

**North Humboldt Recreation and Park District
Board of Directors Meeting**

Teleconference:

Wednesday, December 16th, 2020

Directors Present: Kelley Hurlburt, Harvey Kelsey, Patrick Swartz, Jan Ross

Directors Absent: Marj Fay

Also Present: Dave Nakamura, Lawre Maple, Wendy Sotomayor, Jason Caria

SUBJECT: Approval of the Agenda

MOTION: It was moved and seconded (Kelsey/Hurlburt) to approve the agenda. The agenda was amended to move the Audited Financial Statements to the beginning of the meeting and add Loan Authorizations to Other Old Business.

ACTION: The motion was approved.

SUBJECT: Review and Accept the 2019-20 Audited Financial Statements

There was an audit presentation by Jason Caria of Hunter, Hunter and Hunt. There was no formal concern or question regarding the 2019-20 Audited Financial Statements. It was noted that this was the final year of the current audit contract.

MOTION: It was moved and seconded (Kelsey/Ross) to approve the 2019-20 Audited Financial Statements.

ACTION: The motion was approved.

SUBJECT: Approval of the Minutes

MOTION: It was moved and seconded (Hurlburt/Swartz) to approve the minutes for September 28th, October 21st, and November 18th.

ACTION: The motion was approved.

SUBJECT: Public Comment - none

SUBJECT: Proposition 68 Reimbursement Application Update

Nakamura reported that a site visit will be required for approval of disbursement. Due to current COVID conditions there is a possibility of an exception being made. The approval process continues to be slower than originally anticipated.

SUBJECT: Loan and Grant Update

Nakamura reported on a follow-up to loan applications to RREDC and the Humboldt Area Foundations at the beginning of November. The loan will likely be in two components, a \$50,000 line of credit and a \$100,000 loan note with Humboldt Area Foundation that would be available when needed.

MOTION: A motion was made and seconded (Swartz/Ross) to approve financing from RREDC in the form of a \$50,000 revolving line of credit and a follow up additional \$100,000 loan from Humboldt Area Foundation, facilitated through RREDC in two separate notes.

ACTION: The motion was approved.

MOTION: A second motion was made and seconded (Swartz/Ross) to authorize the chairperson of the board to sign loan documents.

ACTION: The motion was approved.

SUBJECT: Financial Report

Nakamura and Swartz reported on financial projections going into the new year. The current closure could mean extra revenue loss if it lasts through January and February, when most annual passholders renew. They also ran separate projections looking at the financial situation if the pool remained closed and if it reopened running at 50% of the revenue base. Financial resources are projected to be depleted much faster if the pool reopens. It was suggested that the 2021 budget be revisited.

The November Financial Report included income from the \$23,800 grant received from Humboldt Area Foundation. The timing for Property tax income is still unknown because the county offices are behind schedule due to COVID-19. It is anticipated that these funds will be available soon.

SUBJECT: Program and Operations Report

The heating and electricity have been shut down as much as possible to minimize bills as much as possible during the closure. Lawre and Aaron go in a few times a week to check on the property and pick up any mail. Reopening the pool is expected to be easier and faster if there is enough staff in the area. There is

potential to re-submit a new operating plan to the county, but it is expected to use the same re-opening plan in the future.

SUBJECT: NHRPD – UC Business Agreement

The UC has decided to issue a notice of contract termination. The date set for contract termination is currently March 5th. The UC has offered to do as much as possible to help ease the transition to another entity. This should not affect the pool's payment of the line of credit, however that should be resolved when the Prop 68 funds are received.

SUBJECT: Future Management Model

A new payroll system, PayCom, has been identified as a possible new system for the pool. This new system would cost between \$250 and \$300 each pay period. Nakamura suggested moving the payroll from the UC's system to PayCom on January 1st.

The subject of moving the pools financial accounts from US Bank to the pools own accounts was also discussed. It was recommended the pool open its own accounts with a local bank.

The topic of an auxiliary office or storage location for the pools important file to prevent mold damage was discussed. A storage locker, a shared office at Stuart School, or a rented office above FoodWorks was suggested as the extra space.

Special Districts in Manilla and McKinleyville are looking into taking over our accounting from the UC. There has been no official offer currently.

MOTION: A motion was made and seconded (Swartz/Kelsey) to give Dave Nakamura and Scott Gerving authorization to sign necessary documents to set up a payroll system with PayCom.

ACTION: The motion was approved.

MOTION: A motion was made and seconded (Swartz/Kelsey) to authorize the opening of two accounts, one for payroll and one for operating expenses, at Redwood Capital Bank with signing authorities for Dave Nakamura and the board chair Jan Ross.

ACTION: The motion was approved.

SUBJECT: Other Old Business - none

SUBJECT: Other New Business – none

SUBJECT: General Board Comments – none

ADJOURNMENT: Motion passed to adjourn

The meeting was adjourned at 7:00 PM.

The next meeting will be a Special Meeting and will be held January 5th 2021.

Submitted By:

Abigail Brunner, Acting Recording Secretary

Date

Approved By:

Jan Ross, Board Chair

Date