

North Humboldt Recreation and Park District
Board of Directors Meeting
Tuesday, December 17, 2024

Directors Present: Jan Ross, Harvey Kelsey, Patrick Swartz, Kellie Hurlburt (Via Zoom)
Directors Absent: Jolly Earle
Also Present: Dave Nakamura

The meeting was called to order at 5:04 P.M.

SUBJECT: Approval of the Agenda

MOTION: A motion and a second (Kelsey/Swartz) was made to approve the agenda with a change to bring the fees subject to the top of the agenda.

ACTION: The motion was approved.

SUBJECT: Approval of the Minutes –

MOTION: A motion and a second (Swartz/Kelsey) was made to approve the November minutes.

ACTION: The motion was approved.

SUBJECT: Public Comment – It was noted that Jolly Earle is planning to resign her board seat starting in January. There will be an open seat until we can find a replacement. The start time for future board meetings will be moved to 4:30 pm.

SUBJECT: 2025 Annual Fee Adjustment– There was review and discussion regarding the preliminary rates from last meeting. There is some concern expressed that the rate increases while being significant may not be enough to cover ever increasing expenses. Also, we're seeing a high level of participation, but still just barely breaking even. A mid-year increase will be considered to compensate for the near-term financial picture.

Private lessons were revisited. There was an overview given on the types of private lessons, fees charged and pay rates for instructors. After discussion, rates for customers and pay rates for employees were adjusted and agreed to. Additional small adjustments were made to the school group lessons.

MOTION: A motion and a second (Swartz/Kelsey) was made to approve the 2025 Fee Schedule.

ACTION: The motion was approved.

SUBJECT: Audit Report – The audit is nearly complete. There are a small number of corrections that are taking more time to complete than anticipated. It will be completed soon, and we should be able to have the audit report at the January meeting.

Payroll has increased year over year. Dave noted that the amount of hours worked seems to be within the range that he typically expects. He also presented analysis on the amount of revenue that has come in versus the previous year. The revenue increase in labor intensive programs such as swim lessons, school lessons and rentals has gone up about 24%. This seems to justify the increase in labor costs as it closely matches the increase in programming.

The 20k increase in tax revenue that was noted at the end of last fiscal year was explained via email by the county tax assessor. It appears that some adjustments to property values were made that resulted in this increase. This means the base tax revenue that came in the last fiscal year will continue into the future.

Proposition 32, the minimum wage increase that was on the ballot appears to be voted down by the state's voters. The vote count has not yet been finalized.

Bottom line is that we're basically even with the last fiscal year at this time.

SUBJECT: Programs and Facilities Report–
There was again discussion about facility closures, especially during the holiday season. Dave suggested creating an annual calendar at the next meeting for the 2025 calendar year. It is anticipated that setting a calendar early in the year will set firmer expectations for the rest of the year.

SUBJECT: Financial Reports–
Revenue continues the trend of running slightly ahead of the last fiscal year. Expenses are also increasing as has been the trend from the recent past. Payroll is a little higher than expected largely due to increased facility activity. Utilities are relatively static but are likely to continue to increase incrementally.

There was discussion about the methodology that has been used to account for the property tax revenue on the balance sheet. Dave and Patrick will follow up and bring it back for further discussion if an alternative method is suggested.

SUBJECT: Management Report–The agreement with the City of Arcata and other entities regarding the old Redevelopment Agency properties has been finalized and signed. This will result in a small one time payment and the potential for future tax revenue.

SUBJECT: Sub Committee Update– The committee has not met but based on availability will try to meet mid-January.

SUBJECT: Transfer of Funds from Humboldt County Investment Pool –

MOTION: A motion and a second (Swartz/Kelsey) was made to withdraw available cash in the Humboldt County Investment Pool less 10k once December tax revenues are available. These funds will be transferred to Redwood Capital checking.

ACTION: The motion was approved.

MOTION: A motion and a second (Swartz/Kelsey) was made to transfer the cash moved from the Humboldt County Investment Pool into the California Class general reserve account.

ACTION: The motion was approved.

ADJOURNMENT:

MOTION: A motion and a second was made to adjourn. (Swartz, Kelsey)

ACTION: The motion was approved.

The meeting was adjourned at 6:34 PM.

Approved By:

Jan Ross, Board Chair

Date