_\_\_ Lynch \_\_\_\_ Ferris \_\_\_\_ Gray \_\_\_\_ Holbrook \_\_\_\_

**2.0 INTRODUCTIONS, PRESENTATIONS AND ANNOUNCEMENTS**

Presentation from Facilities & Grounds Manager Jesse Williams to Facilities & Grounds Senior Park Worker/Pool Operator Vincent Lopez Garcia as employee of the month for July, 2021.

Presentation from Sports Coordinator Jerry Fisher to ARD Summer Youth Volleyball Volunteer Coaches Derek Boyes, Kara Diederichs, Dave Smiley, Jane Marie Newton, Tyler Linton, Alex Melendez, Jeff LaShell, Lisa Whittet and Garen Bagdasarian.

**3.0 AGENDA REVIEW, CHANGES, AND APPROVAL**

Motion by \_\_\_\_\_ Second by \_\_\_\_\_ to \_\_\_\_\_

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Ainsleigh \_\_\_\_\_ Lynch \_\_\_\_\_ Ferris \_\_\_\_\_ Gray \_\_\_\_\_ Holbrook \_\_\_\_\_

**Roll Call Vote**

**4.0 PUBLIC COMMENT** – This is the time wherein any person may comment on any item not on the agenda within the subject matter jurisdiction of the Board of Directors. If you have a public comment, please use the “Raise your hand” feature through Zoom. You will be un-muted after you are recognized by the Board Chairperson. People only calling in should press #9 to telephonically raise your hand. Please state your name, and address for the record (optional). There is a time limitation of three minutes.

**5.0 CONSENT ITEMS** – (roll call vote). All matters listed under the Consent Calendar are to be considered routine by the Board of Directors and will be enacted by one motion in the form listed. There will be no separate discussion of these items unless, before the Board votes on the motion to adopt, a member or members of the Board, staff or the public requests a specific item to be removed from the Consent Calendar for separate discussion and action.

\_\_\_\_\_ **5.1 Review and approval of Minutes of the Board of Directors from June 24, 2021 (Pages 6 – 11)**

Review and approval of Minutes of the Board of Directors from June 24, 2021

\_\_\_\_\_ **5.2 Review of Cash Requirements for June, 2021 (Standing Finance Committee) (Pages 12 – 15)**

This item was reviewed and approved by the Standing Finance Committee and forwarded to the Consent Calendar for review and approval.

\_\_\_\_\_ **5.3 Review of Financials for May, 2021 (Standing Finance Committee) (Pages 16 -22)**

This item was reviewed and approved by the Standing Finance Committee and forwarded to the Consent Calendar for review and approval.

\_\_\_\_\_ **5.4 Review of Financials for June, 2021 (Standing Finance Committee) (Pages 23 – 29)**

This item was reviewed and approved by the Standing Finance Committee and forwarded to the Consent Calendar for review and approval.

\_\_\_\_\_ **5.5 COLA for Recreation Services Manager Job Description (Program, Personnel, Policy, Fee & Legal Review Committee) (Page 30)**

This item was reviewed and approved by the Program, Personnel, Policy, Fee & Legal Review Committee and forwarded to the Consent Calendar for review and approval.

Motion by \_\_\_\_\_ second by \_\_\_\_\_ to \_\_\_\_\_

\_\_\_\_\_

Ainsleigh \_\_\_\_\_ Lynch \_\_\_\_\_ Ferris \_\_\_\_\_ Gray \_\_\_\_\_ Holbrook \_\_\_\_\_

**Roll Call Vote**

**6.0 ADMINISTRATOR’S AND DEPARTMENTAL REPORTS (Pages 31 – 50)**

Please see board reports, vandalism reports, and project activity report under item 6.0.

\_\_\_\_\_ **7.0 UNFINISHED BUSINESS**

None.

\_\_\_\_\_ **8.0 NEW BUSINESS**

\_\_\_\_\_ **8.1 Annual Audit for Fiscal Year 2020/2021 (Standing Finance Committee) (Pages 51 – 105)**

Shall the Auburn Area Recreation and Park District (ARD) approve and adopt the Annual Audit for Fiscal Year 2020/2021?

Motion by \_\_\_\_\_ second by \_\_\_\_\_ to \_\_\_\_\_

\_\_\_\_\_

Ainsleigh \_\_\_\_\_ Lynch \_\_\_\_\_ Ferris \_\_\_\_\_ Gray \_\_\_\_\_ Holbrook \_\_\_\_\_

**Roll Call Vote**

\_\_\_\_\_ **8.2 Placer County Auditor-Controller Memo of Understanding (MOU) (Standing Finance Committee) (Pages 106 – 108)**

Shall the Auburn Area Recreation and Park District (ARD) enter into a Memorandum of Understanding (MOU) with the Placer County Auditor-Controller for services provided?

Motion by \_\_\_\_\_ second by \_\_\_\_\_ to \_\_\_\_\_

\_\_\_\_\_

Ainsleigh \_\_\_\_\_ Lynch \_\_\_\_\_ Ferris \_\_\_\_\_ Gray \_\_\_\_\_ Holbrook \_\_\_\_\_

**Roll Call Vote**

\_\_\_\_\_ **8.3 Columbus Day Swap (Program, Personnel, Policy, Fee & Legal Review Committee) (Pages 109 – 110)**

Shall the Auburn Area Recreation and Park District (ARD) swap the Columbus Day holiday for another holiday?

Motion by \_\_\_\_\_ second by \_\_\_\_\_ to \_\_\_\_\_

\_\_\_\_\_

Ainsleigh \_\_\_\_\_ Lynch \_\_\_\_\_ Ferris \_\_\_\_\_ Gray \_\_\_\_\_ Holbrook \_\_\_\_\_

**Roll Call Vote**

\_\_\_\_\_ **9.0 ITEMS FOR DISCUSSION AND INFORMATIONAL ITEMS**

1. Curt Smith memorial bench at the Auburn Bike Park. (Page 111)
2. Rescheduling the September, 2021 Board of Directors Meeting. (Page 112)
3. County Mitigation Fund, current balance \$792,000.

\_\_\_\_\_ **10.0 BRIEF ANNOUNCEMENTS AND REPORTS FROM BOARD MEMBERS**

No action will be taken at this time on any item announced or reported by a Board Member. The Board or a member of the Board may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter so reported, or take action to direct staff to place a matter of business on a future agenda.

\_\_\_\_\_ **11.0 CORRESPONDENCE/COMMUNICATIONS AND INFORMATIONAL (Pages 113 – 114)**

Correspondence to the Auburn Area Recreation and Park District from Albie Aware Breast Cancer Foundation.

\_\_\_\_\_ **12.0 PUBLIC COMMENT** – This is the time wherein any person may comment on any item not on the agenda within the subject matter jurisdiction of the Board of Directors. If you have a public comment, please use the “Raise your hand” feature through Zoom. You will be unmuted after you are recognized by the Board Chairperson. People only calling in should press #9 to telephonically raise your hand. Please state your name, and address for the record (optional). There is a time limitation of three minutes.

\_\_\_\_\_ **13.0 CLOSED SESSION**

**13.1 Public Employee Performance Evaluation (Gov Code 54954.5, subd. (e), 54947.)**

**Title: District Administrator**

\_\_\_\_\_ **14.0 OPEN SESSION – REPORT/ACTION ON OR ABOUT CLOSED SESSION**

**ADJOURNMENT**

**AUBURN AREA RECREATION AND PARK DISTRICT**  
This agenda is hereby certified to have been posted as follows:

7-20-21  
Date

11:10 AM  
Time

*P. Larson*  
Clerk to the Board



**SECTION: 5.0**

**ITEM: 5.1 REVIEW AND APPROVAL OF MINUTES OF THE BOARD OF DIRECTORS FROM JUNE 24, 2021**

**INFORMATION: SEE ATTACHED MINUTES**

**STAFF RECOMMENDATION: BOARD OF DIRECTORS REVIEW & APPROVE MINUTES**

**FISCAL IMPACT: NONE**

**Auburn Area Recreation and Park District  
Minutes of the Meeting of the Board of Directors  
Thursday, June 24, 2021, 6:00 p.m.**

**Board Members**

**Present:** Chairman H. Gordon Ainsleigh  
Director Mike Lynch  
Director Jim Gray  
Director Scott Holbrook

**Board Members  
Absent:** Director Jim Ferris

**Staff Present:** Kahl Muscott, District Administrator  
Veona Galbraith, Administrative Services Manager  
Jesse Williams, Facilities & Grounds Manager  
Manouch Shirvanioun, Customer Service/Marketing Manager  
Mark Brunner, Recreation/Youth Services Manager  
Amy Oddo, Youth Services Manager  
Mike Scheele, Landscape Architect/Project Manager  
Pat Larson, Recording Secretary

**1.0 CALL TO ORDER**

The Meeting of the Board of Directors was called to order at 6:02 p.m. by Chairman Ainsleigh.

**2.0 INTRODUCTIONS, PRESENTATIONS AND ANNOUNCEMENTS**

A presentation was given from Board Member Scott Holbrook and District Administrator Kahl Muscott to Artist Stan Padilla for painting art murals at Regional Park.

**3.0 AGENDA REVIEW, CHANGES AND APPROVAL**

A motion was made by Director Holbrook and seconded by Director Lynch to approve the agenda as written.

**Roll Call Vote**

Director Ainsleigh – Yes  
Director Lynch – Yes  
Director Ferris – Absent  
Director Gray – Yes  
Director Holbrook – Yes

4 – 0 Motion carries.



#### **4.0 PUBLIC COMMENT**

As a member of the public, Gordon Ainsleigh gave public comment that Phase III clinical trials aren't foolproof. He thanked people for taking part in clinical trials.

#### **5.0 CONSENT ITEMS**

- 5.1 Review and Approval of Minutes of the Board of Directors Meeting from May 27, 2021 and Special Meeting of the Board of Directors from June 8, 2021**
- 5.2 Review of Cash Requirements for May, 2021 (Standing Finance Committee)**
- 5.3 Review of Financials for April, 2021 (Standing Finance Committee)**
- 5.4 Resolution Number 2021-14, Delegation of Authority to Request Disbursements from the California Employer's Pension Prefunding Trust (CEPPT) (Program, Personnel, Policy, Fee & Legal Review Committee)**

A motion was made by Director Holbrook and seconded by Director Gray to approve the Consent Calendar as written.

#### **Roll Call Vote**

Director Ainsleigh – Yes  
Director Lynch – Yes  
Director Ferris – Absent  
Director Gray – Yes  
Director Holbrook – Yes

4 – 0 Motion carries.

#### **6.0 ADMINISTRATOR'S AND DEPARTMENTAL REPORTS**

Board reports, fee waiver log, and project activity report were provided to the Board under separate cover.

**7.0 UNFINISHED BUSINESS**

**7.1 Resolution Number 2021-12, A Resolution of the Board of Directors of the Auburn Area Recreation and Park District, Approving Engineer’s Report, Confirming Diagram and Assessment and Ordering Levy of Assessment for Fiscal Year 2021 – 2022 for the Atwood Ranch III Landscaping & Lighting Assessment District (Acquisition & Development Committee)**

A motion was made by Director Holbrook and seconded by Director Gray to adopt Resolution Number 2021-12, A Resolution of the Board of Directors of the Auburn Area Recreation and Park District, Approving Engineer’s Report, Confirming Diagram and Assessment and Ordering Levy of Assessment for Fiscal Year 2021 – 2022 for the Atwood Ranch III Landscaping & Lighting Assessment District.

**Roll Call Vote**

Director Ainsleigh – Yes  
Director Lynch – Yes  
Director Ferris – Absent  
Director Gray – Yes  
Director Holbrook – Yes

4 – 0 Motion carries.

**7.2 Resolution Number 2021-13 Indemnifying Placer County for Collection of Atwood III Assessments (Acquisition & Development Committee)**

A motion was made by Director Lynch and seconded by Director Ainsleigh to adopt Resolution Number 2021-13 Indemnifying Placer County for Collection of Atwood III Assessments.

**Roll Call Vote**

Director Ainsleigh – Yes  
Director Lynch – Yes  
Director Ferris – Absent  
Director Gray – No  
Director Holbrook – Yes

3 – 1 – 0 Motion carries.

**7.3 California Special District Association (CSDA) Board of Directors Election Ballot – Term 2022 – 2024; Seat A – Sierra Network**

A motion was made by Director Gray and seconded by Director Lynch to vote for Scott Holbrook for the California Special District Association (CSDA) Board of Directors Term 2022 – 2024; Seat A – Sierra Network.

**Roll Call Vote**

Director Ainsleigh – Yes  
Director Lynch – Yes  
Director Ferris – Absent  
Director Gray – Yes  
Director Holbrook – Yes

4 – 0 Motion carries.

**8.0 NEW BUSINESS**

**8.1 Resolution Number 2021-15 Purchase of a new Ventrac Tractor**

A motion was made by Director Gray and seconded by Director Holbrook to adopt Resolution Number 2021-15 authorizing the District Administrator to purchase a new Ventrac Compact Tractor for \$43,227.43.

**Roll Call Vote**

Director Ainsleigh – Yes  
Director Lynch – Yes  
Director Ferris – Absent  
Director Gray – Yes  
Director Holbrook – Yes

4 – 0 Motion carries.

**8.2 Amending 2021/2022 Project List and CIP (Acquisition & Development Committee)**

A motion was made by Director Holbrook and seconded by Director Lynch to approve amending the existing 2021/2022 Project List and Capital Improvement Project List.

**Roll Call Vote**

Director Ainsleigh – Yes  
Director Lynch – Yes  
Director Ferris – Absent  
Director Gray – Yes  
Director Holbrook – Yes

4 - 0 Motion carries.

**9.0 ITEMS FOR DISCUSSION AND INFORMATIONAL ITEMS**

1. Update on Curt Smith memorial bench at the Auburn Bike Park – there was discussion to put a memorial in at Railhead Park across from where Curt Smith lived. This item will be reviewed again at the July 2021 Board meeting with more information provided.
2. County Mitigation Fund, current balance \$792,000.

**10.0 BRIEF ANNOUNCEMENTS AND REPORTS FROM BOARD MEMBERS**

No action will be taken at this time on any item announced or reported by a Board Member. The Board or a member of the Board may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent Meeting concerning any matter so reported, or take action to direct staff to place a matter of business on a future agenda.

It was announced that on August 20, 2021 there will be an event entitled Food Truck Fiesta Meets Party in the Park.

**11.0 CORRESPONDENCE/COMMUNICATIONS AND INFORMATIONAL**

None.

**12.0 PUBLIC COMMENT**

None.

**13.0 CLOSED SESSION – Closed Session began at 7:01 p.m.**

**13.1 Public Employee Performance Evaluation (Gov Code 54954.5, subd. (e), 54947.)**

**Title: District Administrator**

**13.2 Liability Claims (Government Code Section 54954.5, subd. (d), 54956.95)**

**Claimant: Tiffany Ashdown**

**Agency Claimed Against: Auburn Area Recreation and Park District**

**14.0 OPEN SESSION – Open Session began at 7:09 p.m. There was no reportable action.**

**ADJOURNMENT - As there was no further business, the meeting was adjourned at 7:10 p.m. by Chairman Ainsleigh.**

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Board Secretary

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Date

**SECTION: 5.0**

**ITEM: 5.2 REVIEW AND APPROVAL OF CASH  
REQUIREMENTS FOR JUNE, 2021**

**DESCRIPTION: ACCOUNTS PAYABLE**

**INFORMATION: SEE ATTACHED INFORMATION**

**STAFF  
RECOMMENDATION: THIS ITEM WAS REVIEWED BY THE STANDING  
FINANCE COMMITTEE AND FORWARDED TO  
THE CONSENT CALENDAR FOR REVIEW AND  
APPROVAL**

**FISCAL IMPACT: \$512,131.10**

Range:	From:	To:	Check Date:	From:	To:
Check Number:	First:	Last:	Check Date:	From:	To:
Vendor ID:	First:	Last:	Check Date:	From:	To:
Vendor Name:	First:	Last:	Check Date:	From:	To:

Sorted By: Check Number

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Check Type	Check Amount	Amount
21586	1099-16	Skynawks Sports	6/4/2021	COMM 1ST	FNCHK0002757	
21587	1099-216	Gerald Harris	6/4/2021	COMM 1ST	FNCHK0002757	\$1,979.00
21588	1099-343	Saith Petersen	6/4/2021	COMM 1ST	FNCHK0002757	\$278.00
21589	A0048	Auburn Rotary Club	6/4/2021	COMM 1ST	FNCHK0002757	\$1,152.00
21590	A0051	Anderson's Sierra Pipe Co.	6/4/2021	COMM 1ST	FNCHK0002757	\$18.00
21591	A0134	Advanced Integrated Pest Mana	6/4/2021	COMM 1ST	FNCHK0002757	\$151.84
21592	A0139	Auburn Ford	6/4/2021	COMM 1ST	FNCHK0002757	\$150.00
21593	A0149	All Pro Backflow	6/4/2021	COMM 1ST	FNCHK0002757	\$419.33
21594	A1010	Advantage Marketing and Print	6/4/2021	COMM 1ST	FNCHK0002757	\$224.85
21595	B0067	Bill Ballow	6/4/2021	COMM 1ST	FNCHK0002757	\$56.87
21596	B0069	Bedwell Water	6/4/2021	COMM 1ST	FNCHK0002757	\$35.00
21597	C0121	Coie Huber LLP	6/4/2021	COMM 1ST	FNCHK0002757	\$115.50
21598	D0066	De Lage Landen Financial Servi	6/4/2021	COMM 1ST	FNCHK0002757	\$72.00
21599	E0008	Ewing Irrigation Products, Inc	6/4/2021	COMM 1ST	FNCHK0002757	\$332.48
21600	G0096	Garton Tractor	6/4/2021	COMM 1ST	FNCHK0002757	\$1,036.64
21601	H0062	Home Depot Pro	6/4/2021	COMM 1ST	FNCHK0002757	\$1,374.01
21602	H0010	Knorr Systems, Inc.	6/4/2021	COMM 1ST	FNCHK0002757	\$418.83
21603	I0027	Pat Larson	6/4/2021	COMM 1ST	FNCHK0002757	\$1,868.89
21604	L0033	Les Schwab	6/4/2021	COMM 1ST	FNCHK0002757	\$27.55
21605	N0003	Norris Electric, Inc.	6/4/2021	COMM 1ST	FNCHK0002757	\$20.00
21606	N0012	Nevada Irrigation District	6/4/2021	COMM 1ST	FNCHK0002757	\$631.72
21607	N0045	Near U CO2	6/4/2021	COMM 1ST	FNCHK0002757	\$606.01
21608	N0048	Normac, Inc.	6/4/2021	COMM 1ST	FNCHK0002757	\$208.39
21609	P0005	Placer County Water Agency	6/4/2021	COMM 1ST	FNCHK0002757	\$31.65
21610	P0007	Pacific Gas & Electric Company	6/4/2021	COMM 1ST	FNCHK0002757	\$1,138.03
21611	P0021	Perry Cash	6/4/2021	COMM 1ST	FNCHK0002757	\$11,625.58
21612	P0123	PJ&E	6/4/2021	COMM 1ST	FNCHK0002757	\$228.61
21613	P0173	Piehes Auto Parts	6/4/2021	COMM 1ST	FNCHK0002757	\$80.35
21614	S0009	Sierra Saw Sales And Service	6/4/2021	COMM 1ST	FNCHK0002757	\$20.36
21615	S0145	SCP Distributors	6/4/2021	COMM 1ST	FNCHK0002757	\$105.67
21616	S0152	SiteOne Landscape Supply, LLC	6/4/2021	COMM 1ST	FNCHK0002757	\$751.25
21617	T0046	Linda Donnelly	6/4/2021	COMM 1ST	FNCHK0002757	\$725.00
21618	TEMPE	Lori Blachowski	6/4/2021	COMM 1ST	FNCHK0002757	\$911.52
21619	TEMPE	Karey Eppman	6/4/2021	COMM 1ST	FNCHK0002757	\$55.00
21620	TEMPE	Marta Francis	6/4/2021	COMM 1ST	FNCHK0002757	\$55.00
21621	TEMPE	Anna Gibson	6/4/2021	COMM 1ST	FNCHK0002757	\$191.00
21622	TEMPE	Monika Giebitz	6/4/2021	COMM 1ST	FNCHK0002757	\$688.00
21624	W0001	Walker's Office Supplies, Inc.	6/4/2021	COMM 1ST	FNCHK0002757	\$253.00
21625	W0043	West Coast Fire Protection Sys	6/4/2021	COMM 1ST	FNCHK0002757	\$919.52
21626	Y0002	Yuka Lock & Safe	6/4/2021	COMM 1ST	FNCHK0002757	\$193.00
21627	E0027	Eagle Ridge Construction & Rem	6/4/2021	COMM 1ST	FNCHK0002757	\$92.23
21628	A0048	Auburn Rotary Club	6/4/2021	COMM 1ST	FNCHK0002757	\$2,139.00
21629	P0095	Placer County Clerk Recorder	6/9/2021	COMM 1ST	FNCHK0002757	\$19.30
21630	S1007	Stationary Engineers, Local 37	6/9/2021	COMM 1ST	FNCHK0002757	\$2,450.25
21631	A0091	Altara	6/11/2021	COMM 1ST	FNCHK0002757	\$357.73
21632	U0019	US Bank	6/11/2021	COMM 1ST	FNCHK0002757	\$1,222.34
21633	1099-218	Auburn Gymnastics Center	6/15/2021	COMM 1ST	FNCHK0002757	\$11,348.54
21634	1099-256	Healing Pastures, Inc.	6/18/2021	COMM 1ST	FNCHK0002757	\$78.00
21635	1099-269	Deborah Lynn	6/18/2021	COMM 1ST	FNCHK0002757	\$742.50
21636	1099-271	Kalpro Security	6/18/2021	COMM 1ST	FNCHK0002757	\$75.00
21637	1099-291	Isaac Humber	6/18/2021	COMM 1ST	FNCHK0002757	\$1,018.90
21638	1099-296	Juli Land-Mark	6/18/2021	COMM 1ST	FNCHK0002757	\$68.25
21639	1099-313	Alison Lloyd	6/18/2021	COMM 1ST	FNCHK0002757	\$1,650.00
21640	A0001	Recology Auburn Placer	6/18/2021	COMM 1ST	FNCHK0002757	\$1,053.00
21641	A0013	AT&T	6/18/2021	COMM 1ST	FNCHK0002757	\$557.24
21642	A0027	Recology Auburn Placer	6/18/2021	COMM 1ST	FNCHK0002757	\$64.20

\* Vendor Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Amount	Amount
21643	A0044	Ashwin Rotary Club	6/18/2021	COMM 1ST	FNCHK0002762	\$16.50
21644	A0061	Anderson's Sierra Pipe Co.	6/18/2021	COMM 1ST	FNCHK0002762	\$135.57
21645	A0169	ADAT Acct 303817271	6/18/2021	COMM 1ST	FNCHK0002762	\$64.20
21646	A0170	ADAT Acct 088-034-5809-688	6/18/2021	COMM 1ST	FNCHK0002762	\$99.95
21647	A1010	Advantage Marketing and Print	6/18/2021	COMM 1ST	FNCHK0002762	\$125.88
21648	C0061	California Computer Services	6/18/2021	COMM 1ST	FNCHK0002762	\$1,733.63
21649	C0072	CIT Technology Pm. Serv., Inc	6/18/2021	COMM 1ST	FNCHK0002762	\$470.75
21650	C0111	Cal.net	6/18/2021	COMM 1ST	FNCHK0002762	\$66.90
21651	C0113	Cooks Portable Toilets & Septic	6/18/2021	COMM 1ST	FNCHK0002762	\$1,822.63
21652	C0137	Centrica Business Solutions	6/18/2021	COMM 1ST	FNCHK0002762	\$301,561.37
21653	C0038	The Coney Tree Experts	6/18/2021	COMM 1ST	FNCHK0002762	\$4,500.00
21654	C0010	Diamond Pacific	6/18/2021	COMM 1ST	FNCHK0002762	\$33.03
21655	D0015	Department of Social Services	6/18/2021	COMM 1ST	FNCHK0002762	\$484.00
21656	D0016	Dancing Dog Productions	6/18/2021	COMM 1ST	FNCHK0002762	\$1,175.50
21657	D0025	Dawson Oil Company	6/18/2021	COMM 1ST	FNCHK0002762	\$4,211.73
21658	D0077	Driek	6/18/2021	COMM 1ST	FNCHK0002762	\$24,025.00
21659	D0095	Dowden, Pat	6/18/2021	COMM 1ST	FNCHK0002762	\$450.00
21660	F0047	Fuentes Pond Maintenance	6/18/2021	COMM 1ST	FNCHK0002762	\$9,000.11
21661	F0054	Fossil Industries, Inc	6/18/2021	COMM 1ST	FNCHK0002762	\$1,299.00
21662	G0045	GSSA	6/18/2021	COMM 1ST	FNCHK0002762	\$972.40
21663	H0060	HercRentals Inc.	6/18/2021	COMM 1ST	FNCHK0002762	\$1,264.02
21664	K0011	The Permanente Medical Group I	6/18/2021	COMM 1ST	FNCHK0002762	\$130.00
21665	L0033	Les Schwab	6/18/2021	COMM 1ST	FNCHK0002762	\$7.50
21666	L0094	Lincoln Aquatics	6/18/2021	COMM 1ST	FNCHK0002762	\$40.75
21667	M0098	Meadow Vista County Water Dist	6/18/2021	COMM 1ST	FNCHK0002762	\$2,258.13
21668	M0104	Renatta Macintosh	6/18/2021	COMM 1ST	FNCHK0002762	\$40.86
21669	N0093	Norris Electric, Inc.	6/18/2021	COMM 1ST	FNCHK0002762	\$620.84
21670	P0005	Placer County Water Agency	6/18/2021	COMM 1ST	FNCHK0002762	\$5,085.91
21671	P0007	Pacific Gas & Electric Company	6/18/2021	COMM 1ST	FNCHK0002762	\$736.97
21672	P0029	Placer County Environmental He	6/18/2021	COMM 1ST	FNCHK0002762	\$1,502.00
21673	P0056	Pinney Bows Credit Corporatio	6/18/2021	COMM 1ST	FNCHK0002762	\$106.16
21674	Q0033	Quality Automotive	6/18/2021	COMM 1ST	FNCHK0002762	\$253.15
21675	P0065	River City Rentals	6/18/2021	COMM 1ST	FNCHK0002762	\$21.20
21676	S0034	Tratcher Company	6/18/2021	COMM 1ST	FNCHK0002762	\$2,024.35
21677	S0067	Superfast Copy	6/18/2021	COMM 1ST	FNCHK0002762	\$13.56
21678	S0094	Manooh Shirvanian	6/18/2021	COMM 1ST	FNCHK0002762	\$39.27
21679	S0154	Mike Scheele	6/18/2021	COMM 1ST	FNCHK0002762	\$163.84
21680	S1000	State Of California/CDC	6/18/2021	COMM 1ST	FNCHK0002762	\$404.00
21681	S1016	Sterling National Bank	6/18/2021	COMM 1ST	FNCHK0002762	\$73,402.93
21682	T0071	TIAA Commercial Finance, Inc.	6/18/2021	COMM 1ST	FNCHK0002762	\$107.34
21683	T1000	Transamerica Life Insurance	6/18/2021	COMM 1ST	FNCHK0002762	\$448.00
21684	TEMPC	Cascade Gardens	6/18/2021	COMM 1ST	FNCHK0002762	\$700.00
21685	TEMPE	Jennifer Mulloy	6/18/2021	COMM 1ST	FNCHK0002762	\$260.00
21686	U0016	Uptown Signs & Graphics, Inc.	6/18/2021	COMM 1ST	FNCHK0002762	\$34.32
21687	V0007	Verizon Wireless	6/18/2021	COMM 1ST	FNCHK0002762	\$978.02
21688	W0001	Walker's Office Supplies, Inc.	6/18/2021	COMM 1ST	FNCHK0002762	\$2,350.75
21689	W0010	Waxie Sanitary Supply	6/18/2021	COMM 1ST	FNCHK0002762	\$2,727.18
21690	W0044	Wave	6/18/2021	COMM 1ST	FNCHK0002762	\$2,055.05
21691	W0045	Williams, Jesse	6/18/2021	COMM 1ST	FNCHK0002762	\$61.60
21692	A0027	Pecology Auburn Placer	6/25/2021	COMM 1ST	FNCHK0002763	\$691.51
21693	C0120	Capture Technologies	6/25/2021	COMM 1ST	FNCHK0002763	\$1,903.99
21694	H0056	Humana Dental Ins. Co	6/25/2021	COMM 1ST	FNCHK0002763	\$2,095.11
21695	S0145	SOP Distributors	6/25/2021	COMM 1ST	FNCHK0002763	\$932.61
21696	S1007	Stationary Engineers, Local 39	6/25/2021	COMM 1ST	FNCHK0002763	\$338.51
21697	TEMPE	Klarissa Beaton	6/25/2021	COMM 1ST	FNCHK0002763	\$25.00
21698	TEMPC	Emily Colicm	6/25/2021	COMM 1ST	FNCHK0002763	\$25.00
21699	TEMPE	Braden Muzzy	6/25/2021	COMM 1ST	FNCHK0002763	\$25.00
21700	TEMPE	Kyler Panson	6/25/2021	COMM 1ST	FNCHK0002763	\$25.00
21701	TEMPE	Hannah Somers	6/25/2021	COMM 1ST	FNCHK0002763	\$25.00
21702	TEMPE	Celina Williams	6/25/2021	COMM 1ST	FNCHK0002763	\$25.00

\* Vended Checks

Check Number	Vendor ID	Vendor Check Date	Check Date	Checkbook ID	Acct Detail Code	Amount
-----						
Total Checks:	116					
					Total Amount of Checks:	8512,130.17
						=====



**SECTION: 5.0**

**ITEM: 5.3 REVIEW OF FINANCIALS FOR MAY, 2021**

**DESCRIPTION: ACCOUNTS PAYABLE**

**INFORMATION: SEE ATTACHED INFORMATION**

**STAFF**

**RECOMMENDATION: THIS ITEM WAS REVIEWED BY THE STANDING FINANCE COMMITTEE AND FORWARDED TO THE CONSENT CALENDAR FOR REVIEW AND APPROVAL**

**FISCAL IMPACT: NONE**

## May's Financials

### *Revenues –*

- **Programs** are over budget by \$92,000. We budgeted conservatively since opening was an unknown at budget time. It appears to be across the board with Day Camp (\$19,000+), Youth Class (\$14,000+), Swim Lessons (\$11,000+), Youth Sports Camps (\$9,000+) showing the largest variances.
- **Grants** are above budget by \$21,000, received in May which came from PCOE via Government Program funding.
- **Tax Revenues** came in \$97,000 under budget. It is anticipated that the remainder will trickle in by September.

### *Expenses –*

- **Operations & Supplies Expense** are under by \$17,000. These savings were across all accounts, with most of this showing from reduced spending on small equipment in Facilities and Grounds (\$7,000-). I'm sure this department will need to make these purchases as the year progresses.
- **Utilities** are under by \$14,000 largely some bills were paid on the first of June, instead of the end of May.
- **Wages and Benefit Expense** came in under budget by \$47,900. Most of the savings was in Facilities & Grounds (\$23,000-) due to unfilled positions and Youth Services (\$16,000-) due to school schedule changes; bringing back students which cut Discovery Club hours for staff.
- **Fixed Assets** are over by \$32,000 because the pump for Ashford Park was budgeted for the end of last fiscal year, but didn't arrive in time and was ultimately paid in this fiscal year.

**PROFIT & LOSS**  
**21/22 Approved Budget**

	Approved Budget FY 21-20	% Of Total	Mid-Yr Revision FY 20-21	2021 M&EV ACTUALS	Last Yr May Actuals	2021-22 YTD ACTUALS	2021-22 YTD BUDGET	Last Yr YTD ACTUALS
<b>Operating Revenues</b>	1,103,547	14%		130,730	62,905	351,957	259,501	(27,696)
Program Revenue	144,894	2%		13,393	(10,753)	61,012	56,071	(9,509)
Facility Revenue	44,186	1%		4,231	18,016	8,180	6,269	4,140
Misc. Revenue	298,850	4%		19,528	-	21,187	-	455
Grants & Donations	11,815	0%		1,314	4,415	2,201	1,960	6,500
Interest Income	200,300	2%		-	0%	-	-	-
Equipment Reserve Transfers	305,816	4%		-	0%	-	-	-
Future Cap & ADA Transfers	-	0%		-	0%	-	-	-
Contingency Reserves	3,752,499	46%		-	0%	-	-	-
Tax Revenue	30,198	0%		73,363	3,318	1,434,899	1,529,738	1,249,148
Alwood	2,135,500	0%		-	-	10,613	13,589	9,626
Sterling Loan	40,000	0%		-	-	-	-	-
City Mitigation Transfers/Rev	62,000	1%		-	-	-	-	-
County Mitigation Revenue	8,129,605	100.00		242,559	77,901	1,890,049	1,867,128	1,232,664
<b>Total Operating Revenue</b>								
<b>Expenditures</b>								
Program Expense	230,934	3%		7,141	2,513	10,393	13,765	72
Operating & Supplies	442,341	6%		37,652	27,355	56,611	74,216	42,190
Utilities Expense	110,757	1%		1,409	21,272	6,857	21,492	26,817
Professional Services	131,840	2%		5,045	3,101	5,656	13,511	7,014
Building & Grounds Maintenance	475,150	6%		34,925	19,231	44,632	40,783	35,095
Property Tax Admin.	62,087	1%		-	-	-	-	-
Wages	2,265,755	29%		154,249	184,435	268,399	303,018	240,548
Benefits & Payroll Costs	967,250	12%		60,644	70,350	115,008	128,338	136,153
Fixed Asset Expense	203,300	3%		49,116	38,344	49,116	17,000	8,325
Capital Improvement Projects	2,832,166	36%		308,054	10,700	309,949	310,000	39,665
Debt Services	161,126	2%		-	-	-	-	-
<b>Total Expenditures</b>	7,882,706	100.00		658,235	377,301	871,756	927,223	536,479
<b>Net Revenue Over Expenditures</b>	\$ 246,899	3.04	\$ -	\$ (415,676)	(289,400)	\$ 1,018,293	\$ 939,905	\$ 696,185
<b>Annual Contingency Reserve (1-2%)</b>	\$ 90,000					Total	Total	Total
<b>Annual Equip Replacement Reserve</b>	\$ 25,000					\$ 473,000	\$ 450,000	\$ 450,000
<b>Future Capital Construction Reserve</b>	\$ 5,000					\$ 703,959	\$ 676,237	\$ 676,237
<b>ADA Reserve</b>	\$ 113,482					\$ 920,574	\$ 945,574	\$ 945,574
<b>CalPERS unfunded liability reserve</b>						\$ 35,032	\$ 25,032	\$ 25,032
<b>TOTAL RESERVE BALANCES</b>						\$ 113,482	\$ 183,200	\$ 183,200
<b>Net Position</b>	\$ 13,417		\$ -			\$ 2,246,047	\$ 2,210,043	\$ 2,210,043

## Balance Sheet

5/31/2021

	Current YTD
<b>ASSETS</b>	
<u>Current Assets</u>	
Imprest Fund (Petty Cash)	583.03
First Foundation - Friends 501(c)(3)	17,159.64
First Foundation Bank	68,002.86
Placer County Treasure-General	6,151,067.56
Placer County Treasurer - City Trust	206,849.25
Accounts Receivable	90.33
PCOE Receivables	25,988.12
Prepaid Liability Expense	10,106.25
Prepaid Workers Comp Insurance	3,873.11
<b>Total Current Assets</b>	<b>6,483,717.32</b>
<u>Restricted Reserve Funds</u>	
Proceeds from Note Payable Contra	2,190,000.00
<b>Total Restricted Funds</b>	<b>2,190,000.00</b>
<u>Fixed Assets</u>	
Fixed Assets Land	1,970,546.12
Fixed Assets Structures	12,847,426.75
Fixed Assets Equipment	1,308,626.96
Fixed Assets Computer Equipment & Software	84,228.71
Fixed Assets Vehicles	282,551.30
Fixed Assets Office Furniture & Rec Equipment	80,564.16
Construction In Progress	1,479,281.10
Less Accumulated Depreciation	(10,142,295.24)
<b>Total Fixed Assets</b>	<b>7,910,929.86</b>
<b>TOTAL ASSETS</b>	<b>\$16,584,647.18</b>
<b>LIABILITIES AND NET PROFIT</b>	
<u>Current Liabilities</u>	
Prepaid Revenue	37.00
Accounts Payable	3,352.34
PGE Tru-up payable	6,381.27
Retentions Payable	27,089.29
Gift Certificates	268.00
Compensated Absences	140,815.82
Sales Tax Payable	(35.07)
Federal Withholding Payable	(118.69)
State Tax Withholding Payable	(35.61)
Social Security-FICA Payable	(82.54)
State Disability Ins -SDI Pay	(6.47)
Accrued Liabilities	7,866.97
Miscellaneous Deductions	(19.22)
<b>Total Current Liabilities</b>	<b>\$185,513.09</b>
<u>Long Term Liabilities</u>	
Lease Payable - Sterling Bank	2,190,000.00
<b>Total Long Term Liabilities</b>	<b>2,190,000.00</b>
<u>Net Position</u>	
Investments in Fixed Assets	7,898,762.30
RFB: Reserved (City Mitigation)	206,768.25

	Current YTD
GFB Youth Assistance Fund	30,631.84
General Fund Balance	2,872,734.53
DFB Annual Equip Replacement Reserve	613,958.72
DFB Annual Contingency Reserve	473,000.00
DFB Reserved for Future Capital Construction	895,573.52
RFB Arboretum Grant Fund	13,275.73
RFB Reserved (Atwood)	(9,057.92)
RFB Atwood III-Equip Repl Fund	8,003.66
DFB Unfunded Liability - CalPERS	140,000.00
RFB- 501(c)(3) Fund	17,159.84
GFB General Fund (ADA Reserve)	30,031.75
Net Profit (Loss)	1,018,291.87
<b>Total Net Position</b>	<b>\$14,209,134.09</b>
<b>TOTAL LIABILITY AND NET POSITION</b>	<b>\$16,584,647.18</b>

# Auburn Rec & Park

Profit & Loss - Summary  
4/1/2021 To 5/31/2021

For All Segment1s

For All Segment4s

	Current Month	Actual YTD	Budget YTD	Variance	Percent Of Budget
<b>OPERATING REVENUE</b>					
Park & Recreation Services	130,730.36	351,956.79	259,501.00	92,455.79	135.03
Rents & Concessions	13,392.53	61,011.63	56,071.00	4,940.63	108.81
Miscellaneous Revenue	4,230.92	8,179.85	6,269.00	1,910.85	130.48
Grants & Donations	19,528.14	21,186.88	0.00	21,186.88	0.00
Interest Income	1,313.84	2,200.91	1,960.00	240.91	112.29
Taxes Revenue	73,363.20	1,445,512.43	1,543,327.00	(97,814.57)	93.66
<b>TOTAL OPERATING REVENUE</b>	<b>\$242,558.99</b>	<b>\$1,890,048.49</b>	<b>\$1,867,128.00</b>	<b>\$22,920.49</b>	<b>101.23%</b>
<b>OTHER FINANCING SOURCES</b>					
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
<b>TOTAL REVENUES</b>	<b>242,558.99</b>	<b>1,890,048.49</b>	<b>1,867,128.00</b>	<b>22,920.49</b>	<b>101.23</b>
<b>EXPENDITURES</b>					
Program Expenses	7,140.91	10,393.35	13,765.00	(3,371.65)	75.51
Operations & Supplies Expense	37,652.13	56,610.50	74,216.00	(17,605.50)	76.28
Utilities Expense	1,409.16	6,857.06	21,492.00	(14,634.94)	31.91
Legal Expenses	72.00	72.00	2,400.00	(2,328.00)	3.00
Professional Services	4,972.33	5,584.45	11,111.00	(5,526.55)	50.26
Bldg & Grounds Maintenance	34,925.27	44,631.91	40,783.00	3,848.91	109.44
Property Tax Administration/LAFCO	0.00	5,134.97	5,100.00	34.97	100.69
Salaries Expense	154,249.27	268,398.77	303,018.00	(34,619.23)	88.58
Benefits & Payroll Costs	60,644.34	115,008.48	128,338.00	(13,329.52)	89.61
Fixed Asset Expense	49,115.71	49,115.71	17,000.00	32,115.71	288.92
Capital Improvement Projects	308,054.11	309,949.42	310,000.00	(50.58)	99.98

Auburn Rec & Park  
 Profit & Loss - Summary  
 4/1/2021 To 5/31/2021  
 For All Segment1s  
 For All Segment4s

	Current Month	Actual YTD	Budget YTD	Variance	Percent Of Budget
TOTAL EXPENDITURES	\$658,235.23	\$871,756.62	\$927,223.00	(\$55,466.38)	94.02%
NET REVENUE OVER EXPENDITURES	(\$415,676.24)	\$1,018,291.87	\$939,905.00	\$78,386.87	108.34%
ADJ. NET REVENUE OVER EXPENDITURES	(\$415,676.24)	\$1,018,291.87	\$939,905.00	\$78,386.87	108.34%

**SECTION: 5.0**

**ITEM: 5.4 REVIEW OF FINANCIALS FOR JUNE, 2021**

**DESCRIPTION: ACCOUNTS PAYABLE**

**INFORMATION: SEE ATTACHED INFORMATION**

**STAFF**

**RECOMMENDATION: THIS ITEM WAS REVIEWED BY THE STANDING FINANCE COMMITTEE AND FORWARDED TO THE CONSENT CALENDAR FOR REVIEW AND APPROVAL**

**FISCAL IMPACT: NONE**



## ***Administration Staff Report, July 2021 Board Meeting:***

**Veona Galbraith – Administrative Services Manager**

### **June's Financials**

#### ***Revenues –***

- **Programs** are over budget by \$94,500. We budgeted conservatively since opening was an unknown at budget time. Most notable programs are in Youth Classes (\$13,000), Swim Lessons (\$16,000), Adult Classes (\$8,500), Youth Camps (\$11,000), Youth Sports Camps (\$12,000) showing the largest variances.
- **Grants** are above budget by \$21,000, received in May which came from PCOE via Government Program funding.
- **Tax Revenues** came in \$97,000 under budget. Budget should have been allocated for next month, when the remainder of tax revenue will post, but we will still be under by \$37,000. This shortage will need to be adjusted for at the mid-year revision in October. My estimate was too aggressive for April.

#### ***Expenses –***

- **Utilities** are under by \$10,700 largely because we are trailing differently. Expenses are posting slightly later.
- **Professional Services** are under by \$11,600, some Security Camera maintenance fees are being paid in July instead of June.
- **Wages and Benefit Expense** came in over budget by \$115,000. This is because the remaining \$140,000 was paid to the UAL (Unfunded Accrued Liability, which was paid from the reserves). The difference of the \$140,000 from the 115,000 clearly shows that we are below budget by \$25,000 in this category. Most of the savings was in Youth Services (\$16,000) due to school schedule changes; bringing back students which cut Discovery Club hours for staff.
- **Fixed Assets** are over by \$32,000 because the pump for Ashford Park was budgeted for the end of last fiscal year, but didn't arrive in time and was ultimately paid in this fiscal year.

### ***Appointments to Note for June/July:***

- Participated with interviews for the Customer Service Position
- Safety meeting with Managers
- Proofed Audit and discussed new procedures with Auditor
- Updated budget spreadsheets and Financial Reports
- Created additional accounts for reporting suggestions
- Assisted Accounting staff to process May and June's Financials

**PROFIT & LOSS**  
**21/22 Approved Budget**

	Approved Budget FY 21-22	% Of Total	Mid-Yr Revision FY 21-22	2021 JUNE ACTUALS	Last Yr June Actuals	2021-22 YTD ACTUALS	2021-22 YTD BUDGET	Last Yr YTD ACTUALS
<b>Operating Revenues</b>								
Program Revenue	1,103,547	13%		158,504	76,110	510,460	415,933	109,952
Facility Revenue	144,894	2%		30,988	13,053	92,000	74,002	26,369
Misc. Revenue	44,186	1%		7,579	4,379	15,759	9,246	23,816
Grants & Donations	298,850	4%		12,915	6	34,102	12,215	461
Interest Income	11,815	0%		39	130	2,240	2,940	8,786
Equipment Reserve Transfers	200,300	2%		-	-	-	-	-
Future Cap & ADA Transfers	305,816	4%		-	-	-	-	-
Contingency Reserves	-	0%		-	-	-	-	-
Tax Revenue	3,752,499	45%		-	-	-	-	-
Atwood	30,198	0%		-	-	-	-	-
Sterling Loan	2,135,500	26%		-	-	1,434,899	1,529,738	1,306,131
City Mitigation Transfers/Rev	40,000	0%		-	-	10,613	13,589	10,106
Calpers Reserve Transfer	140,000	2%		-	-	-	-	-
County Mitigation Revenue	62,000	1%		140,000	-	140,000	-	-
<b>Total Operating Revenue</b>	<b>8,269,605</b>	<b>100.00</b>		<b>350,025</b>	<b>93,678</b>	<b>2,240,073</b>	<b>2,057,663</b>	<b>1,485,621</b>
<b>Expenditures</b>								
Program Expense	230,934	3%		18,704	3,318	29,097	26,443	5,903
Operating & Supplies	442,341	6%		32,494	22,917	89,105	99,013	63,730
Utilities Expense	110,757	1%		5,110	19,493	11,967	22,648	47,202
Professional Services	131,840	2%		3,299	2,793	8,955	22,895	5,958
Building & Grounds Maintenance	475,150	6%		32,596	23,139	77,228	75,847	44,248
Property Tax Admin.	62,087	1%		-	-	5,135	5,100	-
Wages	2,265,755	29%		188,866	155,102	457,265	501,551	380,645
Benefits & Payroll Costs	967,250	12%		67,404	58,165	182,412	244,073	189,984
Transfers to Calpers Prefunding	49,299			220,695	-	220,695	80,393	-
Fixed Asset Expense	203,300	3%		34	-	-	-	-
Capital Improvement Projects	2,832,166	36%		358,616	20,055	309,949	668,565	38,344
Debt Services	161,126	2%		73,603	-	-	73,603	34,278
<b>Total Expenditures</b>	<b>7,932,005</b>	<b>99.38</b>		<b>927,818</b>	<b>304,982</b>	<b>1,440,924</b>	<b>1,869,281</b>	<b>810,292</b>
<b>Net Revenue Over Expenditures</b>	<b>\$ 337,600</b>	<b>4.08</b>		<b>\$ (577,793)</b>	<b>(211,304)</b>	<b>\$ 799,149</b>	<b>\$ 188,382</b>	<b>\$ 675,329</b>
Annual Contingency Reserve (1-2%)	\$ 90,000							\$ 450,000
Annual Equip Replacement Reserve	\$ 25,000							\$ 676,237
Future Capital Construction Reserve	\$ 5,000							\$ 945,574
ADA Reserve	\$ 113,482							\$ 35,032
CalPERS unfunded liability reserve								\$ 113,482
<b>TOTAL RESERVE BALANCES</b>								<b>\$ 2,246,047</b>
Net Position	\$ 104,118							\$ 2,280,043

**Auburn Area Recreation and Park District**  
**Balance Sheet**  
**6/30/2021**

	Current YTD
<b>ASSETS</b>	
<u>Current Assets</u>	
Imprest Fund (Petty Cash)	580 00
First Foundation - Friends 501(c)(3)	17,159 84
First Foundation Bank	281,679 05
Placer County Treasure-General	3,139,804 50
Placer County Treasurer - City Trust	206,849 25
CA Pension Trust - CEPPT- CalPERS	68,089 00
Accounts Receivable	41,663 29
Worker's Comp Receivable	3,400 52
PCOE Receivables	26,403 12
Prepaid Workers Comp Insurance	(6,801.04)
<b>Total Current Assets</b>	<b>3,778,827.53</b>
<u>Restricted Reserve Funds</u>	
Proceeds from Note Payable Contra	1,909,997 00
<b>Total Restricted Funds</b>	<b>1,909,997.00</b>
<u>Fixed Assets</u>	
Fixed Assets: Land	1,970,546 12
Fixed Assets: Structures	12,847,426 75
Fixed Assets: Equipment	1,309,426 96
Fixed Assets: Computer Equipment & Software	84,228 71
Fixed Assets: Vehicles	282,551 30
Fixed Assets: Office Furniture & Rec Equipment	80,564 16
Construction In Progress	1,479,281 10
Less: Accumulated Depreciation	(10,617,943 85)
<b>Total Fixed Assets</b>	<b>7,436,081.25</b>
<u>Deferred Outflows of Resources</u>	
Pensions - Def Outflows of Resources	497,574 00
	<b>497,574 00</b>
<b>TOTAL ASSETS</b>	<b>13,622,479.78</b>

## LIABILITIES AND NET PROFIT

<u>Current Liabilities</u>		
Prepaid Revenue		37.00
PGE Tru-up payable		6,381.27
Retentions Payable		42,960.95
Gift Certificates		268.00
Compensated Absences		124,515.50
Sales Tax Payable		(35.07)
Accrued Liabilities		7,866.97
Miscellaneous Deductions		20.95
<b>Total Current Liabilities</b>		<b>\$182,015.57</b>
<u>Long Term Liabilities</u>		
Net OPEB Liability		298,223.00
Net Pension Liability		1,238,090.00
<b>Total Long Term Liabilities</b>		<b>1,536,313.00</b>
<b>TOTAL LIABILITIES</b>		<b>1,718,328.57</b>
<u>Deferred Inflows of Resources</u>		
Pensions - Def Inflows of Resources		60,601.00
OPEB		85,021.00
		<b>145,622.00</b>
<u>Net Position</u>		
Investments in Fixed Assets		7,156,136.30
RFB - Reserved (City Mitigation)		206,768.25
GFB - Youth Assistance Fund		30,631.84
General Fund Balance		1,956,150.92
DFB - Annual Equip Replacement Reserv		613,958.72
DFB - Annual Contingency Reserve		473,000.00
DFB - Reserved for Future Capital Construction		895,573.52
RFB - Arboretum Grant Fund		13,275.73
RFB - Reserved (Atwood)		(9,057.92)
RFB - Atwood III-Equip Repl Fund		8,003.66
DFB - Unfunded Liability - CalPERS		140,000.00
RFB- 501(c)(3) Fund		17,159.84
GFB - General Fund (ADA Reserve)		30,031.75
Net Profit (Loss)		226,896.60
<b>Total Net Postion</b>		<b>\$11,758,529.21</b>
<b>TOTAL LIABILITY AND NET POSITION</b>		<b>\$13,622,479.78</b>

# Auburn Rec & Park

Profit & Loss - Summary  
4/1/2021 To 6/30/2021

For All Segment1s

For All Segment4s

	Current Month	Actual YTD	Budget YTD	Variance	Percent Of Budget
<b>OPERATING REVENUE</b>					
Park & Recreation Services	158,503.64	510,460.43	415,933.00	94,527.43	122.73
Rents & Concessions	30,988.06	91,999.69	74,002.00	17,997.69	124.32
Miscellaneous Revenue	7,579.43	15,759.28	9,246.00	6,513.28	170.44
Grants & Donations	12,915.31	34,102.19	12,215.00	21,887.19	279.18
Interest Income	38.59	2,239.50	2,940.00	(700.50)	76.17
Taxes Revenue	0.00	1,445,512.43	1,543,327.00	(97,814.57)	93.66
<b>TOTAL OPERATING REVENUE</b>	<b>\$210,025.03</b>	<b>\$2,100,073.52</b>	<b>\$2,057,663.00</b>	<b>\$42,410.52</b>	<b>102.06%</b>
<b>OTHER FINANCING SOURCES</b>					
Transfer Funds from other sources	345,000.00	345,000.00	188,089.00	156,911.00	183.42
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$345,000.00</b>	<b>\$345,000.00</b>	<b>\$188,089.00</b>	<b>\$156,911.00</b>	<b>183.42%</b>
<b>TOTAL REVENUES</b>	<b>555,025.03</b>	<b>2,445,073.52</b>	<b>2,245,752.00</b>	<b>199,321.52</b>	<b>108.88</b>
<b>EXPENDITURES</b>					
Program Expenses	18,703.97	29,097.32	26,443.00	2,654.32	(110.04)
Operations & Supplies Expense	32,494.05	89,104.55	99,013.00	(9,908.45)	89.99
Utilities Expense	5,110.22	11,967.28	22,648.00	(10,680.72)	52.84
Legal Expenses	72.00	144.00	2,400.00	(2,256.00)	6.00
Professional Services	3,226.99	8,811.44	20,495.00	(11,683.56)	42.99
Bldg & Grounds Maintenance	32,595.91	77,227.82	75,847.00	1,380.82	101.82
Property Tax Administration/LAFCO	0.00	5,134.97	5,100.00	34.97	100.69
Salaries Expense	188,865.84	457,264.61	501,551.00	(44,286.39)	91.17
Benefits & Payroll Costs	288,098.51	403,106.99	244,073.00	159,033.99	165.16
Fixed Asset Expense	34.32	49,150.03	17,000.00	32,150.03	289.12
Capital Improvement Projects	358,615.56	668,564.98	668,877.00	(312.02)	99.95

	Current Month	Actual YTD	Budget YTD	Variance	Percent Of Budget
Debt Service	73,602.93	73,602.93	73,603.00	(0.07)	100.00
Transfers Out	345,000.00	345,000.00	188,089.00	156,911.00	183.42
<b>TOTAL EXPENDITURES</b>	<b>\$1,346,420.30</b>	<b>\$2,218,176.92</b>	<b>\$1,945,139.00</b>	<b>\$273,037.92</b>	<b>114.04%</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>\$791,395.27</b>	<b>(\$226,896.60)</b>	<b>(\$300,613.00)</b>	<b>\$73,716.40</b>	<b>75.48%</b>

## **Item 5.5 Cover Sheet for COLA for Rec Manager Job Description**

Auburn Area Recreation and Park District Policy Committee Meeting July, 2021; Board of Directors meeting, July, 2021.

**The Issue:** Shall the Auburn Area Recreation and Park District change the pay scales for the Recreation Manager Job Description for a COLA Wage increase?

**Background:** As of April 1<sup>st</sup> the Board of Directors agreed to a 3% COLA wage increase District wide.

The job scale for the Recreation Manager Job Description listed originally was based off of the 2018 scale instead of the 2019 scale. The District needs to update this job description to the rate scale that reflects a 3% COLA change.

Originally, brought to the Board of Directors:

	Wage rate range	
Current:	\$28.70 - \$41.60	(2018 pay scale)
Proposed:	\$29.56 - \$42.85	

Should have brought to the Board of Directors:

	Wage rate range	
Current:	\$29.56 - \$42.85	(2019 pay scale)
Proposed:	\$30.45 - \$44.14	

### **2.20 Salary Schedule Ranges**

*The salary schedules and hourly wage schedules for District employees are established by the District Administrator and approved by the Board of Directors. Salary schedules and hourly wage schedules shall be reviewed periodically. Should the Board of Directors approve an increase in a salary or hourly wage schedule for a job description, all employees in the job description will receive a commensurate salary or wage increase.*

**Recommendation:** The Policy Committee recommends approval to change the Recreation Manager's pay scale to reflect the District's April 1<sup>st</sup>, 2021 3% COLA to the July Board meeting Consent Calendar.

**Fiscal Impact:** No impact at this time as the Recreation Services Manager is currently in the middle of the pay scale.

**SECTION: 6.0**

**BOARD REPORTS, VANDALISM REPORTS &  
PROJECT ACTIVITY REPORT**

**INFORMATION:**

**SEE ATTACHMENTS**



**Kahl Muscott**  
**District Administrator**  
**Report to the Board of Directors**  
**July, 2021**

- As of the writing of this report, the following is true about ARD facilities and amenities:
  - Everything is open for those individuals that are fully vaccinated! Those not vaccinated must still wear a mask when indoors.
- The James Field outfield renovation is greening up nicely. The contractor is responsible for the grow-in and maintenance through September 30<sup>th</sup>. We did receive some complaints about the overwatering. As a matter of fact, a member of the public got in through an open gate and went in and turned the water off for the entire field! Luckily, we caught it within a day and there was no damage to the new Bermuda grass stolons. We have added a couple of signs along the walking path explaining what is going on.
- The Auburn Police Department has been working with the Grass Valley Police Department to provide information on a serial graffiti tagger that was arrested about 10 days ago. ARD has been providing some pics and video footage for use against this vandal.
- Bike Park:
  - Diana was able to get in touch with a program through PG&E that donates and delivers (for free) dirt spoils from their projects. PG&E screens the dirt down to 2" and test it for hazardous materials (arsenic, etc.). They offered up to 2,000 yards. We are taking 1,000 off their hands. Unfortunately, the drivers delivering the dirt did not get the instructions that ARD shared about not driving through the neighborhood, and as such staff fielded several complaints. Jesse was able to speak with each driver to correct them, however 4 – 5 loads went down Riverview Dr. This donation will save us around \$15,000+.
  - The new watering system for Phase I (the upper section) is up and running
- The struggles continue with the new HVAC units and the “dirty” power at CVCC. Centrica’s contractor has bypassed the VFDs for now, allowing the units to run, but not giving us any energy savings. They are going to be putting a voltage meter on the line to see if they can pinpoint the issue.
- We have an underground power line that has failed at Regional Park. This has resulted in no power to the lower restrooms (a problem for lighting) and no irrigation in that section of the park as the controller is powered by that line (this is a bigger problem). Norris is fixing the problem by re-running conduit across the top of the tennis court fencing. Some trenching will still need to take place. This is not a cheap repair.
- Bill Kirby’s memorial at Recreation Park was well attended.
- After a lengthy absence (pre-dating COVID), the Auburn Chamber monthly business luncheon was back at CVCC.

**Meetings and events attended or scheduled to attend**

7/2: Centrica re: plumbing issues  
7/6: Meddlers re: ARD’s return from COVID  
7/6: Rotary  
7/7: Interview  
7/8: Andy Fisher re: Playground funding  
7/13: Rotary

7/14: Blood Drive at CVCC  
7/14: Auburn Airport LUC Update workshop  
7/20: Rotary  
7/20: A&D Committee  
7/21: Policy Committee  
7/21: Finance Committee  
7/22: David Hoffman, Capture Technologies re: more cameras at Regional Park  
7/27: Rotary  
7/28: Rachel Radell-Harris re: Senior Center  
7/29: 24 Acre Site Visit with State Parks  
7/29: Doug Houston re: Rural Grant program

**Veona Galbraith**  
**Administrative Services Manager**  
**Report to the Board of Directors**  
**July, 2021**

**June's Financials**

*Revenues –*

- Programs are over budget by \$94,500. We budgeted conservatively since opening was an unknown at budget time. Most notable programs are in Youth Classes (\$13,000), Swim Lessons (\$16,000), Adult Classes (\$8,500), Youth Camps (\$11,000), Youth Sports Camps (\$12,000) showing the largest variances.
- Grants are above budget by \$21,000, which came from PCOE via Government Program funding.
- Tax Revenues came in \$97,000 under budget. Budget should have been allocated for next month, when the remainder of tax revenue will post, but we will still be under by \$37,000. This shortage will need to be adjusted for at the mid-year revision in October. My estimate was too aggressive for April.

*Expenses –*

- Utilities are under by \$10,700 largely because we are trailing differently. Expenses are posting slightly later.
- Professional Services are under by \$11,600, some Security Camera maintenance fees are being paid in July instead of June.
- Wages and Benefit Expense came in over budget by \$115,000. This is because the remaining \$140,000 was paid to the UAL (Unfunded Accrued Liability, which was paid from the reserves). The difference of the \$140,000 from the 115,000 clearly shows that we are below budget by \$25,000 in this category. Most of the savings was in Youth Services (\$16,000) due to school schedule changes; bringing back students which cut Discovery Club hours for staff.
- Fixed Assets are over by \$32,000 because the pump for Ashford Park was budgeted for the end of last fiscal year, but didn't arrive in time and was ultimately paid in this fiscal year.

*Appointments to Note for June/July:*

- Participated with interviews for the Customer Service Position
- Safety meeting with Managers
- Proofed Audit and discussed new procedures with Auditor

- Updated budget spreadsheets and Financial Reports
- Created additional accounts for reporting suggestions
- Assisted Accounting staff to process May and June's Financials

**Jesse Williams**

**Facilities & Grounds Manager**

**Report to the Board of Directors**

**July, 2021**

Recreation Park and Regional Park:

- Advanced IPM performed their bimonthly maintenance service around the buildings (Labels and Safety Data Sheets available upon request).

American River Canyon Overlook Park

- Backflow testing and recertification performed by All Pro Backflow, Inc.

Ashford Park

- Davey Tree Expert Company pruned trees according to our Tree Maintenance Plan.

Meadow Vista Park

- Norris Electric replaced the three receptacles for the picnic units.
- Serviced the #05 truck.

Placer Hills Park

- Cascade Gardens Landscape Design repaired the rock work on the water feature.

Recreation Park:

- Norris Electric rewired the irrigation controller at the Recreation Park Community Center as it was not grounded.
- Yuba Lock and Safe rekeyed doors at Recreation Park Community Center.
- Serviced the #10 and #29 truck.

Regional Park:

- Serviced the Jacobsen Tri King 1800G.
- Continued working on getting full remote irrigation system access and numerous other advanced water management features from any web-based device.
- Fuentes Lake and Pond Management used Cutrine-Plus to treat the algae in the pond (label and safety data sheet available upon request).
- Quarterly fire inspections performed by West Coast Fire Inspection.
- Serviced the #08 truck.

Shockley Woods Park:

- Davey Tree Expert Company removed a tree in danger of falling on a resident's property.

Mike Scheele  
Landscape Architect/Project Manager  
Report to the Board of Directors  
July, 2021

RECREATION PARK

- Recreation Field Infield Renovation Project: No New Action. Staff improved the infield grading last summer and is planning on doing the remaining work in-house (infield/outfield transition scalping & levelling).
- James Ballfield Outfield Turf Replacement Project: The hybrid bermuda grass solons were applied on Tuesday, June 29th and the contractors 90-day maintenance and grow-in period has begun. Heavy irrigation is being applied as required and staff has posted notices for the public to explain the water running off in the street. As of 7/9 the outfield is starting to turn green with the new growth.
- South Play Area Wheelchair Swing Project: Additional survey work has been received and staff will be finishing up the layout plan and sending it to the vendor for updated pricing.
- Rec. Shop Floor Reinforcement Project: No New Action. Engineering drawings have been received for Recreation Park maintenance shop garage roof reinforcement and Staff will be submitting them to the City for permitting with bid solicitation to follow.

MEADOW VISTA PARK

- Playground Replacement Project: Cadd base file was received last month and staff put together the playground design criteria and sent it out to playground vendors. It is anticipated that 8-10 vendors will submit cost proposals and 3D color renderings of their designs to be included in the public voting process. The voting will be open approximately 4 weeks and the company/design with the most votes will be recommended for award of contract at the August A&D and Board of Directors meeting.
- ADA Signage Project: Inventory of existing ADA signage at the park was completed by staff. The needs appear minimal and the signage upgrades will be grouped with the asphalt work.
- Parking Lot Re-seal & Re-stripe Project: Project planned to happen late summer/fall 2021. Staff will be grouping this work with the asphalt path repairs and Placer Hills parking lot improvements.
- Asphalt Pathway Repairs Project: Staff will be grouping this work with the parking lot sealcoat/stripping project and Placer Hills parking lot improvements.
- Pickle Ball Court Crack Repairs Project: No New Action. Staff to obtain fresh quotes for the work in the coming months in order to assign proper budget amount.

## ASHFORD PARK

- Irrigation Pump and Filter Replacement Project: No new action. Project was completed on April 30th and the irrigation system is now working again. Staff intends on getting quotes to install chain link fencing around the new equipment.

## OVERLOOK PARK

- Restroom ADA Upgrades & Partitions Project: No New Action. Project signage and fixture adjustments will be done in-house when staffing levels allow. ADA Parking lot re-striping needs to be re-done and restroom partitions are in need of replacement. Staff will obtain quotes for this work.

## REGIONAL PARK & 24 ACRES SITE

- Trail Mapping & Signage Project: No New Action. Staff has obtained a survey of the existing trails on the site and will use this to prepare a trail map and signage in the coming months.
- Prop. 68 Statewide Park Development & Community Revitalization Program (SPP) Grant Round 4: The State contacted ARD on 6/17 with the news that they have scheduled the 24 Acres project to receive a "site visit" set to occur on 7/29. This is no guarantee that ARD will receive the grant but it is good news for the application as it can be interpreted that the project made the "first cut".
- 24 Acres Site Park Construction Documents: No New Action. Construction documents for the site which will be started by DUDEK immediately if the District gets the grant.
- Dry Creek Playground Replacement Project: No New Action. If the 24 Acres Grant application is not successful the above-mentioned 177K Per Capita Grant funds are currently allocated towards replacing this playground.
- Pickle Ball Court Crack Repairs Project: No New Action. Staff to obtain fresh quotes for the work in the coming months in order to assign proper budget amount.

## CANYON VIEW COMMUNITY CENTER (CVCC)

- Bike Park Project: The bridge over Sherland Canal and the Phase 1 trail watering projects have been completed. The trail watering project involved the construction of 7 hose bibbs with hoses, hose rack and high-pressure nozzles designed to allow bike park users and volunteers keep the trails watered down/hardened to control dust and erosion. The hoses allow the water to be applied where it is needed. A new source of donated soil has been found-PG&E has a spoils donation program and ARD is going to accept up to 1000 yards for the Phase 2 jump area. Phase 2 wood fence is currently being finished up at time of report. Pricing is being sought for the installation of a drinking fountain at the pump track.

- Maidu Drive Repair Project (Bureau of Reclamation): No New Action. In March the Bureau announced to the District that they will be re-paving the distressed section of Maidu Drive. The work will apparently take place this summer and be done prior to October. A relatively straightforward project the work should only take a week or so.
- ADA Door Access Project: No New Action. Automatic door hardware needs to be installed at the north entrance.

PLACER HILLS PARK

- Parking Lot Repairs & ADA Striping Project: Project had been postponed but staff has drawings already prepared and ready for Placer County permitting and then putting out to formal bid. Project will be grouped with two other projects at MV Park.

MULTI PARK ITEMS

- Energy Efficient Upgrades: A 10K contingency fund was approved last month for unexpected work items. Lighting and plumbing fixture upgrades currently in progress with solar panels and ballfield lighting to follow.

MISCELLANEOUS ITEMS

- New Memorial Bench inquiry for possible placement near Sierra Pool. Investigation and prelim pricing for a VFD (variable frequency drive) at Railhead Park irrigation pump. Possible new Memorial Bench for placement at Overlook Park. Updates of monthly Board reports/A&D Project Activity Reports etc.

Manouch Shirvanioun  
Customer Service/Marketing Manager  
Report to the Board of Directors  
July, 2021

6/17/21 - 7/21/21

Activity Registrations	\$20,000
Day Care/Discovery payments	\$51,000
Facility payments/reservations	\$15,000

We continue to see increased demand for indoor and outdoor facility reservations along with program registration.

Continue to work on our new recreation and reservation software program. In July, Veona and I worked with the new credit card processor and county staff to finalize the payment processing portion of the new system. Since June, Amy and I had number of training and follow-up meetings with RecDesk staff to bring her Discovery Club program live in July. Amy successfully launched her registration program in July.

Next, we will be working on facilities and programs.

Set-up a booth at Blood Sweat Beer Trail Run on July 18<sup>th</sup> and promoted the Food Truck Fiesta and Obstacle Race  
 Reviewed and approved Fee Waivers

Chamber Ambassador visits  
Leadership Auburn Committee meetings

**Mark Brunner**  
**Recreation/Youth Services Manager**  
**Report to the Board of Directors**  
**July, 2021**

**Adult Sports**

- A new summer season of Adult Softball started on July 8. There are 22 teams registered across the three leagues.
- The Summer Adult Basketball League started on July 8. The league is sold out with 9 teams registered for the league. All of the games will be played at Recreation Gym.
- Adult sports returned to the Recreation Gym after June 15. The indoor sports have been popular with the community.

**Aquatics**

- Public Swim at both Placer Hills Pool and Sierra Pool have had a steady daily attendance. Youth Services Discovery Camp has been able to use the pool on Thursdays and Fridays to help their campers beat the heat.
- The Mermaids Synchronized Swimming Team won the VFCAL Synchronized Swimming Championship on July 18. Coach Krista Greenlee, continues to demonstrate strong leadership skills and is doing an amazing job growing the team. The Mermaids also performed their annual Water Show for the Auburn Community on July 20.
- Robalos Swim Team began swimming in-person swim meets. The Robalos competed in person against Rio Linda, Arden Manor, Lifetime Fitness and Fulton El Camino. The team has successfully recruited a new enthusiastic parent board for next season. The team will take a lot of positive momentum into next summer.
- Swim Lessons for Sierra Pool in the month of July have completely sold out. The demand for swim lessons has increased our total number for private swim as well. Aquatics staff has booked 108 private swim lessons this summer between the two pools.

**Special Events**

- Tickets for the Ukulele Festival in December, went on sale in July. A total of twenty tickets have already been sold for the festival. Registration is expected to increase in the upcoming months.
- The Great Auburn Obstacle Race registration opened in July. Runners can find the link to register through our website.
- The Food Truck Fiesta on August 20, will have 13 different trucks at the event. The trucks will include Drewski's new Fried Chicken Truck, Hefty Gyros, Maria's Tacos, Get Fried, Onistro's Bistro, Rabbit Food Revolution, Frozen In Time Shaved Ice, Daves Dawgs, The Real Curry Queen, Bangin Bowls, Cheri's Hand Dipped Ice Cream, and Old Town Pizza. The event will also include live music from the popular band Dead Winters Carpenters. The Auburn Alehouse will also be generously donating the beer for the event.

## Summer Camps

- The following Summer Camps took place in July.
  - Mad Science – 36 registrations (sold out)
  - Challenger Soccer Camp – 31 registrations
  - Skyhawks Mini Hawks – 27 registrations
  - Skyhawks Multi-Sport Camp – 30 (sold out)
  - Skyhawks Beach Volleyball – 19 registrations
  - Super Hero Camp – 17 registrations (sold out)
  - Horse Camp – 7 (sold out)
  - Jr Tennis Camp – 17 registrations
  - Fun with Paint Camp – 10 registrations
  - Live Oak Waldorf – sold out

**Amy Oddo**

**Youth Services Manager**

**Report to the Board of Directors**

**July 2021**

Staff has been absolutely crushing our summer programs. We are averaging around 100 kids per day across the sites, more than we had anticipated. This summer taught us all a great deal about how we want to change and expand the programs moving forward. We are always looking to the future of providing new and exciting programming for our community!

With just over two weeks of Day Camp left, we are shifting our focus to reopening for the Fall at our school sites. Directors are busy getting families registered in the new software system. We are excited to start the year fresh and new without Distance Learning or complicated hybrid schedules. We continue to deep clean and purge old and outdated supplies, toys and games. We are streamlining the classrooms and learning environments.

Our Preschool will reopen in late August and our roster is filling up nicely. We look forward to lots of fun themes and projects with our littles! One project we worked on last week at Day Camp was a new mural for the preschool patio. The kids all helped Alina paint and create this amazing project!





**JUNE, 2021 VANDALISM REPORT**

**THERE WAS NO VANDALISM FOR THE MONTH OF JUNE, 2021.**

**MAY, 2021 VANDALISM REPORT**

		LABOR COSTS	MATERIAL COSTS
5/19/2021	Meadow Vista Shop break-in diesel can replace stolen.	\$20.00	\$109.37
5/21/2021	Graffiti at Skate Park - remove graffiti	\$60.00	\$501.20
5/21/2021	Replacement of toilet seat at Ashford Pk that was ripped out.	\$20.00	\$10.70
		\$100.00 total labor	\$621.27
		<b>Total labor \$1,587.00</b>	<b>Total \$3,642.52</b>
			<b>material</b>
		<b>Total for year \$3,711.13</b>	<b>Total for year \$5,331.38</b>

**APRIL, 2021 VANDALISM REPORT**

**THERE WAS NO VANDALISM FOR THE MONTH OF APRIL, 2021.**

MARCH 2021 VANDALISM REPORT

	VANDALISM	LABOR COSTS	MATERIAL COSTS
3/11/2021	Kid's telescope on playgrounds Ashford & Railroad broken	\$72.00	\$2,183.41
3/11/2021	Replace sign at Regional pk (Pfaltz) that couldn't paint over	\$36.00	\$89.87
3/26/2021	Ashford Park vandalism trash dumping and bridge destruction	\$1,206.00	\$476.19
3/26/2021	MV Park tree close slide with barriers that were stolen	\$114.00	\$70.75
3/31/2021	Overlook Park (Pfaltz) cover up	\$21.00	\$91.66
3/31/2021	Diesel cans stolen from MV shop	\$38.00	\$109.32
	<b>Total labor</b>	<b>\$1,487.00</b>	<b>\$3,021.25</b>
	<b>Total for year</b>	<b>\$3,611.13</b>	<b>\$4,710.11</b>

FEBRUARY 2021 VANDALISM REPORT

	VANDALISM	LABOR COSTS	MATERIAL COSTS
2/10/2021	Graffiti Regional C Field removal	\$53.00	\$5.77
2/10/2021	Regional Park mounting of trail cam	\$225.00	\$16.47
2/26/2021	Graffiti at Meadow Vista Park	\$19.00	\$4.03

Total labor	\$297.00	Total material	\$46.07
Total for year	\$2,124.13	Total for year	\$1,603.36

**JANUARY 2021 VANDALISM REPORT**

	VANDALISM	LABOR COSTS	MATERIAL COSTS
1/8/2021	Someone left a lawn mower at Regional Park, staff took it to the dump	\$21.00	\$12.50 cost for the dump
1/8/2021	Graffiti at Regional Park All buildings & C field	\$166.00	\$194.46
1/8/2021	Graffiti at Skate Park	\$123.00	\$51.00
1/15/2021	Regional Park Locker Room someone tried to break in - had to replace the doorknob.	\$42.00	\$297.30
1/15/2021	Overlook Park - blank wall was vandalized - had to be re-prepped for art to paint mural	\$42.00	\$151.30
1/29/2021	Graffiti at MV Park	\$40.00	\$5.36
1/29/2021	MV Park - someone broke into the shed and stole 3 cans of pop	\$20.00	\$109.77
1/29/2021	Graffiti at Overlook Park	\$120.00	\$210.00

<b>Total labor</b>	<b>\$964.00</b>	<b>Total material</b>	<b>\$1,020.69</b>
<b>Total for year</b>	<b>\$1,827.13</b>	<b>Total for year</b>	<b>\$1,042.79</b>

<b>2021/2022 PROJECT ACTIVITY REPORT</b>		<b>UPDATED 7/12/21</b>		
<b>PROJECT</b>	<b>EST. COST</b>	<b>NOTES</b>	<b>EST. COMPLETED</b>	
<b>RECREATION PARK</b>				
Rec Field Infield Renovation (2020)	25,000.00	Staff improved the infield grading last summer and is planning on doing the remaining work in-house (infield/outfield transition scalping & levelling).	SEPTEMBER 2021	
James Ballfield-Outfield Bermudagrass Conversion Project (2019)	42,000.00	The hybrid bermuda grass stolons were applied on Tuesday, June 29th and the contractors 90-day maintenance and grow-in period has begun. Heavy irrigation is being applied as required and staff has posted notices for the public to explain the water running off in the street. As of 7/9 the outfield is starting to turn green with the new growth.	OCTOBER 2021	
Wheelchair Swing Project (2019)	60,000.00	Additional survey work has been received and staff will be finishing up the layout plan and sending it to the vendor for updated pricing.	FALL 2021	
Rec Shop Floor Reinforcement Project (2020)	10,000.00	Engineering drawings have been received for Recreation Park maintenance shop garage roof reinforcement and Staff will be submitting them to the City for permitting with bid solicitation to follow.	SUMMER 2021	



<p><b>MEADOW VISTA PARK</b></p> <p>Playground Replacement Project</p>	<p>120,000.00</p>	<p>Cadd base file was received last month and staff put together the playground design criteria and sent it out to playground vendors. It is anticipated that 8-10 vendors will submit cost proposals and 3D color renderings of their designs to be included in the public voting process. The voting will be open approximately 4 weeks and the company/design with the most votes will be recommended for award of contract at the August A&amp;D and Board of Directors meeting.</p>	<p>FALL 2021</p>
<p>ADA Signage</p>	<p>1,200.00</p>	<p>Inventory of existing ADA signage at the park was completed by staff. The needs appear minimal and the signage upgrades will be grouped with the asphalt work.</p>	<p>FALL 2021</p>
<p>Parking Lot Re-seal/Re-Stripe</p>	<p>15,000.00</p>	<p>Project planned to happen late summer/fall 2021. Staff will be grouping this work with the asphalt path repairs and Placer Hills parking lot improvements.</p>	<p>SUMMER/FALL 2021</p>
<p>Asphalt Pathway Repairs (2020)</p>	<p>15,000.00</p>	<p>Staff will be grouping this work with the parking lot sealcoat/stripping project and Placer Hills parking lot improvements.</p>	<p>SUMMER/FALL 2021</p>
<p>Pickleball Court Crack Repairs</p>	<p>5,000.00</p>	<p>Staff to obtain fresh quotes for the work in the coming months in order to assign proper budget amount.</p>	<p>SUMMER 2021</p>
<p><b>ASHFORD PARK</b></p>			
<p>Irrigation Pump Replacement Project (2021)</p>	<p>45,000.00</p>	<p>Project was completed on April 30th and the irrigation system is now working again. Staff is obtaining quotes to put 4' chain link fencing around the new equipment.</p>	<p>APRIL-MAY 2021</p>
<p><b>OVERLOOK PARK</b></p>			
<p>Restroom ADA Upgrades</p>	<p>15,000.00</p>	<p>Project signage and fixture adjustments will be done in-house when staffing levels allow. ADA Parking lot re-stripping needs to be re-done and restroom partitions are in need of replacement. Staff will obtain quotes for this work.</p>	<p>SUMMER/FALL 2021</p>

<b>REGIONAL PARK &amp; 24 ACRES</b> <b>SITE</b>			
Trail Mapping & Signage Project (2020)	10,000.00	10,000.00	Staff has obtained a survey of the existing trails on the site and will use this to prepare a trail map and signage in the coming months if the 24 Acres Site grant does not come through.
Statewide Park Development and Community Revitalization Program (SPP) Grant Round 4 (2018/2019) & CEQA Documents	120,000.00	120,000.00	The State contacted ARD on 6/17 with the news that they have scheduled the 24 Acres project to receive a "site visit" set to occur on 7/29. This is no guarantee that ARD will receive the grant but it is good news for the application as it can be interpreted that the project made the "first cut".
24 Acres Site Construction Documents	110,000.00	110,000.00	Construction documents for the site which will be started immediately if the District gets the grant.
Dry Creek Playground Replacement	177,000.00	177,000.00	If the 24 Acres Grant application is not successful, the above-mentioned 177K Per Capita Grant funds are currently allocated towards replacing this playground.
Pickleball Court Crack Repairs	4,500.00	4,500.00	Staff to obtain fresh quotes for the work in the coming months in order to assign proper budget amount.
<b>CVCC</b>			
			SUMMER/FALL 2021
			2020/2021
			SUMMER/FALL 2021
			SPRING 2022
			SUMMER 2021

Bike Park - Construction (2015/2016)	200,000.00	<p>The bridge over Sherland Canal and the Phase 1 trail watering projects have been completed. The trail watering project involved the construction of 7 hose bibbs with hoses, hose rack and high pressure nozzles designed to allow bike park users and volunteers keep the trails watered down/hardened to control dust and erosion. The hoses allow the water to be applied where it is needed. A new source of donated soil has been found-PG&amp;E has a spoils donation program and ARD is going to accept up to 1000 yards for the Phase 2 jump area. Phase 2 wood fence is currently being finished up at time of report. Pricing is being sought for the installation of a drinking fountain at the pump track.</p>	ONGOING
Maidu Drive Repair (2018/2019)	0.00	<p>In March the Bureau announced to the District that they will be re-paving the distressed section of Maidu Drive. The work will apparently take place this summer and be done prior to October. A relatively straightforward project the work should only take a week or so.</p>	SUMMER 2021
ADA Door Improvements	5,000.00	Automatic door hardware needs to be installed.	SPRING 2022
<b>PLACER HILLS PARK</b>			
Parking Lot Repairs	30,000.00	Project had been postponed but staff has drawings already prepared and ready for Placer County permitting and then putting out to formal bid. Project will be grouped with two other projects at MV Park.	SPRING 2022
<b>MULTI-PARK ITEMS</b>			
Energy Efficient Upgrades	2,131,500.00	A 10K contingency fund was approved last month for unexpected work items. Lighting and plumbing fixture upgrades currently in progress with solar panels and ballfield lighting to follow.	ONGOING 2021
<b>Fiscal Year Projects Total:</b>			
	3,141,200.00		

## **Item 8.1 Cover Sheet for Annual Audit for Fiscal Year 2020/2021**

Auburn Area Recreation and Park District Finance Committee meeting, July 2021; Board of Directors meeting, July 2021.

**The Issue:** Shall the Auburn Area Recreation and Park District (ARD) approve the annual audit conducted by Richardson and Company, LLC?

**Background:** Richardson and Company, LLC conducted an audit of the Auburn Area Recreation and Park District FY 2019/2020 Financial statements in May & June of 2021. The report issued audited financials with auditors' opinion. The auditor has made note of some recommendations that they would like implemented by the District.

The District purchased a variety of equipment during the year valued at approximately \$157,661. The major items were a John Deere Front Mower valued at \$30,819, a new Pool Pump was purchased for Sierra Pool valued at \$18,725, a Chipper valued at \$43,259 and a used 2017 Ford Edge valued at \$19,419.

Additionally, the District expensed approximately \$357,953 in Capital Improvement projects during the 2020-2021 Fiscal Year. These are the three major ongoing projects that have not been completed:

- |                                       |           |
|---------------------------------------|-----------|
| 1. Energy Efficiency Project:         | \$236,293 |
| 2. CVCC Bike Park (Phase Two):        | \$ 50,566 |
| 3. Regional Park's 24 Acre Expansion: | \$ 62,554 |

The funding for the Energy Efficiency Project was provided by a 16-year lease obligation through Sterling Leasing at 2.12%. The CVCC Bike Park construction was funded by Public Donations, and Future Capital Construction.

The District's property tax revenue increased by 3.8% this year over last year 2019/2020. The District is showing a decrease in our overall Net Position by \$624,967, primarily due to the impact of the Global Pandemic of 2020.

The State of California, through GASB 68, mandates that all State agencies must recognize unfunded pension liabilities on their balance sheets. The District's portion of unfunded pension liability totaled \$1,252,736 in 2020/2021 and reduced by payments of \$215,771, making the net pension liability \$1,036,965. This assumes that every employee currently with the District works to full retirement age and accumulates 30

years of work history. While that is highly unlikely, GASB 68 requires such recognition of the liability. Because pension liability is long term, it does not fully affect the income statements of the District. CalPERS has adopted a “smoothing” method of amortizing the expense, so that the unfunded portion of the liability will be paid through increasing the percentage of payroll dollars paid into the system each year. So effectively, the District will pay an increased “premium” each year until the unfunded liability is extinguished. This will, of course, be expensed through the income statement. Additionally, because CalPERS uses an assumed rate of return on investment of 7% and the actual rate is less than the assumed rate, it creates a funding gap that must be made up by each government entity.

Staff, at the Boards direction, has created a reserve account to facilitate erasing the full amount of the District’s unfunded portion of the liability. The District sent an additional \$140,000 (included above) to prefund the growing pension liability. As of March 31, 2021, the reserve account had a remaining \$140,000 in that fund.

**Recommendation:** The Finance Committee sent the Final Audit to the Board of Directors for final approval.

**Attachment:**

- 1) Audit letter from Richardson and Company
- 2) Governance letter from Richardson and Company
- 3) Management letter from Richardson and Company.
- 4) Final Audit from Richardson and Company

AUBURN AREA RECREATION AND PARK DISTRICT  
SUMMARY OF FY 2020 21 AUDIT RESULTS

July 21, 2021

Reports issued

- Audited Financial Statements with auditors opinion
- Governance letter
- Management letter with recommendations
- Appropriations limit report

Independent Auditor's Report (pages 1 and 2)

Unmodified (clean) opinion

Highlights of financial statements

- Management discussion & analysis (pages 3 to 9)
- Statement of Net Position (page 10)
  - Unrestricted net position of \$1.9 million
- Statement of Activities (page 11)
  - Expenses exceeded revenues by \$624,962, including depreciation, pension and OPEB accounting entries totaling \$672,000
- Fund Balance Sheets (page 12)
  - Fund balance of \$5.2 million (includes \$1.9 million of unexpended debt proceeds)
- Fund Revenue/Expense (pages 14)
  - General Fund revenues exceeded expenses by \$1.8 million (includes \$2.1 million of debt proceeds received)
- Capital assets, Note D (page 25)—capital expenditures of \$514,000
- Fund balance, Note F (pages 26)—Components of funds balance
- Pension Plan, Note G (pages 26 to 30)
- OPEB Plan, Note H (pages 30 to 33)

Governance Letter

- Audit adjustments – 54 audit adjustments identified
- No difficulties in performing the audit and no unusual accounting practices

Management letter

- No material weaknesses in internal controls
- Other areas where recommendations were identified
  - Financial reporting changes
  - Review of paid check list to include comparison to prior month listing
  - List of accounts payable to be developed
  - Capital asset rollforward to be prepared as part of closing process
  - Project invoices to be recorded in proper period based on service date and retentions to be recorded as a liability
  - Dayworks database reconciliations to be completed
  - Establish fraud risk assessment process



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## MANAGEMENT LETTER

Board of Directors  
Auburn Area Recreation and Park District  
Auburn, California

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the remaining fund information of the Auburn Area Recreation and Parks District (the District) for the year ended March 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The following other matters have been included in this letter for your consideration:

### Financial Reporting and Accounting System

We noted the following areas where adjustments to the District's accounting records were made during the audit process that indicates areas where improvements can be made to the District's processes:

- The District needs to record the pension and other postemployment benefits balances in its general ledger to match the numbers in the audited financials. The District will need to set up new accounts for these balances and changes in the balance sheet accounts will need to be recorded in an expense account instead of adjusting fund balance.
- The District records activity related to capital assets and long-term liabilities with an offset to the investment in capital asset account, which is a net position/fund balance account, instead of an income statement account, which results in a significant number of audit adjustments to correct the net position/fund balance amounts. We recommend the District establish contra expense accounts to record this activity instead of recording the entries directly to net position/fund balance.

- The Atwood Park Fund and City Mitigation Fund are reported as two separate funds with the District's financial statements, but in the general ledger, they are reported within the General Fund, which results in additional adjustments needed during the audit process to completely separate these funds. We recommend that the District establish a separate chart of accounts, including separate balance sheet and income statement accounts, to report the activity in these two funds. Revenues and expenses related to these funds need to be recorded in an income statement account instead of directly to fund balance.
- We noted several journal entries posted by staff that were posted in reverse. We recommend that after journal entries are made, the adjusted balances be reviewed and compared to the underlying supporting schedule to verify accuracy.
- The District recorded transfer in/out when transferring funds in the General fund between reserved and unreserved fund balance. The District needs to ensure that such transfers are made directly to the fund balance accounts, and not record transfer in/out. In addition, the District needs to ensure that the only entries made to a net position/fund balance account are ones that represent transfers among other net position/fund balance accounts to ensure that these balances roll forward properly from the prior year audited financial statements.

#### Disbursements Review

Since the small staff size prevents having a complete segregation of duties over the cash disbursement function, we recommend that the administrative services manager compare the paid check listing to the prior listing to verify that checks are not being excluded from the review process.

#### Accounts Payable

The District needs to ensure invoices are recorded in the accounts payable module when received so that a listing of accounts payable at year-end can be generated and compared to the general ledger. If such a listing cannot be generated, the District should prepare a list of invoices remaining in accounts payable at year-end that can be reconciled to general ledger.

#### Capital Assets

We recommend that the District prepare a roll-forward of capital asset activity prior to the start of the audit to ensure that all capital asset account balances and journal entries have been recorded. The closing process should include reconciling the capital outlay expense account to the amounts added to the capital asset listing, and verify that depreciation expense matches the amounts added to accumulated depreciation, and gain/loss on disposal matches the net capital assets disposals less proceeds from sale of capital assets.

We noted that invoices for the energy efficiency project were being recorded as of the invoice date rather than the service date. Additionally, we noted that retention payable was not being accrued as the work was being performed. We recommend the District ensure these invoices are accrued in the period the work was performed, including accruing retentions payable.

#### Recreation Accounting System

During our audit, we encountered issues with the reconciliation of daycare revenues between the general ledger and the Dayworks database. We recommend that a reconciliation of the fees received in Dayworks to the revenue recorded in the general ledger be performed at least annually, and possibly quarterly. This reconciliation can be done on a spot-check basis for a selected number of events.



Risk Assessment

We noted that the District does not have a formal risk assessment plan to identify those risks within the District that could result in fraud or material misstatement of the financial statements, and then to implement internal controls to mitigate those identified risks. We recommend the District develop a risk assessment plan to identify potential risk areas and then ensure controls or processes are in place to mitigate those risks. This risk assessment should be performed on a periodic basis and should include an annual discussion at a staff meeting regarding areas where there may be risks of fraud. In addition, the District's Finance Committee should be involved in this risk assessment process as well, by including an item on their agenda to discuss possible fraud risks. We noted that the Finance Committee included an item on their agenda at the May meeting to discuss fraud risk areas.

\* \* \* \* \*

We would like to take this opportunity to acknowledge the courtesy and assistance extended to us during the course of the audit. This report is intended solely for the information and use of the Board of Directors, management, and others within the organization and does not affect our report dated July 13, 2021 on the financial statements of the District.

*Richardson & Company, LLP*

July 13, 2021



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## INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES APPLIED TO APPROPRIATIONS LIMIT TESTING

Board of Directors  
Auburn Area Recreation and Park District  
Auburn, California

We have performed the procedures enumerated below to the accompanying calculation of the Appropriation Limit of the Auburn Area Recreation and Park District (the District) for the year ended March 31, 2021. These procedures, which were agreed to by the District and the League of California Cities (as presented in the publication entitled *Article XIII-B Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed By of the California Constitution*) were performed solely to assist the District in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The District management is responsible for the appropriations limit calculation. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the District's calculation of the 2020/2021 appropriations limit and compared the limit and annual adjustment factors included in the calculation to the limit and annual adjustment factors that were adopted by resolution of the Board of Directors.

Finding: No exceptions were noted as a result of our procedures.

2. We compared the methodology used to determine the cost of living adjustment component to Article XIII B which states that the District may annually adjust the component for either the change in California per capita personal income or, the percentage change in the District's assessed valuation which is attributable to non-residential new construction. We recalculated the factor based on the above information.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the methodology used to determine the population adjustment component to Article XIII B which states that the District may annually choose to adjust the component for either the change in population in the County in which the District is located, or the change in population within the unincorporated area of the County in which the District is located. We recalculated the factor based on the above information.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Calculation to the prior year appropriations limit adopted by the Board of Directors for the prior year.

Finding: We noted the County prepares the appropriations limit calculation, but the District's Board of Directors does not adopt it.

5. We recalculated the 2020/2021 Appropriation Limit by multiplying the product of the two above factors by the 2019/2020 appropriation limit.

Finding: No exceptions were noted as a result of our procedures.

6. We compared the District's actual expenditures to the computed appropriation limit for fiscal year 2020/2021.

Finding: For the 2020/2021 fiscal year, the District's actual expenditures subject to the appropriations limit did not exceed the calculated appropriation limit.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit calculation. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by Article XIII-B of the California Constitution.

This report is intended solely for the use of the District and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Richardson & Company, LLP*

July 13, 2021

**APPENDIX A**

**AUBURN AREA RECREATION AND PARK DISTRICT  
APPROPRIATION LIMIT CALCULATION  
Year Ended March 31, 2021**

**APPROPRIATION LIMIT  
ADOPTED BY DISTRICT:**

Recorded in Final 2020/2021 Budget \$ 6,980,333

**APPROPRIATION LIMIT  
COMPUTATION PER REVIEW:**

2019/2020 Appropriation Limit \$ 6,546,343

Cost of living factor:

Change in California per capita income 1.0663

Auditor computed limitation 6,980,333

Variance \$ (0)



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## GOVERNANCE LETTER

To the Board of Directors  
Auburn Area Recreation and Park District  
Auburn, California

We have audited the financial statements of the governmental activities, each major fund, and the remaining fund information of the Auburn Area Recreation and Park District (the District), for the year ended March 31, 2021, and have issued our report thereon dated July 13, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated November 22, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to management's discussion and analysis, budgetary comparison information, schedule of changes in the net pension liability and related ratios, and schedule of contributions to the pension plan, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

### Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involves judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We noted no material weaknesses in internal controls as a result of our audit.

### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transaction entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period after the necessary adjustments were made.

Accounting estimates are an integral part of the financial statement prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were determining the depreciable lives and methods used for capital assets, and the accrual of the unfunded pension and OPEB liabilities. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The accrual for the unfunded pension liability was determined by an actuarial valuation performed by CalPERS, which is performed annually. The accrual for postemployment benefits was determined by an actuarial valuation, which is required to be performed every two years.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements were:

Pension Liability: Information on the District's pension plans, including the District's share of the unfunded pension liability, is shown in Note G. The District's share of the unfunded pension liability at June 30, 2020, the most recent measurement date, was \$1,238,090 which is reflected as a liability in the District's financial statements as of March 31, 2021. As a result of the changes in the net position liability and related deferred inflows and outflows, the District's pension expense is \$339,926.

Liability for Postemployment Benefits: The postemployment benefit (OPEB) disclosure in Note H shows that because the District has not been pre-funding its OPEB plan, the liability has increased to \$298,223 as of the March 31, 2020 valuation date, which is reflected in the March 31, 2021 financial statements. As a result of the recording of the net OPEB liability and related deferred inflows and outflows, the District's OPEB expense is \$135,480 to record changes in the net OPEB liability and deferred inflows.

The financial statement disclosures are neutral, consistent, and clear.

### Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. During the course of our audit, 54 closing entries and audit adjustments to correct balances of the accounts and transactions were made as follows:

- Roll forward government wide net position and individual fund balances.

- Correct recording of new lease payable.
- Reverse activity related to Atwood and City Mitigation Fund posted directly to fund balance.
- Correct capital asset activity posted directly to net position.
- Record pension and OPEB entries not reflected in the general ledger.
- Revise compensated absence entry made by the District in reverse.
- Reverse accrued liability for additional pension contribution payment approved by the Board and instead report as a designation of fund balance.
- Reclassify cash from lease proceeds held in County pooled account as restricted cash.
- True up capital assets and accumulated depreciation to detail asset listing.
- Record retention payable on energy efficiency project contract.
- To reclassify net position to Net Investment in Capital Assets.
- Reclassify current portion of lease payable.
- Update cash balance in Foundation account, and related net position, to March 31, 2021 balance.
- Remove transfers in/out that relate to transfers to reserves within the General Fund.

#### Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 13, 2021.

#### Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these

discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) listed in the table of contents, which are RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

*Richardson & Company, LLP*

July 13, 2021



**AUBURN AREA  
RECREATION AND PARK DISTRICT**

Audited Financial Statements

March 31, 2021

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AUBURN AREA  
RECREATION AND PARK DISTRICT

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Auburn Area Recreation and Park District  
Auburn, California

We have audited the accompanying financial statements of the governmental activities of each major fund, and the aggregate remaining fund information of the Auburn Area Recreation and Park District (the District) as of and for the year ended March 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of March 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, and schedule of changes in the net OPEB liability and related ratios to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Richardson & Company, LLP*

July 13, 2021

**AUBURN AREA RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2021**

This section of the Auburn Area Recreation and Park District's annual financial report presents an analysis of the District's financial performance during the fiscal year ended March 31, 2021. This information is presented in conjunction with the audited basic financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2020-2021**

- The assets of the District exceeded liabilities at the close of the 2020-2021 fiscal year by \$9,341,690 (net position). Of this amount, \$7,156,136 is invested in capital assets, and \$267,836 is restricted for particular purposes.
- As of March 31, 2021, the District's governmental funds reported combined fund balances of \$5,428,595, of which \$1,512,759 is available to meet the District's current and future needs (unreserved general fund balance).
- At the end of the fiscal year, the unreserved fund balance for the general fund was \$1,512,759 or approximately 33% of total general fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also includes additional required supplementary information in addition to the basic financial statements.

**REQUIRED FINANCIAL STATEMENTS**

**Government-Wide Financial Statements** are designed to provide readers with a broad overview of District finances in a manner similar to a private-sector business.

*The Statement of Net Position* includes information on the District's assets and liabilities and provide information about the nature and amount of investments in resources (assets) and the obligations to District creditors (liabilities). Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

*The Statements of Activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a portion of their costs through user fees and charges (business type activities). The governmental activities of the District are recreational and park activities. There are no business type activities.

AUBURN AREA RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2021

**Fund Financial Statements** are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and to demonstrate finance-related legal compliance. All of the funds of the District can be combined into one category: governmental funds.

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the District's near-term requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between governmental funds and governmental activities. Additional information is provided on separate schedules that reconcile the differences between the government-wide financial statements and the fund financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the District's budgetary comparative information for the general fund and major special revenue fund and the District's pension and post-employment benefit plans.

**AUBURN AREA RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table compares the Statement of Net Position/Fund Balance at March 31, 2021 and 2020:

Condensed Statement of Net Position  
Fiscal Years  
Ended March 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 5,769,017	\$ 3,876,633
Capital assets – net	<u>7,436,139</u>	<u>7,466,979</u>
Total assets	<u>13,205,156</u>	<u>11,343,612</u>
Deferred outflows	<u>497,574</u>	<u>437,039</u>
Liabilities		
Current	597,105	389,632
Non-current	<u>3,618,313</u>	<u>1,325,193</u>
Total liabilities	<u>4,215,418</u>	<u>1,714,825</u>
Deferred inflows	<u>145,622</u>	<u>99,174</u>
Net Position:		
Net investment in capital assets	7,156,136	7,466,979
Restricted	267,836	250,724
Unrestricted	<u>1,917,718</u>	<u>2,248,949</u>
Total Net Position	<u>\$ 9,341,690</u>	<u>\$ 9,966,652</u>

Total net position decreased from 2020 to 2021 by 6% or \$624,962. This decrease is mostly due to the 2020 COVID 19 Pandemic. Virtually, there were no programs to speak of and no rentals. The fiscal years liability for post-employment benefits (OPEB) and Pension Liability will also have an effect on the decrease. The OPEB liability and Pension Liability lowered net position by \$211,120 from March 31, 2020 to March 31, 2021. The decrease can also be attributed to the annual Depreciation Expense recorded for the fiscal year 2020-2021 in the amount of \$475,020.



**AUBURN AREA RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2021**

A summary of the District's Statement of Activities, recapping the District's revenues earned during the fiscal year ended March 31, 2021 and 2020, and the expenses incurred is as follows:

Condensed Statement of Activities  
Fiscal Years  
Ended March 31, 2021 and 2020

	2021	2020
Program Revenue:		
Charges for services	\$ 592,862	\$ 1,500,794
Operating grants and contributions	33,690	35,490
Capital grants and contributions	3,268	3,254
General Revenue:		
Property taxes and assessments	3,612,399	3,479,344
Mitigation fees	-	275,300
Interest earnings	26,344	76,185
Miscellaneous	47,508	43,534
Total Revenue	4,316,071	5,413,901
Expenses:		
Recreation and park activities	4,941,033	5,272,131
Total Expense	4,941,033	5,272,131
Changes in Net Position	(624,962)	141,770
Beginning Net Position	9,966,652	10,015,299
Restatement		(190,417)
Ending Net Position	\$ 9,341,690	\$ 9,966,652

Following are explanations of significant variances from fiscal year 2020 to 2021.

- Revenues decreased by \$1,097,830 between 2020 and 2021. This decrease was due mostly to the 2020 COVID 19 Pandemic, offset by an increase in Property Taxes. The Pandemic halted all programs and rentals.
- Expenses decrease by \$331,098, mostly due to a large reduction in program expenses as well as decreased maintenance and some wage cuts caused by layoffs or reclassing staff. While the Pandemic cut some of the cost, payroll and benefits were not affected greatly. The District kept most staff and sustained the benefits through the pandemic.

**AUBURN AREA RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2021**

**Financial Analysis of the Governmental Funds**

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements. The governmental funds provide information on near-term inflows, outflows and balances of spending resources. Total governmental fund balance at March 31, 2021 was \$5,428,595 which is a decrease of \$1,822,038 in comparison with FY 2020.

The following table shows the fund balance by classifications for the last two years.

Fund Balance	Year ended March 31.	
	2021	2020
General Fund	\$ 5,225,840	\$ 3,412,555
Atwood Park Fund	(1,053)	(11,419)
City Mitigation Fund	206,768	205,421
Total fund balances	<u>\$ 5,431,555</u>	<u>\$ 3,606,557</u>

Significant changes in fund balances by classification consist of the following.

- **General Fund:** The fund balance increase by 53% or \$1,810,325 in FY 2021 due to the issuance of \$2,190,000 of debt for the Energy Efficiency Project, less financing costs of \$54,500, of which \$1,909,997 had not been expended as of March 31, 2021.
- **City Mitigation Fund:** Fund balance in the impact fees fund increased by \$1,347 because of interest earned.

**CAPITAL ASSETS**

As of March 31, 2021, the District's investment in capital assets totaled \$7,436,139, net of accumulated depreciation, which decreased by \$30,840 from 2020. The investment in capital assets includes land, site improvements, buildings and improvements and equipment. Decreases during the year include a reclassification of asset limits, from \$5,000 to \$3,000. Increases include \$30,819 for a John Deere Front Mower, \$43,259 for a Chipper, \$62,564 for Planning and Construction doc for the expansion of the 24 Acres at Regional Park, \$50,567 for progress work on Phase II of the Bike Park, and \$236,293 on the beginning of the District's Energy Efficiency Project. These additions are offset by the recording of depreciation for \$475,023. The capital assets are presented in the government-wide statement of net position. Additional information on the District's capital assets can be found in Note D to the financial statements.

**LONG-TERM DEBT**

As of March 31, 2021, the District has a Sterling Lease debt of \$2,190,000 secured to pay for the District's Energy Efficiency Project. The energy savings for this project will be cost neutral for the District. This lease is for the term of 16 years at an interest rate of 2.12%. Note E discusses the District's long-term obligations, which consist of compensated absences, net pension liability and OPEB liability.

**AUBURN AREA RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2021**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's property tax receipts were \$103,720 more than budgeted for the fiscal year, and \$133,055 more than collected in the prior fiscal year which is primarily due to increasing property values.

The final budget approved by the Board of Directors on May 29, 2020 reflected a projected surplus of \$21,900, inclusive of a \$50,000 Board required contribution to the Equipment Reserve and a Board required contribution of \$5,000 to the ADA reserve and a Board modified required contribution of \$45,800 to the CalPERS unfunded Liability reserve. In 2020/2021, the District's base property tax revenues increased by 3.8%. The Mid-Year Budget Revision reflected a \$17,073 forecasted surplus.

**The Year in Review**

Several accomplishments warrant mention for FY 2020/2021:

ARD purchased a few Asset for the District's Replacement Plan. Two of the Assets purchased in fiscal year 2019/2020 were funded through the Equipment Replacement Reserves. (John Deere Front Mower and the Chipper), the other Assets were funded through the General Fund. Some of the notable asset purchases included the following:

- A new Irrigation Filter for Ashford Park to be installed in 2021-22
- A new Pool Pump for Sierra Pool
- A new John Deere Front Mower
- A new 20' Low Profile Trailer
- A 2017 used Ford Edge Vehicle
- A new Chipper

**AUBURN AREA RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2021**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The District's overall property tax revenues declined substantially from fiscal year 07/08 through fiscal 2012/2013 and began to recover in FY 2013/2014. The following data illustrate the trends:

2007/2008:	\$2,711,000
2008/2009:	\$2,695,000
2009/2010:	\$2,628,000
2010/2011:	\$2,443,000
2011/2012:	\$2,354,000
2012/2013:	\$2,494,000
2013/2014:	\$2,466,000
2014/2015:	\$2,604,000
2015/2016:	\$2,824,980
2016/2017:	\$2,999,467
2017/2018:	\$3,117,857
2018/2019:	\$3,298,841
2019/2020:	\$3,479,345

The District has been able to balance its budgets each year through attrition, cost cutting, control of benefit expenses and shrewd purchasing of supplies and services. This past year has seen a continued modest increase in property tax revenues. Program revenues had a huge decline due to the Global Pandemic of 2020. While we are in the midst of a worldwide pandemic, we will continue to budget conservatively to maintain a strong balance sheet and to keep the parks in great condition.

Should any member of the public have questions regarding this report, District management may be contacted at the following address:

The audit for Fiscal 2020/2021 may also be viewed at the District's website, [www.auburnrec.com](http://www.auburnrec.com).

Auburn Area Recreation and Park District  
471 Maidu Drive  
Auburn, CA 95603  
(530) 537-2185

## **BASIC FINANCIAL STATEMENTS**

AUBURN AREA RECREATION AND PARK DISTRICT

STATEMENT OF NET POSITION

March 31, 2021

ASSETS	
Cash and investments	\$ 3,774,464
Restricted cash and investments	1,909,997
Accounts receivable	25,065
Prepaid expenses	59,491
Capital assets:	
Nondepreciable	3,449,831
Depreciable, net	3,986,308
Total capital assets	<u>7,436,139</u>
TOTAL ASSETS	<u>13,205,156</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	<u>497,574</u>
	<u>497,574</u>
LIABILITIES	
Accounts payable	127,569
Accrued payroll	142,922
Unearned revenue	77,798
Compensated absences - due within one year	140,816
Lease payable - due within one year	108,000
Due in more than one year:	
Lease payable	2,082,000
Net pension liability	1,238,090
Other postemployment benefits (OPEB) liability	298,223
TOTAL LIABILITIES	<u>4,215,418</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	60,601
Other postemployment benefits (OPEB)	85,021
	<u>145,622</u>
NET POSITION	
Net investment in capital assets	7,156,136
Restricted for:	
City mitigation projects	206,768
Youth assistance	30,632
Arboretum grant projects	13,276
Foundation activities	17,160
Unrestricted	1,917,718
NET POSITION	<u>\$ 9,341,690</u>

The accompanying notes are an integral part of these financial statements.

AUBURN AREA RECREATION AND PARK DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2021

Functions Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
GOVERNMENTAL ACTIVITIES:					
Parks and recreation	\$ 4,941,033	\$ 592,862	\$ 33,690	\$ 3,268	\$ (4,311,213)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 4,941,033</b>	<b>\$ 592,862</b>	<b>\$ 33,690</b>	<b>\$ 3,268</b>	<b>(4,311,213)</b>

GENERAL REVENUES

Property taxes	3,586,437
Special assessments	25,962
Interest earnings	26,344
Other revenues	47,508
<b>TOTAL GENERAL REVENUES</b>	<b>3,686,251</b>
Change in net position	(624,962)
Net position at beginning of year	9,966,652
<b>NET POSITION AT END OF FISCAL YEAR</b>	<b>\$ 9,341,690</b>

The accompanying notes are an integral part of these financial statements

AUBURN AREA RECREATION AND PARK DISTRICT

BALANCE SHEETS - GOVERNMENTAL FUNDS

March 31, 2021

	Non-Major Funds			Total Governmental Funds
	General Fund	Atwood Park Fund	City Mitigation Fund	
<b>ASSETS</b>				
Cash and investments	\$ 3,567,696		\$ 206,768	\$ 3,774,464
Restricted cash and investments	1,909,997			1,909,997
Accounts receivable	25,065			25,065
Due from other funds	1,053			1,053
Prepaid costs	59,491			59,491
<b>TOTAL ASSETS</b>	<u>\$ 5,563,302</u>		<u>\$ 206,768</u>	<u>\$ 5,770,070</u>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 119,702			\$ 119,702
Accrued payroll	142,922			142,922
Unearned revenue	77,798			77,798
Due to other funds		\$ 1,053		1,053
<b>TOTAL LIABILITIES</b>	<u>340,422</u>	<u>1,053</u>		<u>341,475</u>
<b>FUND BALANCE</b>				
Nonspendable	59,491			59,491
Restricted	1,971,065		\$ 206,768	2,177,833
Committed	1,679,565			1,679,565
Unassigned	1,512,759	(1,053)		1,511,706
<b>TOTAL FUND BALANCE</b>	<u>5,222,880</u>	<u>(1,053)</u>	<u>206,768</u>	<u>5,428,595</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 5,563,302</u>	<u>\$ -</u>	<u>\$ 206,768</u>	<u>\$ 5,770,070</u>

The accompanying notes are an integral part of these financial statements.



AUBURN AREA RECREATION AND PARK DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEETS TO THE  
GOVERNMENT-WIDE STATEMENT OF NET POSITION

March 31, 2021

Fund Balances of Governmental Funds	\$ 5,428,595
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, are not current financial resources and are not included in the governmental funds.	7,436,139
Pension contributions subsequent to the valuation measurement date and other items will reduce the pension liability in the future and are reported as deferred outflows of resources on the statement of net position.	497,574
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(140,816)
Interest payable	(7,867)
Lease payable	(2,190,000)
Net pension obligation	(1,238,090)
OPEB liability	(298,223)
Employee pension and OPEB differences to be recognized in the future as pension or OPEB expense are reported as deferred inflows of resources on the statement of net position.	<u>(145,622)</u>
Net position of governmental activities	<u>\$ 9,341,690</u>

The accompanying notes are an integral part of these financial statements.

AUBURN AREA RECREATION AND PARK DISTRICT  
 STATEMENTS OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended March 31, 2021

	Non-Major Funds			Total Funds
	General Fund	Atwood Park Fund	City Mitigation Fund	
<b>REVENUES</b>				
Property taxes	\$ 3,586,437			\$ 3,586,437
Charges for current services	564,823			564,823
Special assessments		\$ 25,962		25,962
Rents and concessions	28,039			28,039
Interest income	24,997		\$ 1,347	26,344
Grants and donations	36,958			36,958
Other revenues	48,310			48,310
Total revenues	<u>4,289,564</u>	<u>25,962</u>	<u>1,347</u>	<u>4,316,873</u>
<b>EXPENDITURES</b>				
Salaries and benefits	2,927,263	5,127		2,932,390
Services and supplies	1,173,754	11,434		1,185,188
Capital outlay	513,615			513,615
Total expenditures	<u>4,614,632</u>	<u>16,561</u>	<u>-</u>	<u>4,631,193</u>
Excess (Deficit) of Revenues Over (Under) Expenditures	(325,068)	9,401	1,347	(314,320)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of site lease debt	2,190,000			2,190,000
Financing costs	(54,500)			(54,500)
Proceeds from sale of capital assets	858			858
Operating transfers in	2,989	3,954		6,943
Operating transfers out	(3,954)	(2,989)		(6,943)
Total other Financing Sources (Uses)	<u>2,135,393</u>	<u>965</u>	<u>-</u>	<u>2,136,358</u>
Change in fund balance	1,810,325	10,366	1,347	1,822,038
Fund Balances, March 31, 2020	<u>3,412,555</u>	<u>(11,419)</u>	<u>205,421</u>	<u>3,606,557</u>
Fund Balances, March 31, 2021	<u>\$ 5,222,880</u>	<u>\$ (1,053)</u>	<u>\$ 206,768</u>	<u>\$ 5,428,595</u>

The accompanying notes are an integral part of these financial statements.

AUBURN AREA RECREATION AND PARK DISTRICT

RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 1,822,038
<p>Amounts reported for governmental activities in the Statement of Activities differ from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:</p>	
Cost of assets capitalized	513,615
Depreciation expense	(475,020)
Adjustments to capital assets	11,651
<p>Governmental funds report proceeds from disposal of capital assets as revenues. However, in the government-wide statement of activities only the gain or (loss) on the sale of capital assets is reported. This is the difference between the gain or (loss) and proceeds.</p>	
	(81,086)
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Government-wide Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position</p>	
Issuance of lease	(2,190,000)
Interest payable	(7,867)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Change in compensated absences liability	(21,260)
Change in net pension obligation and deferred outflows/inflows of resources related to employee pensions	(61,553)
Change in OPEB liability and deferred outflows/inflows of resources related to OPEB	(135,480)
Change in net position of governmental activities	<u>\$ (624,962)</u>

The accompanying notes are an integral part of these financial statements.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity:** The Auburn Area Recreation and Park District (the District) was organized in 1948 by a vote of the public and operates under the California Public Resources Code Section 5780. The District is operated under the direction of a five-member board duly elected and empowered by the electorate with sole authority over the District operations.

In addition to providing recreational programs and services to the community, the District maintains park sites serving residents of the Auburn area. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to local governments.

The District has defined its reporting entity in accordance with accounting principles generally accepted in the United States of America, which provide guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The primary criterion for including a potential component unit within the reporting entity is the governing body's financial accountability. A primary governmental entity is financially accountable if it appoints a voting majority of a component unit's governing body and it is able to impose its will on the component unit or if there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable if a component unit is fiscally dependent on the primary governmental entity regardless of whether the component unit has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

Based upon the aforementioned oversight criteria, the following are component units:

The Friends of the Auburn Area Recreation and Park, Inc. (the Foundation) was created as a non-profit entity under section 501(c)(3) to receive donations, obtain grants, and conduct fundraising events to generate revenues that will enhance the District's recreation programs. The Foundation is reported as a blended component unit of the District because the District's governing body is also the governing body of the Foundation. The Foundation's funds are reported as restricted assets on the District's financial statements as a component of the general fund as of the year ended December 31, 2020 since the Foundation has a different fiscal year end than the District.

**Basis of Presentation – Government-wide Financial Statements:** The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

The statement of activities presents direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position is available, restricted resources are used only after the unrestricted resources are depleted.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation – Fund Financial Statements: The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund is established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations.

The District reports the following major governmental fund:

General Fund – The General Fund is the primary operating fund of the District. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

In addition to the General Fund, the District also has special revenue funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes that are nonmajor funds:

Atwood Park Special Revenue Fund – to account for revenues and the associated expenditures of fees levied on property owners of the District that are specifically restricted for installation, maintenance and servicing of public facilities within Atwood Park.

City Mitigation Special Revenue Fund – to account for revenues and the associated expenditures of fees levied on property owners of the District that are specifically restricted for installation, maintenance and servicing of public facilities within the City of Auburn.

Measurement Focus and Basis of Accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers revenues to be available if they are collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period, usually 60 days. Revenues that are accrued include property taxes, interest income, and charges for current services. Revenues that are not accrued include permits and fines, forfeitures, and penalties, if applicable. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital assets are reported as expenditures in governmental funds. Proceeds of general long-term and capital assets are reported as other financing sources. The District considers property taxes available if they are collected within sixty-days after year-end.

Budgetary Principles: As required by the laws of the State of California, the District prepares and legally adopts a final balanced operating budget on or before April 1 of each fiscal year. Public hearings are conducted on the proposed final budget to review all appropriations and the sources of financing.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating budgets are adopted for the General Fund on the modified accrual basis of accounting. Budgetary control and the legal level of control are at the object level which classifies expenditures by type of goods purchased and services obtained. The Statements of Revenues, Expenditures – Budget to Actual present revenues at the source level and expenditures at the function level. It is not feasible to compare budget to actual data at the object level in this report. Significant amendments and appropriation transfers from contingencies must be approved by the District's Board of Directors. Supplemental appropriations financed by unanticipated revenues also must be approved by the Board.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the object level. Object levels of expenditures are as follows: salaries and benefits, services and supplies, other charges including debt service, capital outlay, contingencies, expenditure transfers, and other financing uses.

Restricted Cash and Investments: The amount reported as restricted cash and investments consist of debt proceeds from a Site Lease to be used to design, construct and install energy conservation measures at the District facilities.

Prepaid Expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/costs in both the government-wide and fund financial statements. Prepaid costs are reported in the fund financial statements as non-spendable fund balance to indicate they do not constitute resources available for appropriation.

Capital Assets: Capital assets, which include land, structures and improvements, machinery and equipment, and infrastructure assets, are reported in government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$3,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value at the date of donation. Capital outlay is recorded as expenditures of the governmental funds and as assets in the government-wide financial statements to the extent the District's capitalization threshold is met. Amortization of assets acquired by way of capital leases are included in depreciation and amortization. Structures, improvements, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Structures	20 years
Equipment	10 years
Computer Equipment	3 years
Vehicles	8 years
Furniture	10 years
Small Tools	5 years

Compensated Absences: The District personnel policy allows employees to accumulate earned but unused vacation. Unused accrued vacation time will be paid to employees upon separation from the District's service, subject to a vesting policy. The cost of vacation is recorded in the period accrued.

Amounts that are expected to be liquidated with expendable available financial resources, for example, as a result of employee resignations or retirements that are currently payable are reported as expenditures and fund liabilities of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable

AUBURN AREA RECREATION AND PARK DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

available financial resources represent a reconciling item between the fund and government-wide presentation. No expenditure is reported in a governmental fund financial statements for these amounts. Compensated absences are liquidated by the General Fund.

Deferred Outflows and Inflows of Resources: In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net position by the government that is applicable to a future reporting period. *Deferred inflows of resources* represent an acquisition of net position that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earnings process is complete. Deferred outflows and inflows of resources represent amounts deferred related to the District's pension and OPEB plans as described in Notes G and H.

Pensions: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Property Taxes: The County of Placer (the County) is responsible for the collection and allocation of property taxes. Under California law, property taxes are assessed and collected by the County up to 1% of the full cash value of taxable property, plus other increases approved by the voters and distributed in accordance with statutory formulas. The valuation/lien date for all property taxes is January 1. Secured property tax is due in two instalments: the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent penalties after April 10. These taxes are secured by liens on the property being taxed. Unsecured taxes are due in one instalment on billing and are subject to late payment penalties if paid after August 31.

The term "unsecured" refers to taxes on personal property other than land and buildings. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after fiscal year-end. The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan," as prescribed by Section 4717 of the California Revenue and Taxation code. Therefore, the District receives 100% of the secured property tax levies to which it is entitled, whether or not collected. Unsecured delinquent taxes are considered fully collectible.

Unearned Revenue: Unearned revenue represents fees received prior to March 31, 2021 for events that take place after March 31, 2021.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

Interfund Transactions: Operating transfers are transactions to allocate resources from one fund to another fund not contingent on the incurrence of specific expenditures in the receiving fund. Interfund transfers are generally recorded as operating transfers in and operating transfers out in the same accounting period.

Transactions between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Eliminations have not been made between or within the fund types.

Fund Balance: In the fund financial statements, governmental funds report non-spendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which comprise prepaid items.

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the District's Board of Directors. These amounts cannot be used for any other purpose unless the District's Board modifies, or removes the fund balance commitment.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned Funds – Unassigned fund balance is the residual classification of the District's funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

Net Position: The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category represents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.



AUBURN AREA RECREATION AND PARK DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

The District's Board establishes, modifies or rescinds fund balance commitments and assignments by passage of a resolution. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted, committed, assigned and unassigned resources as they are needed. The District's committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

New Pronouncements: In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the lease's guidance, unless specifically excluded in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement enhances disclosures about capital assets and the cost of borrowing for a reporting period and simplifies the accounting for interest cost incurred before the end of a construction period. Interest cost incurred before the end of a construction period will be recognized as an expense rather than being recorded as part of the cost of capital assets in a business-type activity or enterprise fund and interest cost incurred by a fund using the current financial resources measurement focus before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for the reporting periods beginning after December 15, 2020.

The District is currently analyzing the impact of the required implementation of these new statements.

NOTE B – CASH AND INVESTMENTS

Cash and cash investments as of March 31, 2021 are classified in the accompanying financial statements as follows:

Cash and investments	\$ 3,774,464
Restricted cash and investments	<u>1,909,997</u>
	<u><u>\$ 5,684,461</u></u>

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE B – CASH AND INVESTMENTS (Continued)

At March 31, 2021, the District's total cash and investments at fair value were as follows:

Cash:	
Imprest cash	\$ 580
Deposits in financial institutions	147,052
Total Cash	<u>147,632</u>
Investments	
County of Placer investment pool	5,536,829
Total Investments	<u>5,536,829</u>
Total Cash and Investments	<u>\$ 5,684,461</u>

Investment Policy: The County's Board of Supervisors approves an investment policy each year and provides oversight for all pooled investments in the County Treasury. California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The following table identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	30 years	No limit	No limit
U.S. Treasury Obligations	5 years	No limit	100%
U.S. Agency Securities	5 years	No limit	75%
Bankers' Acceptances	180 days	40%	30%
Commercial Paper	270 days	40%	40%
Negotiable Certificates of Deposit	5 years	30%	30%
Repurchase Agreements	7 days	25%	20%
Reverse Repurchase Agreements	1 year	20%	May not be purchased
Mutual Funds	N/A	15%	May not be purchased
Money Market Mutual Funds	N/A	20%	10%
Mortgage Backed Securities	5 years	No limit	May not be purchased
County Pooled Investment Funds	N/A	No limit	No limit
Local Agency Investment Fund (LAIF)	365 days	40MM	40MM
Collateralized Obligation	5 years	No limit	May not be purchased
Asset Backed Securities	5 years	No limit	May not be purchased
Collateralized Certificates of Deposit	Not specified	No limit	20%
CDARS Certificates of Deposit	Not specified	30%	30%
Supranational - Washington dollar			
Denominated IDR, IFC or IAD	5 years	30%	30%
Corporate Notes	5 years	30%	30%

The District complied with the provisions of the California Government Code pertaining to the types of investments held, the institutions in which deposits were made and the security requirements. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE B – CASH AND INVESTMENTS (Continued)

Investment in the County of Placer Investment Pool: The District's cash is held in the County of Placer's cash and investment pool which is managed by the Placer County Treasurer. The District's cash balances invested in the Placer County Treasurer's cash and investment pool are stated at amortized cost, which approximates fair value. The amount invested by all public agencies in Placer County's cash and investment pool is \$1,641,637,141 at March 31, 2021. Placer County does not invest in any derivative financial products. The Placer County Treasury Investment Oversight Committee (Committee) has oversight responsibility for Sacramento County's cash and investment pool. The Committee consists of ten members as designated by State law. The value of pool shares in Placer County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. Investments held in the County's investment pool are available on demand to the District and are stated at cost, which approximates fair value. The Treasurer may require 30 days written notice prior to any withdrawals. This investment is not subject to categorization under GASB No. 3.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investment in the County pool has an average maturity of 558 days as of March 31, 2021.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's external investment pool is not rated.

Concentration of Credit Risk: The investment policy of the District limits the amount that can be invested in any one issuer to the California Government Code. There are no investments in any one issuer (other than external investment pools) that represent 5% or more of total District investments.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. Custodial credit risk does not apply to a local government's indirect deposits or investments in securities with governmental investment pools (such as the County of Sacramento investment pool). The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Custodial credit risk does not apply to a local government's indirect deposits or investments in securities through the use of government investment pools.

At March 31, 2021, the carrying amounts of the District's deposits were \$147,052, and the balances in financial institutions were \$406,536. Of the balance in financial institutions, \$274,064, was covered by federal depository insurance and \$132,472 at March 31, 2021, was covered by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE C – INTERFUND TRANSACTIONS

Due to/from other funds: Amounts due to and from other funds are temporary loans to cover deficit cash and other shortfalls. Due to/from other funds consisted of the following at March 31, 2021:

Receivable Fund	Payable Fund	Amount
General Fund	Atwood Park Fund	\$ 1,053
		<u>\$ 1,053</u>

Transfer in/out: With Board approval, resources may be transferred from one District fund to another. Transfers between funds during the fiscal year ended March 31, 2021 were as follows:

Transfer In	Transfer Out	Amount
Atwood Park Fund	General Fund	\$ 3,954 (a)
General Fund	Atwood Park Fund	2,989 (b)
		<u>\$ 6,943</u>

(a) - Transfer for park expenses

(b) - Transfer for administrative services, wages and insurance.

NOTE D – CAPITAL ASSETS

Capital assets activity for the year ended March 31, 2021, is as follows:

	Balance at March 31, 2020	Additions	Deletions	Adjustments	Balance at March 31, 2021
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 1,970,546				\$ 1,970,546
Construction in progress	1,121,331	\$ 357,954			1,479,285
Total capital assets, not being depreciated	<u>3,091,877</u>	<u>357,954</u>			<u>3,449,831</u>
Capital assets, being depreciated:					
Buildings and improvements	12,938,861		\$ (98,358)	\$ 6,924	12,847,427
Equipment and furniture	1,555,202	136,242	(221,951)	4,727	1,474,220
Vehicles	265,281	19,419	(2,149)		282,551
Total capital assets, being depreciated	<u>14,759,344</u>	<u>155,661</u>	<u>(322,458)</u>	<u>11,651</u>	<u>14,604,198</u>
Less accumulate depreciation:					
Buildings and improvements	(9,442,312)	(362,261)	74,590		(9,729,983)
Equipment and furniture	(742,662)	(98,596)	165,084		(676,174)
Vehicles	(199,268)	(14,163)	1,698		(211,733)
Total accumulated depreciation	<u>(10,384,242)</u>	<u>(475,020)</u>	<u>241,372</u>		<u>(10,617,890)</u>
Total capital assets being depreciated, net	<u>4,375,102</u>	<u>(319,359)</u>	<u>(81,086)</u>	<u>11,651</u>	<u>3,986,308</u>
<b>GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET</b>	<u>\$ 7,466,979</u>	<u>\$ 38,595</u>	<u>\$ (81,086)</u>	<u>\$ 11,651</u>	<u>\$ 7,436,139</u>

Depreciation expense for the year was \$475,020 and was all charged to the recreation function.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE E – LONG-TERM OBLIGATIONS

The following is a summary of long-term liabilities for the year ended March 31, 2021:

	Balance March 31, 2020	Additions	Deletions	Balance March 31, 2021	Due Within One Year
Governmental Activities:					
Lease payable		\$ 2,190,000		\$ 2,190,000	\$ 108,000
Compensated absences	\$ 119,556	21,260		140,816	140,816
Net pension liability	1,077,429	351,504	\$ (190,843)	1,238,090	
OPEB liability	247,764	50,459		298,223	
Totals	\$ 1,444,749	\$ 2,613,223	\$ (190,843)	\$ 3,867,129	\$ 248,816

Lease Payable: On January 1, 2021, the District executed a lease agreement with CSDA Finance Corporation in the amount of \$2,190,000, which was subsequently assigned to Sterling National Bank to finance the design and build of energy conservation measures for the District. Principal payments of \$54,000 to \$80,000 and interest payments of \$848 to \$22,069 are due semi-annually on January 1 and July 1 through January 1, 2037. The lease bears an interest rate of 2.12%. The financing was secured as a result of the Design-Build Energy Services Agreement that the District entered into with Centrica Business Solutions Services Inc. to design, construct and install energy conservation measures into the District's facilities. In the event of default, the lessor may exercise any and all remedies available under law or granted under the lease agreement.

The annual requirements to amortize the outstanding long-term liabilities were as follows at March 31, 2021:

Years Ending March 31	Principal	Interest	Total
2022	\$ 108,000	\$ 42,244	\$ 150,244
2023	119,000	43,513	162,513
2024	122,000	40,969	162,969
2025	125,000	38,361	163,361
2026	127,000	35,711	162,711
2027-2031	677,000	136,719	813,719
2032-2036	752,000	61,501	813,501
2037-2038	160,000	2,545	162,545
	\$ 2,190,000	\$ 401,563	\$ 2,591,563

AUBURN AREA RECREATION AND PARK DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE F – FUND BALANCE

The following are the components of the Governmental Funds fund balances.

	General	Atwood Park Funds	City Mitigation Fund	Total Governmental Funds
Fund balances:				
Nonspendable:				
Prepaid expenses	\$ 59,491			\$ 59,491
Total Nonspendable	<u>59,491</u>			<u>59,491</u>
Restricted for:				
Energy efficiency projects	1,909,997			1,909,997
Foundation activities	17,160			17,160
Youth assistance	30,632			30,632
Arboretum grant projects	13,276			13,276
City mitigation projects			\$ 206,768	206,768
Total Restricted	<u>1,971,065</u>		<u>206,768</u>	<u>2,177,833</u>
Committed:				
Future capital construction	895,574			895,574
Annual equipment replacement	613,959			613,959
CalPERS unfunded liability	140,000			140,000
ADA reserve	30,032			30,032
Total Committed	<u>1,679,565</u>			<u>1,679,565</u>
Unassigned:				
Annual contingency	473,000			473,000
Unassigned	1,042,759	\$ (4,053)		1,038,706
Total Unassigned	<u>1,515,759</u>	<u>(4,053)</u>		<u>1,511,706</u>
Total Fund Balances	<u>\$ 5,225,880</u>	<u>\$ (4,053)</u>	<u>\$ 206,768</u>	<u>\$ 5,428,595</u>

NOTE G – DEFINED BENEFIT PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). The District has the following cost-sharing rate plans:

- Miscellaneous Plan
- PEPRA Miscellaneous Plan

Benefit provisions under the Plan are established by State statute and Board resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 55 (62 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at March 31, 2021, are summarized as follows:

	Miscellaneous Plan (Prior to January 1, 2013)	PEPRA Miscellaneous Plan (On or after January 1, 2013)
Hire date		
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.092% to 2.418%	1.0% to 2.5%
Required employee contribution rates - April to June 2020	7.000%	6.500%
Required employer contribution rates - April to June 2020	10.327%	7.072%
Required employer contribution rates - July 2020 to March 2021	11.199%	7.874%

In addition to the contribution rates above, the District was required to make payments of \$73,681 toward its unfunded actuarial liability during the year ended March 31, 2021. The Miscellaneous Plan is closed to new members that are not already CalPERS eligible participants.

Contributions: Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended March 31, 2021, the employer contribution to the Plan (all rate plans combined) was \$373,538, including the contribution for the employer's unfunded accrual liability.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of March 31, 2021, the District reported a net pension liability for its proportionate share of the net pension liability of \$1,238,090.

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District's proportion of the net pension

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of March 31, 2021 and 2020 were as follows:

	<u>Miscellaneous Plan</u>
Proportion - June 30, 2019	0.02691%
Proportion - June 30, 2020	0.02935%
Change - Increase (Decrease)	0.00244%

For the year ended March 31, 2021, the District recognized pension expense of \$339,926. At March 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to the Plan combined from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 278,373	
Change in assumptions		\$ 8,831
Net differences between projected and actual earnings on plan investments	36,780	
Difference between actual and allocated contributions		51,770
Difference between expected and actual experience	63,802	
Adjustment due to differences in proportions	<u>118,619</u>	
Total	<u>\$ 497,574</u>	<u>\$ 60,601</u>

The \$278,373 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as net deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended <u>June 30</u>	
2020	\$ 47,987
2021	53,028
2022	39,944
2023	<u>17,641</u>
	<u>\$ 158,600</u>



AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions: The total pension liabilities in the actuarial valuations for the Plan was determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	0.4% - 8.5% <sup>(1)</sup>
Mortality	Derived using CalPERS Membership Data for all Funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 valuation were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate: The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.15 percent investment return assumption used in this accounting valuation is gross of administrative expenses. Administrative expenses are assumed to be 15 basis points.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

The table below reflects the long-term expected real rate of return by asset class for the Plan. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%		-0.92%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.00% used for this period.

(b) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District's proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability	\$ 2,141,242
Current Discount Rate	7.15%
Net Pension Liability	\$ 1,238,090
1% Increase	8.15%
Net Pension Liability	\$ 491,843

Pension Plan Fiduciary Net Position: Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE H – OTHER POSTEMPLOYMENT BENEFIT PLANS

Plan Description: The District administers a single employer defined benefit healthcare plan (the Retiree Health Plan). The District currently provides retiree health benefits to eligible Non-bargaining employees. The District sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE H – OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

Non-represented employees are eligible for District-paid retiree medical benefits upon attainment of age 50 and 5 years of service. The District contributes the PEMHCA minimum under the unequal method (5% times number of years the District has been in PEMHCA). The District's non-represented group joined PEMHCA in 2015. Employees must work more than 30 hours a week to be eligible for benefits. The statutory minimum was \$139.00 per month for 2020 that the District designates for PEMHCA. The \$139.00 per month increased to \$143.00 per month in 2021, which is scheduled by law to be indexed with medical inflation (CPI). In addition to the PEMHCA minimum, the District pays all administrative fees.

Effective August 1, 2020, the District amended the plan to include represented employees. The resulting increase in OPEB liability is described on the following pages as changes of benefit terms.

The Plan does not issue separate financial statements. No assets are accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4, to pay related benefits.

Employees Covered by Benefit Terms: As of the March 31, 2021 valuation, the following employees were covered by the Plan's benefit terms:

Active employees	33
Inactive employees or beneficiaries currently receiving benefit payments	1
	<u>34</u>

Contributions: The contribution requirements of Plan members and the District are established and may be amended by the District's Board of Directors subject to the District's Memorandums of Understanding with bargaining units. The required contribution is based on actual retiree health insurance premium payments required under the Plan. For the year ended March 31, 2021, the District contributed \$441 to the Plan through pay-as-you-go health insurance benefit payments on behalf of Plan members. Plan members did not make any contributions to the Plan. The District does not contribute to a trust fund on behalf of employees.

OPEB Liability: The District's OPEB liability of \$298,223 was measured as of March 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of March 31, 2020.

Actuarial Assumptions: The net OPEB liability in the March 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.27%
Salary increases	2.75%
Inflation	2.75%
Healthcare cost trend rates	5.90% for 2021; 5.80% for 2022; 5.70% for 2023; and decreasing 0.10% per year to an ultimate rate of 5.00% for 2030 and later years
Mortality rates	RP-2014 Employee Mortality Table, without projection
Pre-Retirement	RP-2014 Health Annuitant Mortality Table, without projection

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE H – OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Discount Rate: The discount rate used to measure the total OPEB liability was 2.27%. The discount rate is based on the Fidelity GO AA 20 Years Municipal Index. The discount rate was reduced from 2.48% to 2.27%.

Changes in the Total OPEB Liability: The change in the total OPEB liability for the plan is as follows:

	<u>Total OPEB Liability</u>
Balance at March 31, 2020	\$ 247,764
Changes for the year:	
Service cost	28,779
Interest on the total OPEB liability	5,992
Change of benefit terms	108,149
Change in assumption on other inputs	(91,877)
Benefit payments	(584)
Net changes	<u>50,459</u>
Balance at March 31, 2021	<u>\$ 298,223</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease 1.27%</u>	<u>Discount Rate 2.27%</u>	<u>1% Increase 3.27%</u>
Total OPEB liability	\$ 352,819	\$ 298,223	\$ 253,825

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease 4.90% for 2021 (4.00% decreasing to 3.00%)</u>	<u>Current Healthcare Cost Trend Rates 5.90% for 2021 (5.00% decreasing to 4.00%)</u>	<u>1% Increase 6.90% for 2021 (6.00% decreasing to 5.00%)</u>
Total OPEB liability	\$ 235,297	\$ 298,223	\$ 383,467

OPEB Plan Fiduciary Net Position: The Plan does not have fiduciary net position as the District does not contribute to a qualified trust fund on behalf of the participants.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE H – OTHER POSTEMPLOYMENT BENEFIT PLANS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended March 31, 2021, the District recognized OPEB expense of \$135,480. At March 31, 2021, the District reported deferred inflows of \$85,021 for changes in assumptions or other inputs. These changes of assumptions are recognized over the expected average remaining service lifetime (EARS�), which was 13.4 years at March 31, 2020 valuation date. Deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended March 31</u>	
2022	\$ (6,856)
2023	(6,856)
2024	(6,856)
2025	(6,856)
2026	(6,856)
Thereafter	<u>(50,741)</u>
	<u>\$ (85,021)</u>

NOTE I – RISK MANAGEMENT

The District is self-insured for comprehensive liability coverage as a member of the California Association for Park and Recreation Insurance (CAPRI). CAPRI is a public agency risk pool created pursuant to a joint powers' agreement between the numerous member Districts. CAPRI manages one pool for all member agencies. Each member pays an annual premium to the system based on numerous factors including the number of personnel, types and values of assets held, and an experience factor. CAPRI reinsures through a commercial carrier for claims in excess of \$1,000,000 for each insured event. The District also participates in the Special District Risk Management Authority (SDRMA) Workers' Compensation and Employers' Liability Coverage Agreement.

Coverage provided under CAPRI and SDRMA are as follows:

Workers' compensation coverage of \$5,000,000 under (SDRMA) with zero-member deductible.

Comprehensive general liability coverage with a \$25,000,000, including \$1,000,000 (CAPRI) self-insured limit per occurrence for personal injury and property damage to which the coverage applies. There is no deductible to the District.

Public officials and employee liability coverage with a \$1,000,000 annual aggregate limit per member district because of a wrongful act which occurs during the coverage period for which the coverage applies. There is a \$25,000 deductible for any covered claim for wrongful termination payable by the District.

Flood and earthquake coverage with an annual aggregate limit of \$5,000,000 for all the member districts. The deductible for all loss or damage arising from the risks of flood and/or earthquake is \$50,000 per occurrence, or 5% for earthquake and \$50,000 for flood or wildfire, of the value of the building, contents, and/or structure damaged, whichever is greater.

Theft and employee dishonesty coverage with a limit of \$1,000,000 and a deductible of up to \$25,000 per occurrence.

AUBURN AREA RECREATION AND PARK DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

March 31, 2021

NOTE J – COMMITMENTS AND CONTINGENCIES

On November 20, 2020, the District entered into a Design-Build Energy Services Agreement (Agreement) with Centrica Business Solutions Service Inc. (Centrica) for the design, construction and installation of energy efficiency equipment (equipment). Additionally, the agreement, Centrica will provide ongoing energy savings monitoring a reporting services, management and or modification (MM&V Service) of the equipment. The total contract agreement for the equipment is \$2,133,891, of which 235,790 has been accrued as of March 31, 2021. The contract agreement for MM&V Service will be \$7,116 per year starting on the MM&V Services commencement date.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the District's operation and financial performance depends on certain developments, including the duration and spread of the outbreak, and the impact on customers, taxpayers, employees and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the financial condition or results of operations is uncertain and the accompanying financial statements include no adjustments relating to the effects of the pandemic.

**REQUIRED SUPPLEMENTARY INFORMATION**

AUBURN AREA RECREATION AND PARK DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended March 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 3,508,680	\$ 3,508,680	\$ 3,586,437	\$ 77,757
Charges for current services	558,381	558,381	564,823	6,442
Rents and concessions	15,708	15,708	28,039	12,331
Interest income	36,043	36,043	24,997	(11,046)
Grants and donations	157,503	157,503	36,958	(120,545)
Other revenues	45,717	45,717	48,310	2,593
Total revenues	<u>4,322,032</u>	<u>4,322,032</u>	<u>4,289,564</u>	<u>(32,468)</u>
<b>EXPENDITURES</b>				
Salaries and benefits	2,759,852	2,759,852	2,927,263	(167,411)
Services and supplies	1,347,905	1,347,905	1,173,754	174,151
Capital outlay	619,736	619,736	513,615	106,121
Total expenditures	<u>4,727,493</u>	<u>4,727,493</u>	<u>4,614,632</u>	<u>112,861</u>
Excess (Deficit) of Revenues Over (Under) Expenditures	(405,461)	(405,461)	(325,068)	80,393
<b>Other Financing Sources (Uses)</b>				
Issuance of debt			2,190,000	2,190,000
Financing costs			(54,500)	(54,500)
Proceeds from capital assets			858	858
Operating transfers in			5,989	5,989
Operating transfers out	(35,000)	(35,000)	(3,954)	31,046
Total other Financing Sources (Uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>2,138,393</u>	<u>2,173,393</u>
Change in fund balance	(440,461)	(440,461)	1,813,325	2,253,786
Fund Balances, March 31, 2020	<u>3,412,555</u>	<u>3,412,555</u>	<u>3,412,555</u>	
Fund Balances, March 31, 2021	<u>\$ 2,972,094</u>	<u>\$ 2,972,094</u>	<u>\$ 5,225,880</u>	<u>\$ 2,253,786</u>



ALBURN AREA RECREATION AND PARK DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended March 31, 2021

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (UNAUDITED)  
Last 10 Years

	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Proportion of the Net Pension Liability	0.02935%	0.02691%	0.02480%	0.02452%	2.24600%	0.02011%	Varies by plan
Proportionate Share of the Net Pension Liability	\$ 1,233,096	\$ 1,077,429	\$ 954,176	\$ 966,748	\$ 75,035	\$ 459,264	\$ 458,264
Covered Payroll - Plan Measurement Period	\$ 4,199,049	\$ 4,007,953	\$ 3,909,494	\$ 3,974,726	\$ 3,333,670	\$ 2,333,961	\$ 1,333,961
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	62.94%	51.59%	45.37%	51.57%	45.36%	31.35%	34.35%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.76%	82.81%	83.05%	80.31%	51.64%	84.02%	85.17%

Notes to Schedule

Change in Benefit Terms: None

Changes in Assumptions: The demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

Omitted Years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date.

SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN (UNAUDITED)  
Last 10 Years

	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 233,538	\$ 164,229	\$ 156,700	\$ 146,616	\$ 128,997	\$ 121,477	\$ 150,179
Contributions in Relation to the Actuarially Determined Contributions	(573,538)	(164,229)	(156,700)	(146,616)	(128,997)	(121,477)	(150,179)
Contribution Deficiency (Excess)	\$ (340,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll - Employer Fiscal Year	\$ 1,742,311	\$ 1,961,011	\$ 2,244,919	\$ 2,059,494	\$ 1,874,726	\$ 1,719,670	\$ 1,333,961
Contributions as a Percentage of Covered Payroll	13.49%	8.37%	6.98%	7.12%	6.89%	7.06%	11.26%

Notes to Schedule

Valuation date

June 30, 2018

June 30, 2017

June 30, 2016

June 30, 2015

June 30, 2014

June 30, 2013

June 30, 2012

Methods and Assumptions Used to Determine Contribution Rates:

Amortization Method	Entry age normal						
Remaining Amortization Period	Level percentage of payroll, closed						
Asset Valuation Method	Varies not more than 30 years						
	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15-year smoothed market
Inflation	2.50%	2.62%	2.74%	2.75%	2.74%	2.75%	2.75%
Salary Increases	-	-	-	-	-	-	-
Investment Rate of Return	7.00%	7.25%	7.375%	7.50%	7.60%	7.50%	7.50%
Payroll growth	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%	3.00%

Notes to Schedule

1 Net of administrative expenses includes inflation

2 0.40% to 8.50% depending on entry age and service

3 2.0% to 12.20% depending on entry age and service

Omitted Years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this date. Future years will be reported prospectively as they become available.

AUBURN AREA RECREATION AND PARK DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended March 31, 2021

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)

	<u>2021</u>	<u>2020</u>
Total OPEB liability:		
Service cost	\$ 28,779	\$ 16,000
Interest	5,992	5,614
Changes in benefit terms	108,149	
Changes in assumptions or other inputs	(91,877)	
Benefit payments	(584)	(462)
Net change in total OPEB liability	<u>50,459</u>	<u>21,152</u>
Total OPEB liability - beginning	<u>247,764</u>	<u>226,612</u>
 Total OPEB liability - ending	 <u>\$ 298,223</u>	 <u>\$ 247,764</u>
 Covered-employee payroll - measurement period	 <u>\$ 1,562,465</u>	 <u>\$ 719,947</u>
 Total OPEB liability as percentage of covered-employee payroll	 <u>19.09%</u>	 <u>34.41%</u>

Notes to schedule:

Valuation date	March 31, 2020	March 31, 2020
Measurement period - fiscal year ended	March 31, 2021	March 31, 2020

Note: No assets are accumulated in a trust that meets the criteria in GASB Statement 75, paragraph 4, to pay related benefits.

Omitted years: GASB Statement No. 75 was implemented during the year ended March 31, 2020. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

## **Item 8.2 Cover sheet – Placer County Auditor-Controller MOU**

**Auburn Area Recreation and Park (ARD) Finance Committee, July, 2021; Board of Directors Meeting, July, 2021.**

### **The Issue**

Shall the Auburn Area Recreation and Park District (ARD) enter into a Memorandum of Understanding (MOU) with the Placer County Auditor-Controller for services provided?

### **Background**

On July 1, 2020, Andrew Sisk from the Placer County Auditor-Controller's office initiated an MOU with the District to provide services for the District for July 2020 – June 2021.

A new MOU has been sent via email on July 7, 2021 for this fiscal year.

These services include the use of the County's centralized accounting system and recording of financial system entries. The Auditor-Controller's office processes checks to us per the District's weekly request. They also calculate the appropriation limit (GANN Limit) for the District.

### **Recommendation for the Policy Committee**

The Finance Committee forwards to the Board of Directors with a positive recommendation for approval for the MOU between ARD and the Placer County Auditor-Controller.

### **Fiscal Impact**

\$1,024.11 (covers July 1, 2021 – June 30, 2021). The following is a breakdown of the costs, which decreased from the \$1,055.46 charged to the District last year:

General accounting:                 \$774.11  
Appropriation GANN Limit: \$250.00

### **Attachments**

MOU between ARD and the Placer County Auditor-Controller.



## COUNTY OF PLACER

## OFFICE OF AUDITOR-CONTROLLER

ANDREW C. SISK, CPA  
Auditor-Controller  
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NICOLE C. HOWARD, CPA  
Assistant Auditor-Controller  
E-mail: [nhoward@placer.ca.gov](mailto:nhoward@placer.ca.gov)

June 30, 2021

To the Board of Directors and Management  
Auburn Area Park and Recreation District

The Auditor-Controller is pleased to confirm our understanding of the terms and costs of our services under this agreement for the 2021-2022 fiscal year.

### A. Scope of Services

The Auditor-Controller will provide the following services to Auburn Area Park and Recreation ("District"):

1. **General Accounting** – includes use of County's centralized accounting system and recording of financial system entries submitted by the District. Transactions will be reviewed for authorization by appropriate District personnel prior to processing. This also includes compiling the District's financial information to report within the County's A-87 Cost Plan, if applicable.
2. **Accounts Payable** – includes processing payment claims by warrant, wire or ACH. Claims will be reviewed to validate authorized District signers have approved the payment prior to processing, recording and mailing payments. Any invoices submitted with payment claims will be scanned and archived for retention. Review of invoices for mathematical accuracy and appropriateness of expenditure is not part of the service agreement. Maintaining vendors and payments for purposes of 1099 reporting along with issuing 1099 forms for the calendar year, if applicable.
3. **Gann Limit** - calculation of appropriation limit for the current fiscal year and measurement (testing) of appropriation limit for the previous fiscal year to assist the District in meeting the requirements of Article XIII B, Section 1.5 of the California Constitution.

### B. Term

The term of this Agreement will commence on July 1, 2021 and end on June 30, 2022. Subject to written agreement of the parties, this agreement may be renewed annually.

### C. Responsibilities of Auditor-Controller

The Auditor-Controller's responsibility under this Agreement is to perform the services enumerated above. The Auditor-Controller will not audit accounting entries, payment claims or budget transactions, nor will we validate the appropriateness of accounting transactions or claims for payment.

The Auditor-Controller's services are not designed to detect instances of fraud, noncompliance with laws or regulations or significant errors; however, the Auditor-Controller will communicate to District any known and suspected fraud, noncompliance with laws or regulations or significant errors that come to their attention. Neither the County nor the Auditor-Controller will be held liable should any instances of fraud, noncompliance with laws or regulations or significant errors be subsequently discovered by either District or through a claim or lawsuit to District.

D. Responsibilities of District Management

District is responsible for (1) ensuring all transactions are submitted and/or approved by authorized staff, (2) reviewing all transactions prior to submittal to ensure appropriateness of the expenditure, compliance with laws or regulations and to check for significant errors and fraud, (3) retaining all source documents, and (4) providing all District Board authorized budgets and budget amendments. District is encouraged to routinely provide accounting reports and payment registers to its Board for review.

District agrees to inform County of significant noncompliance, fraud and/or errors immediately upon discovery.

For all services provided District management agrees to assume all management responsibilities; oversee the services by designating an individual who possesses suitable skill, knowledge, and/or experience to understand the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. District agrees to hold the County and the Auditor-Controller harmless for any subsequent claims or lawsuits that may arise from the results of the services.

Annual Cost and Billing

The annual cost of services identified above is \$1,024.11. Your District will be billed by journal entry during the third quarter of the fiscal year for the entire annual costs. A copy of the journal entry will be provided to your District.

Agreement

The Auditor-Controller appreciates the opportunity to be of service to you and believes this letter accurately summarizes the significant terms of your agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements. Please execute this document and return the original version to my office at your earliest convenience.

Sincerely,

Andrew C. Sisk, CPA  
Auditor-Controller

We, the undersigned, have read and agree to the terms of this Agreement. We represent we have the authority to execute this Agreement on behalf of the Auburn Area Park and Recreation.

Authorized Signature Director: \_\_\_\_\_ Dated: \_\_\_\_\_

Authorized Signature Board Chair: \_\_\_\_\_ Dated: \_\_\_\_\_

District Name: \_\_\_\_\_

## **Item 8.3 Cover sheet – Columbus Day Holiday Swap**

**Auburn Area Recreation and Park District Policy Committee meeting July, 2021; Board of Directors meeting July, 2021**

### **The Issue**

Shall the Auburn Area Recreation and Park District (ARD) swap the Columbus Day holiday for another holiday?

### **Background**

The ARD Personnel Policy and Procedure Manual states the following regarding holidays:

#### **5.4 Holidays**

- A. All full-time employees of the District shall be entitled to the following twelve holidays per year with pay:

New Year's Day  
Martin Luther King's Birthday  
President's Day  
Memorial Day  
Fourth of July (observed)  
Labor Day  
Columbus Day  
Veteran's Day  
Thanksgiving Day  
Friday after Thanksgiving  
Christmas Eve  
Christmas Day

The Columbus Day holiday creates problems for the ARD Youth Services Department. The School Districts do not close for Columbus Day, therefore ARD's before/after school care program remains open for our families. As this is an ARD holiday, it is costly to do so because we have to pay our staff more. (Even our temporary/seasonal staff that do not normally get paid holidays).

### **Recommendation for the Board of Directors**

The Policy Committee recommends eliminating the Columbus Day holiday and not replacing it with another.

Staff proposes that we swap ARD's observation of Columbus Day to a different holiday, preferably New Years Eve Day. It is a slow time of year, making it easier to provide the day off without floating it for another day in the pay period.

ARD will also need to get approval from Local 39, as the Columbus Day holiday is part of the agreement between ARD and Local 39.

**Alternatives available to the Policy Committee**

- 1) Swap out another holiday for Columbus Day
- 2) Do not recommend making the swap

**Fiscal Impact**

Unknown, however there would be savings from less holiday pay going to the Youth Services staff.

**Attachments**

None.

## Discussion Item 1. Cover sheet – Curt Smith Memorial Bench at the Auburn Bike Park

Auburn Area Recreation and Park District (ARD) Board of Directors meeting, May, 2021; June, 2021; July 2021

### The Issue

Shall the Auburn Area Recreation and Park District (ARD) Board of Directors add a memorial bench at the Auburn Bike Park for former ARD Director Curt Smith? The Acquisition and Development Committee requested that this item be considered.

### Background

Curt Smith served as an ARD Board member from 2006 until his passing in 2015. It has been suggested that the ARD Board consider adding a memorial bench at the Auburn Bike Park in memory of Curt.

After Curt's passing, there was an effort to install a memorial rock at the Railhead Park playground. That rock is still not in place.

### Per ARD Policy:

- D. Criteria for creating non-living memorials in an individual's name:
  1. The memorial should be a non-living, low maintenance improvement, which should serve a purpose to the District, for example, a bench with a plaque. All costs of the improvement shall be the responsibility of the donor. The donor may submit information and recommendation to the District Administrator regarding relevant history of the person to be memorialized, type of improvement desired and verbiage requested. Final decisions regarding the improvement, including, but not limited to, materials, equipment, location and labor will be made by the District..

At the June Board meeting, the Board discussed purchasing a plaque with donations to be placed on a bench that is already needed in several locations. The most appropriate and already approved location is at the playground at Regional Park. Attorney Patti Eyres said that this is fine, as long as the plaque is paid for with donations. The cost for an inscribed plaque for ARD's standard memorial bench is \$360.

### Recommendation for the Board of Directors

Review and discuss. Provide direction for staff

### Fiscal Impact

There would be no fiscal impact to ARD. The bench and cost to install it would need to be covered by donations from the Board and community.

The cost for a memorial bench is approximately \$2,000. The cost for install could be as much as \$1,500, however other groups that have installed memorial benches at ARD were able to get the installation donated.

### Attachments

N/A



## **Discussion Item 2. Cover sheet – Rescheduling the September, 2021 Board of Directors Meeting**

**Auburn Area Recreation and Park District (ARD) Board of Directors meeting July 2021**

### **The Issue**

Shall the Auburn Area Recreation and Park District (ARD) reschedule the September, 2021 Board of Directors meeting due to a conflict with the 2021 State of the Community Dinner?

### **Background**

ARD recognizes the ARD Friend of Recreation annually at the State of the Community Dinner. In 2021, ARD will be recognizing two recipients as the 2020 event was cancelled.

ARD received notice that the 2021 State of the Community Dinner will take place the evening of Thursday, September 30<sup>th</sup>. This is in direct conflict with the September Board meeting.

### **Recommendation for the Board of Directors**

Staff recommends rescheduling the September, 2021 Board meeting to Wednesday, September 29<sup>th</sup>. The meeting would still start at 6:00pm.

### **Alternatives Available to the Board of Directors**

- 1) Keep the meeting on September 30<sup>th</sup> and send one or two representatives
- 2) Choose another day that week to reschedule the meeting.

### **Fiscal Impact**

None

### **Attachments**

None

**SECTION 11.0**

**ITEM: CORRESPONDENCE/COMMUNICATIONS AND INFORMATIONAL**

1. Correspondence to the Auburn Area Recreation and Park District from Albie Aware Breast Cancer Foundation.



ALBIE AWARE  
BREAST CANCER FOUNDATION

June 30, 2021

Diane Shaw  
Auburn Area Recreation and Park District  
123 Recreation Drive  
Auburn, CA 95603

Dear Diane,

On behalf of the staff, Board of Directors, and those we serve, I want to thank you for your donation of \$370.50 to Albie Aware. Your contribution to the is greatly appreciated.

Your gift will enable Albie Aware to continue to provide immediate services to individuals who are diagnosed with breast cancer or are in need of preventative services. The women and men who seek our help and assistance are relieved when they make the connection with Albie Aware. Clients tell us that Albie Aware is there to help them navigate through the breast cancer diagnosis with support and knowledge.

Our mission is to provide assistance for life-saving diagnostic testing, patient advocacy, prevention education and compassionate support to local individuals facing or fighting breast cancer. It is immediate support for those that do not have time to wait for a cure.

So again, thank you for your gift. Together, we can save more lives from breast cancer.

Sincerely,

  
Amanda C. Nelson

*Thank you!*

Executive Director

Tax ID #: 42-1632678

Albie Aware Breast Cancer Foundation

1851 Heritage Lane, #299 Sacramento, CA 95815 (916) 927-1592 [www.albieaware.org](http://www.albieaware.org)