



MEMORANDUM

TO: Board of Directors

FROM: General Manager

DATE: March , 2015

RE: Closed Session – March 12, 2015 Board Meeting at 6:30 p.m.

There will be a closed session beginning at **6:30 p.m.** I have listed all 3 items, however, the main emphasis will be on the Community Center. Also, please note, Board Chair Sandy Bonato will not be in attendance. However, she will be calling in for the regular meeting, but not the closed session.



MEMORANDUM

TO: Board of Directors
FROM: General Manager
DATE: March 5, 2015
RE: March 12, 2015 Board Meeting

Consent Calendar (ACTION)

- a. To Approve Bills to be Paid**
- b. To Approve Minutes of December 4, 2014 and December 18, 2014**

<u>Check</u>	<u>Date</u>	<u>Vendor No</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Voucher</u>
21048	03/12/2015	Aflac	Aflac	157.04	000000
21049	03/12/2015	AmFid	American Fidelity	2,429.96	000000
21050	03/12/2015	Antai	Antai Solutions LLC	6,859.00	000000
21051	03/12/2015	ATT CC	AT & T	105.24	000000
21052	03/12/2015	BerBob	Robert B. Berggren	400.00	000000
21053	03/12/2015	BillAce	Bill's Ace Hardware	180.88	000000
21054	03/12/2015	BonaSan	Sandra Bonato	200.00	000000
21055	03/12/2015	CCCCD PW	CCC Conservation & Dev/Public	262.18	000000
21056	03/12/2015	CCWat	Contra Costa Water District	2,930.80	000000
21057	03/12/2015	CGSgym	CGS Gymnastic Services, Inc	765.00	000000
21058	03/12/2015	CintCorp	Cintas Corp # 185	271.26	000000
21059	03/12/2015	CmeLt	CME Lighting Supply Company	434.26	000000
21060	03/12/2015	Cole	Cole Supply Co., Inc.	302.26	000000
21061	03/12/2015	CopySt	Copy Station	243.32	000000
21062	03/12/2015	Cyber	Cybercopy	374.82	000000
21063	03/12/2015	DonDen	Dennis A. Donaghu	200.00	000000
21064	03/12/2015	Eames	Eames Hardware & Supply	201.98	000000
21065	03/12/2015	EBMUD	East Bay Mud	658.58	000000
21066	03/12/2015	Ecolab	Ecolab	32.74	000000
21067	03/12/2015	EDD	Employment Development Dept.	131.00	000000
21068	03/12/2015	Ewing	Ewing Irrigation	460.21	000000
21069	03/12/2015	Fairplay	Fair-Play	2,449.03	000000
21070	03/12/2015	FarWest	Farwest Sanitation	79.53	000000
21071	03/12/2015	FranTx	Franchise Tax Board	105.00	000000
21072	03/12/2015	Furber	Furber Saw, Inc.	175.98	000000
21073	03/12/2015	GasAnd	Andrea Gaspari	1,179.30	000000
21074	03/12/2015	GlovBob	Bobby Glover	200.00	000000
21075	03/12/2015	HelmWen	Wendy Helms	404.95	000000
21076	03/12/2015	HurdAss	Hurd & Associates	3,971.25	000000
21077	03/12/2015	IdealSer	Ideal Service Company, Inc.	100.00	000000
21078	03/12/2015	LahlBil	Bill Lahl	554.40	000000
21079	03/12/2015	LincEqu	Lincoln Aquatics	1,811.57	000000
21080	03/12/2015	MDUSD	Mt. Diablo Unified School Dist	36.00	000000
21081	03/12/2015	MJStudio	Bruce Jackson MJ Studios	100.80	000000
21082	03/12/2015	MPA	MPA	133.82	000000
21083	03/12/2015	Muir	Muir/Diablo Occupational Medic	77.00	000000
21084	03/12/2015	MurdDeb	Debbie Murdock	1,114.40	000000
21085	03/12/2015	NaccAll	Allie Naccara	40.00	000000
21086	03/12/2015	Nextel	Nextel Communications/Sprint	692.59	000000
21087	03/12/2015	PERS	PERS	17,503.45	000000
21088	03/12/2015	PG&E	Pacific Gas & Electric Co	12,089.15	000000
21089	03/12/2015	PhCit	Pleasant Hill, City of	6,535.91	000000
21090	03/12/2015	PhSen	Pleasant Hill Seniors Club	371.48	000000
21091	03/12/2015	PleaHill	Pleasant Hill Rec & Park Distr	114,036.83	000000
21092	03/12/2015	RedfordA	Ashley Redford	48.00	000000
21093	03/12/2015	RossRec	Ross Recreation Equipment	3,188.38	000000
21094	03/12/2015	SandSaf	Sanderson Safety Supply Co	520.01	000000
21095	03/12/2015	ShessZac	Zac Shess	200.00	000000
21096	03/12/2015	SterSher	Sherry Sterrett	200.00	000000
21097	03/12/2015	UPS Stor	UPS Store # 3769	41.02	000000
21098	03/12/2015	USBank	U.S. Bank	1,997.56	000000
21099	03/12/2015	USBankEq	US Bank Equipment Finance	432.43	000000
21100	03/12/2015	USBankP	U.S. Bank Corporate Payment	30,563.43	000000
21101	03/12/2015	Valic	Valic	1,650.00	000000
21102	03/12/2015	WhitCas	Casey White	480.00	000000

Accounts Payable Computer Check Proof List

User: julie
Printed: 03/05/2015 - 2:41 PM



Pleasant Hill Recreation & Park District

People, Parks & Programs Since 1951

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
Vendor:Aflac 02/2015	Aflac	32.15	02/26/2015	Check Sequence: 1 100-0000-21355	ACH Enabled: No
02/2015	Aflac	12.05	02/26/2014	100-0000-21355	
02/2015	Aflac	34.32	03/12/2015	100-0000-21355	
02/2015	Aflac	32.15	03/12/2015	100-0000-21355	
02/2015	Aflac	12.05	02/24/2015	100-0000-21355	
02/2015	Aflac	34.32	02/26/2015	100-0000-21355	
	Check Total:	157.04			
Vendor:AmFid 02/2015	American Fidelity	58.34	02/24/2015	Check Sequence: 2 100-0000-21345	ACH Enabled: No
02/2015	American Fidelity 125/Daycare	604.16	02/26/2014	100-0000-21345	
02/2015	American Fidelity 125/Daycare	449.98	02/26/2014	100-0000-21345	
02/2015	American Fidelity 125/Daycare	604.16	03/12/2015	100-0000-21345	
02/2015	American Fidelity 125/Daycare	190.00	03/12/2015	100-0000-21345	
02/2015	American Fidelity 125/Daycare	523.32	02/24/2015	100-0000-21345	
	Check Total:	2,429.96			
Vendor:Antai 1385	Antai Solutions LLC	6,859.00	03/12/2015	Check Sequence: 3 100-1210-75507	ACH Enabled: No consultant
	Mar IT	6,859.00			
	Check Total:				
Vendor:ATT CC 02122015	AT & T fire alarm	105.24	03/12/2015	Check Sequence: 4 100-1231-65365	ACH Enabled: No phones
	Check Total:	105.24			
Vendor:BerBob 02/2015	Robert B. Berggren Car Allowance	400.00	03/12/2015	Check Sequence: 5 100-1100-60350	ACH Enabled: No
	Check Total:	400.00			

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
Vendor:BillAce	Bill's Ace Hardware			Check Sequence: 6	ACH Enabled: No
426920	coupling	3.69	03/12/2015	100-1300-75520	supplies and pa
426921	paint	44.24	03/12/2015	100-1300-76500	supplies and pa
426944	bolts	6.51	03/12/2015	100-1300-75535	supplies and pa
426954	grease	24.17	03/12/2015	100-1300-75510	supplies and pa
426999	epoxy	11.06	03/12/2015	100-1300-75520	supplies and pa
427042	padlock	32.00	03/12/2015	100-1300-75520	supplies and pa
427046	clip	6.60	03/12/2015	100-1300-75520	supplies and pa
427065	gasser	15.60	03/12/2015	100-1300-75501	supplies and pa
427085	maul	27.33	03/12/2015	100-1300-75535	supplies and pa
427091	chisel	9.68	03/12/2015	100-1300-75535	supplies and pa
	Check Total:	180.88			
Vendor:BonaSan	Sandra Bonato			Check Sequence: 7	ACH Enabled: No
02282015	Feb 2015	200.00	03/12/2015	100-1100-60100	Board fees
	Check Total:	200.00			
Vendor:CCCCD PW	CCC Conservation & Dev/Public			Check Sequence: 8	ACH Enabled: No
	enchroachment flood control	262.18	03/12/2015	100-1220-75515	fees
	Check Total:	262.18			
Vendor:CCWat	Contra Costa Water District			Check Sequence: 9	ACH Enabled: No
H639365	Las Juntas	201.97	03/12/2015	100-1300-65710	water
H640341	CC	76.03	03/12/2015	100-1300-65710	water
H640342	CC	440.91	03/12/2015	100-1300-65710	water
H641165	Paso Nagal	330.07	03/12/2015	100-1300-65710	water
H641167	Paso Nagal	344.12	03/12/2015	100-1300-65710	water
H641599	Falls Ct	64.54	03/12/2015	300-3000-65710	water
H641656	VHi Dr	43.10	03/12/2015	320-3200-65710	water
H642098	147 Gregory	360.50	03/12/2015	100-1300-65710	water
H642099	147 Gregory	84.45	03/12/2015	100-1300-65710	water
H642103	TC	77.22	03/12/2015	100-1300-65710	water
H642104	SC	269.68	03/12/2015	100-1300-65710	water
H642105	147 Gregory	107.47	03/12/2015	100-1300-65710	water
H642106	Cleveland	530.74	03/12/2015	100-1300-65710	water
	Check Total:	2,930.80			
Vendor:CGSgym	CGS Gymnastic Services, Inc			Check Sequence: 10	ACH Enabled: No
6603.501	parent and me	405.00	03/12/2015	100-1260-75250	instructor
6605.501	tiny tumbler	360.00	03/12/2015	100-1260-75250	instructor

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
	Check Total:	765.00			
Vendor:CintCorp 185499258 185500059 185500889	Cintas Corp # 185 towels towels towels Check Total:	90.42 90.42 90.42 271.26	03/12/2015 03/12/2015 03/12/2015	Check Sequence: 11 100-1220-75515 100-1220-75515 100-1220-75515	ACH Enabled: No jantorial suppl jantorial suppl jantorial suppl
Vendor:CmelT 199424	CME Lighting Supply Company Halide Check Total:	434.26 434.26	03/12/2015	Check Sequence: 12 100-1300-75505	ACH Enabled: No lamps
Vendor:Cole 19417	Cole Supply Co., Inc. towel roll Check Total:	302.26 302.26	03/12/2015	Check Sequence: 13 100-1300-75515	ACH Enabled: No Rr supplies
Vendor:CopySt 233732	Copy Station spring flyers Check Total:	243.32 243.32	03/12/2015	Check Sequence: 14 100-1280-75625	ACH Enabled: No copies
Vendor:Cyber 6276 6320 6419 6473	Cybercopy Holiday Fest brochure Camp gift cert Check Total:	7.19 260.40 74.09 33.14 374.82	03/12/2015 03/12/2015 03/12/2015 03/12/2015	Check Sequence: 15 100-1265-75155 100-1260-75625 100-1270-75625 100-1290-75625	ACH Enabled: No copies copies copies copies
Vendor:DonDen 02282015	Dennis A. Donaghu Feb 2015 Check Total:	200.00 200.00	03/12/2015	Check Sequence: 16 100-1100-60100	ACH Enabled: No Board
Vendor:Eames 6398 6403 6404 6412 6414	Eames Hardware & Supply asphalt stakes hex driver Berkowitz saw blades adaptor Check Total:	52.57 20.59 5.74 120.39 2.69 201.98	03/12/2015 03/12/2015 03/12/2015 03/12/2015 03/12/2015	Check Sequence: 17 100-1300-75520 100-1300-75520 100-1300-76000 100-1300-75535 100-1300-75511	ACH Enabled: No parts and suppl parts and suppl parts and suppl parts and suppl

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
Vendor:EBMUD 01272015 02232015 02252015 02252015	East Bay Mud Brookwood WC School HOUse VFW Check Total:	133.36 135.08 264.52 125.62 658.58	03/12/2015 03/12/2015 03/12/2015 03/12/2015	Check Sequence: 18 100-1300-65710 100-1300-65710 100-1232-75515 100-1300-65710	ACH Enabled: No water water water water
Vendor:Ecolab 93735425	Ecolab spray Check Total:	32.74 32.74	03/12/2015	Check Sequence: 19 100-1231-75515	ACH Enabled: No sanatizer
Vendor:EDD L1693024064	Employment Development Dept. scorekeepers Check Total:	131.00 131.00	03/12/2015	Check Sequence: 20 100-1250-55450	ACH Enabled: No unemployment
Vendor:Ewing 9195156 9200103	Ewing Irrigation rainbird union Check Total:	258.30 201.91 460.21	03/12/2015 03/12/2015	Check Sequence: 21 100-1300-75511 100-1300-75511	ACH Enabled: No parts parts
Vendor:Fairplay 126953	Fair-Play PHMS Check Total:	2,449.03 2,449.03	03/12/2015	Check Sequence: 22 100-1500-80356	ACH Enabled: No shot clock
Vendor:FarWest 146116	Farwest Sanitation CPHS Check Total:	79.53 79.53	03/12/2015	Check Sequence: 23 100-1250-75620	ACH Enabled: No temp rr
Vendor:FranTx 022715	Franchise Tax Board Margret R Graves Check Total:	105.00 105.00	03/12/2015	Check Sequence: 24 100-0000-21390	ACH Enabled: No
Vendor:Furber 203030 203103 203226 203397	Furber Saw, Inc. chains switch blade filters Check Total:	43.36 32.43 22.44 77.75 175.98	03/12/2015 03/12/2015 03/12/2015 03/12/2015	Check Sequence: 25 100-1300-75510 100-1300-75510 100-1300-75510 100-1300-75510	ACH Enabled: No parts parts parts parts

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
Vendor:GasAnd 6636.501 6637.501	Andrea Gaspari Let's Make Music Musical Babies Check Total:	687.15 492.15 1,179.30	03/12/2015 03/12/2015	Check Sequence: 26 100-1260-75250 100-1260-75250	ACH Enabled: No
Vendor:GlovBob 022282015	Bobby Glover Feb 2015 Check Total:	200.00 200.00	03/12/2015	Check Sequence: 27 100-1100-60100	ACH Enabled: No Board
Vendor:HeimWen 2242.501	Wendy Helms Stress Management & Self Healing Check Total:	404.95 404.95	03/12/2015	Check Sequence: 28 100-1220-75545	ACH Enabled: No
Vendor:HurdAss 56509	Hurd & Associates design Spr/Sum 2015 Check Total:	3,971.25 3,971.25	03/12/2015	Check Sequence: 29 100-1290-75624	ACH Enabled: No Spotlight
Vendor:IdealSer 608711	Ideal Service Company, Inc. HVAC Check Total:	100.00 100.00	03/12/2015	Check Sequence: 30 100-1220-75515	ACH Enabled: No SC
Vendor:LahlBil 4608.501	Bill Lahl retirement Check Total:	554.40 554.40	03/12/2015	Check Sequence: 31 100-1240-75620	ACH Enabled: No Instructor
Vendor:LincEqu SI257640 SI257767 SI258148 SI258609	Lincoln Aquatics backing acid acid backing Check Total:	269.78 726.95 654.26 160.58 1,811.57	03/12/2015 03/12/2015 03/12/2015 03/12/2015	Check Sequence: 32 100-1280-75620 100-1280-75525 100-1280-75527 100-1280-75620	ACH Enabled: No supplies supplies supplies
Vendor:MDUSD AR291128	Mt. Diablo Unified School Dist custodial Check Total:	36.00 36.00	03/12/2015	Check Sequence: 33 100-1280-48300	ACH Enabled: No fees
Vendor:MJStudio 6049.501 6051.501	Bruce Jackson MJ Studios watercolor Pokemon	50.40 50.40	03/12/2015 03/12/2015	Check Sequence: 34 100-1260-75100 100-1260-75100	ACH Enabled: No instructor instructor

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
	Check Total:	100.80			
Vendor:MPA NC-1432	MPA 2014 exps Check Total:	133.82 133.82	03/12/2015	Check Sequence: 35 100-1100-70000	ACH Enabled: No consortium
Vendor:Muir 296835	Muir/Diablo Occupational Medic Pandza Check Total:	77.00 77.00	03/12/2015	Check Sequence: 36 100-1280-75620	ACH Enabled: No physical
Vendor:MurdDeb 2202.502	Debbie Murdock weight Check Total:	1,114.40 1,114.40	03/12/2015	Check Sequence: 37 100-1220-75545	ACH Enabled: No instructor
Vendor:NaccAll 02282015	Allie Naccara Feb 2015 Check Total:	40.00 40.00	03/12/2015	Check Sequence: 38 100-1100-60100	ACH Enabled: No Board
Vendor:Nextel 709409312-154 709409312-154 709409312-154 709409312-154 709409312-154 709409312-154	Nextel Communications/Sprint phones phones phones phones phones phones Check Total:	57.72 144.29 28.86 28.85 375.15 57.72 692.59	03/12/2015 03/12/2015 03/12/2015 03/12/2015 03/12/2015 03/12/2015 03/12/2015	Check Sequence: 39 100-1280-65365 100-1350-65365 100-1250-65365 100-1220-65365 100-1300-65365 100-1100-65365	ACH Enabled: No cell cell cell cell cell cell
Vendor:PERS 022815 022815 022815 022815 022815 022815	PERS PERS PERS PERS PERS PERS Check Total:	295.27 10,660.43 4,363.96 839.95 240.31 1,103.53 17,503.45	03/12/2015 02/24/2015 02/24/2015 03/12/2015 03/12/2015 03/12/2015	Check Sequence: 40 100-0000-21250 100-0000-21250 100-0000-21250 100-0000-21250 100-0000-21250 100-0000-21250	ACH Enabled: No
Vendor:PG&E 02182015 02182015	Pacific Gas & Electric Co Hospice R Smith	10.84 82.17	03/12/2015 03/12/2015	Check Sequence: 41 100-1300-65701 100-1300-65701	ACH Enabled: No utilities utilities

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
02182015	Shannon Hills	17.66	03/12/2015	100-1300-65701	utilities
02182015	WC	78.34	03/12/2015	100-1230-65705	utilities
02182015	WC	492.10	03/12/2015	100-1230-65701	utilities
02182015	CC	3,075.08	03/12/2015	100-1231-65701	utilities
02182015	CC	2,034.96	03/12/2015	100-1231-65705	utilities
02182015	RRanch	33.54	03/12/2015	100-1233-65701	utilities
02182015	Pool	219.75	03/12/2015	100-1280-65705	utilities
02182015	PO Pk	20.94	03/12/2015	100-1300-65701	utilities
02182015	Pool	24.42	03/12/2015	100-1300-65705	utilities
02182015	PO Pk	12.66	03/12/2015	100-1300-65701	utilities
02182015	Brookwood	10.84	03/12/2015	100-1300-65701	utilities
02182015	PO Pk	37.81	03/12/2015	100-1300-65701	utilities
02182015	Pool	704.75	03/12/2015	100-1300-65701	utilities
02182015	147 Gregory	38.76	03/12/2015	100-1300-65701	utilities
02182015	Cliffside Dr	13.22	03/12/2015	300-3000-65701	utilities
02182015	Falls Ct	13.22	03/12/2015	300-3000-65701	utilities
02182015	Chilpancingo	10.84	03/12/2015	300-3000-65701	utilities
02182015	Las Juntas	17.19	03/12/2015	100-1300-65701	utilities
02182015	Tennis Cts	547.77	03/12/2015	100-1300-65701	utilities
02182015	Shadowood	11.64	03/12/2015	100-1300-65701	utilities
02182015	Pool	704.75	03/12/2015	100-1280-65701	utilities
02182015	Driftwood Ct	14.97	03/12/2015	340-3400-65701	utilities
02182015	Heritage meadows	14.97	03/12/2015	340-3400-65701	utilities
02232015	SC	2,903.39	03/12/2015	100-1220-65701	utilities
02232015	SC	942.57	03/12/2015	100-1220-65705	utilities
	Check Total:	12,089.15			
Vendor:PhCit	Pleasant Hill, City of			Check Sequence: 42	ACH Enabled: No
900006665	fuel Jan	1,940.80	03/12/2015	100-1300-75545	shared exps
900006666	PSC Feb	933.88	03/12/2015	100-1300-73730	shared expenses
900006667	internet Feb	2,000.00	03/12/2015	100-1210-75504	shared expenses
900006668	fuel & maint. Feb	1,661.23	03/12/2015	100-1300-75545	shared expenses
	Check Total:	6,535.91			
Vendor:PhSen	Pleasant Hill Seniors Club			Check Sequence: 43	ACH Enabled: No
02/13/15	Valentine Father/Daughter Dance	121.71	03/12/2015	100-1265-75150	
02/20/15	Mayor's Breakfast	249.77	03/12/2015	100-1220-75620	
	Check Total:	371.48			
Vendor:PleaHill	Pleasant Hill Rec & Park Distr			Check Sequence: 44	ACH Enabled: No
022715	Reimburse Payroll	114,036.83	03/12/2015	100-0000-10410	

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
	Check Total:	114,036.83			
Vendor:RedfordA 4639.501	Ashley Redford stretch fit Check Total:	48.00 48.00	03/12/2015	Check Sequence: 45 100-1220-75545	ACH Enabled: No instructor
Vendor:RosRec 96457 96465	Ros Recreation Equipment DuMor bench plaque Berkowitz Check Total:	2,889.25 299.13 3,188.38	03/12/2015 03/12/2015	Check Sequence: 46 100-1300-76000 100-1300-76000	ACH Enabled: No bench bench
Vendor:SandSaf 8084324-01 8084324-02	Sanderson Safety Supply Co respirators glove Check Total:	481.70 38.31 520.01	03/12/2015 03/12/2015	Check Sequence: 47 100-1300-75370 100-1300-75370	ACH Enabled: No supplies supplies
Vendor:ShessZac 02282015	Zac Shess Feb 2015 Check Total:	200.00 200.00	03/12/2015	Check Sequence: 48 100-1100-60100	ACH Enabled: No Board
Vendor:SterSher 02282015	Sherry Sterrett Feb 2015 Check Total:	200.00 200.00	03/12/2015	Check Sequence: 49 100-1100-60100	ACH Enabled: No Board
Vendor:UPS Stor 8807	UPS Store # 3769 color Check Total:	41.02 41.02	03/12/2015	Check Sequence: 50 100-1290-75625	ACH Enabled: No copies
Vendor:USBank 02/27/15 02/27/15	U.S. Bank Pars #6746022400 Pars #6746022400 Check Total:	665.83 1,331.73 1,997.56	03/12/2015 03/12/2015	Check Sequence: 51 100-0000-21335 100-0000-21330	ACH Enabled: No
Vendor:USBankEq 273229591	US Bank Equipment Finance DO Check Total:	432.43 432.43	03/12/2015	Check Sequence: 52 100-1210-75510	ACH Enabled: No copier

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
Vendor: USBankP 02232015	U.S. Bank Corporate Payment Feb 23, 2915 Check Total:	30,563.43 30,563.43	03/12/2015	Check Sequence: 53 100-0000-20100	ACH Enabled: No Cal Card
Vendor: Valic 02/2015	Valic	675.00	02/26/2014	Check Sequence: 54 100-0000-21340	ACH Enabled: No
02/2015	Valic	25.00	02/26/2014	100-0000-21340	
02/2015	Valic	575.00	03/12/2015	100-0000-21340	
02/2015	Valic	375.00	03/12/2015	100-0000-21340	
	Check Total:	1,650.00			
Vendor: WhitCas 2231.501	Casey White watercolor Check Total:	480.00 480.00	03/12/2015	Check Sequence: 55 100-1220-75545	ACH Enabled: No instructor
	Total for Check Run:	220,683.80			
	Total Number of Checks:	55			

**Board of Directors Meeting Minutes
December 4, 2014
DRAFT**



The December 4, 2014 Board Meeting of the Pleasant Hill Recreation & Park District Board of Directors was called to order by Board Chair Sterrett at 7:04 p.m. in the Conference Room at the Administration Office.

PLEDGE OF ALLEGIANCE

Board Chair Sterrett led the Pledge of Allegiance.

ROLL CALL

BOARD PRESENT: Sterrett, Bonato, Shess, Glover, Donaghu

STAFF PRESENT: Berggren, Young, Hurtado, Thoits, Bradley, Luke, Kubota, Miller

PUBLIC COMMENT

None

EX-OFFICIO MEMBER REPORT, ALLIE NACCARA – COLLEGE PARK HIGH SCHOOL

Ex-Officio Naccara gave the following report:

Teen Council news:

- They helped at the City's Light Up the Night event last night.
- They will be helping at the Holiday Festival next Wednesday December 10, 2014.
- They will be helping with the District's Breakfast with Santa on December 13, 2014.
- They are planning a High School dance for May 29, 2015.
- The Prom Fashion Show is scheduled for February 8, 2015.

College Park news:

- Today was a fundraiser in Walnut Creek for the College Park band's annual trip to Disneyland.
- There will be a candlelight concert on December 12, 2014 and December 13, 2014 at 7:00 p.m. at St. Andrews church.
- College Park has a Holiday outreach program for families in the Mount Diablo School District who are in need.
- The baseball team is still collecting donations.

TO ADMINISTER OATH OF OFFICE TO ELECTED BOARD MEMBERS SANDRA BONATO, ZAC SHESS AND BOBBY GLOVER

The General Manager administered the Oath of Office individually to Elected Board Officers Sandra Bonato, Zac Shess, and Bobby Glover. He also presented them official certificates of election.

RECOGNITION OF NEW BOARD OFFICERS AND INTRODUCTION OF FAMILIES AND GUESTS BY BOARD OF DIRECTORS

- Chair – Sandra Bonato**
- Vice Chair – Zac Shess**
- Secretary – Dennis Donaghu**

The elected Board Members were recognized by Chair Sterrett. All Board members introduced their family members who were present.

PRESENTATION TO HONOR BOARD CHAIR SHERRY STERRETT FOR 2014

Incoming Board Chair Bonato presented outgoing chair Sterrett with a plaque thanking her for her year of service. Bonato thanked staff for being present to honor Sterrett.

Outgoing chair Sterrett complimented all the Board Members, and stated that it had been a very productive year.

CONSENT CALENDAR (ACTION)

a. TO APPROVE BILLS TO BE PAID

Upon motion of Board Members Donaghu & Shess the Board approved the Consent Calendar.

TO CONSIDER SELECTION OF DISTRICT'S LEGAL COUNSEL AND APPROVAL OF CONTRACT (ACTION)

The General Manager outlined the interview and selection process that staff and Board Members had done to select a replacement for Attorney Mark Cornelius who retired. He explained that the Board interviewed three firms and decided upon the Law Office of Curtis Kidder. The General Manager stated that the contract with Kidder would be on a month to month basis.

Kidder was present at the meeting and commented that he is very excited to work with the District.

Upon motion of Board Members Donaghu & Shess the Board approved the selection and the month to month contract with the Law Office of Curtis Kidder.

BOARD ANNOUNCEMENTS AND REQUESTS TO STAFF

Donaghu made the following announcements/questions:

- He attended the City Council's change over meeting on Monday.
- He worked at the City's Light up the Night event last night making hot chocolate. He said it was a lot of fun.

Bonato made the following announcements/questions:

- She also attended the City Council meeting on Monday. She had a chance to set up meetings with both the incoming Mayor and the president of the Police Officers Association to discuss future collaboration with the District.
- She also attended the Light up the Night event last night. She commented that the District's presence was very nice.
- She said she is looking forward to the Holiday Festival next week.

Shess made the following announcements/questions:

- He said he is looking forward to collaborating with the City more in the future.

Glover made the following announcements/questions:

- He introduced a few people in the audience who had arrived after the main introductions.
- He announced that the Pleasant Hill Rebels won the "Turkey Bowl".

Sterrett made the following announcements/questions:

- She said she was sorry to have missed the City Council meeting.
- She has completed the Ethics Training, and has turned in her certificate to staff

STAFF ANNOUNCEMENTS

The General Manager made the following announcements:

- There is a Holiday Boutique at Rodgers Ranch on December 6th and 7th.
- He will be attending a mediation meeting with Phil Abey and Bill McInerney on December 17, 2014.
- The Warmth for Wellness drive is still going on.
- The Winter/Spring Spotlight should be out in the mail right now.

ADJOURNMENT

Board Chair Sterrett adjourned the meeting at 7:38 p.m.

Robert B. Berggren, Clerk of the Board

**Board of Directors Meeting Minutes
December 18, 2014
DRAFT**



The December 18, 2014 Board Meeting of the Pleasant Hill Recreation & Park District Board of Directors was called to order by Board Chair Bonato at 7:05 p.m. in the Conference Room at the Administration Office.

PLEDGE OF ALLEGIANCE

Board Member Donaghu led the Pledge of Allegiance.

ROLL CALL

BOARD PRESENT: Sterrett, Bonato, Shess, Glover, Donaghu

STAFF PRESENT: Berggren, Young, Blair, Riley

PUBLIC COMMENT

None

EX-OFFICIO MEMBER REPORT, ALLIE NACCARA – COLLEGE PARK HIGH SCHOOL

Ex-Officio Naccara gave the following report:

Teen Council news:

- The council helped with Breakfast with Santa last Saturday.
- Helped with the Holiday Festival on December 10, 2014.

College Park news:

- Spirit Week is this week, and the themes are: Monday - Pajama Day, Tuesday - Holiday hat day, Wednesday- Winter Wonderland, Thursday-Ugly sweater day, and Friday-formal day.
- Progress reports have been distributed.
- There have been complaints about the new bell schedule so a survey has been sent to parents, students, and faculty.
- There was a canned food drive which ended on December 16, 2014.
- The yearly "Youthink" was published. This is a student run magazine.
- Winter Fest was yesterday.
- Today is the first annual guitar concert from 7:00 p.m. to 9:00 p.m.
- There was a seminar on computer coding held for students on December 10, 2014.
- There will be a mock S.A.T. and A.C.T. on New Years Eve Day.

Board Chair Bonato asked Naccara to look into new programming ideas for teen programs. Bonato complimented Naccara on her role as Ex-Officio.

CONSENT CALENDAR (ACTION)

- a. To Approve Bills to be Paid
- b. To Approve Minutes of August 28, 2014 and September 11, 2014
- c. To Approve Resolution 2014-12-18, Having Submitted an Application to The Contra Costa County Community Development Department for Community Development Block Grant Funding to Continue The Senior Services Network Program at The Pleasant Hill Senior Center.

The General Manager explained the Senior Care Management position, and how it is a large benefit to the Senior Center.

Upon motion of Board Members Donaghu & Shess the Board approved the Consent Calendar.

TO REVIEW STANDARD AND POOR'S RATING OF THE DISTRICT FINANCES

Accounting Supervisor Mark Blair stated that the Standard & Poor's Rating Services revised their rating of the District from stable to positive. He said the rating increase was due to the fact that the District finances have been stable for back to back years. This demonstration of stability suggests that the District will not need to ask the tax payers for more Bond Measures in the immediate future.

Board Member Donaghu commented that he had mentioned the District's rating increase at the Chamber of Commerce Board meeting. He said the Chamber was very impressed with the upgraded rating.

Board Chair Bonato said it is very important to get the word out to the community that the District's rating has increased.

Board Member Glover commented that he would like a press release submitted to the media on the rating increase.

The Board thanked Blair for his review of the ratings.

TO CONSIDER REVISED DISTRICT REFUND POLICY (FIRST READING)

The General Manager stated that the District Board approved the current refund policy on March 14, 2013. He said the District staff has requested clarification on the refund policy and a revision of the policy. Recreation Superintendent Tina Young was present. She explained that staff is looking at updating the formatting and the wording of the current policy so it is easier for the public to understand. She said that both the Focus Committee and the front line staff have reviewed the language in the proposed new policy. Aquatics Supervisor and member of the Focus Committee Corey Riley was present. She commented that the revised policy begins on a positive note.

The Board liked the new wording of the policy. Board Member Sterrett asked where this policy should be in the revised Policy Manual. The General Manager said it should be under "General Policies" in the manual.

TO CONSIDER BUSINESS STRATEGIC PLAN GOALS (ACTION)

The General Manager reported that the Board has reviewed the goals and recommendations by the Strategic Business Plan in two Board Study Sessions. He said the Oversight Working Group (OWG) has now requested that the Board approve the goals and recommendations.

The Board discussed the Management number one goal which is to explore opportunities to contract services including but not limited to park/turf maintenance, building/custodial maintenance, IT, legal services, marketing, and sports officials.

Board Member Sterrett commented that she has had discussions with District staff who are concerned about this goal. She said she is opposed to the Management number one goal. Sterrett commented that District staff is feeling very vulnerable about the contract services goal.

Board Member Glover stated he is looking at this goal as potential cost savings for the District.

Board Chair Bonato stated that it was time the Board made a decision about the Contract Services goal.

Board Member Donaghu commented that the Board should be looking at the contact services issue from a business standpoint in that all aspects should be examined before a decision is made.

Board Member Sterrett commented that there should be better communication with District staff about the contract services goal.

Board Member Glover said there should be a public meeting regarding the OWG goals.

Board Chair Bonato said she will take responsibility to get the landscape services contract agendized.

Upon motion of Board Members Glover & Donaghu the Board approved to pull out the Management goals and approve the balance of the Strategic Plan goals.

Upon motion of Board Members Glover & Bonato the majority of the Board approved adding goal #1 of the management goals regarding contract services to the Business Strategic Plan. Sterrett opposed.

TO CONFIRM BOARD COMMITTEE ASSIGNMENTS

Board Chair Bonato confirmed the following committees:

Budget & Finance	Bonato, Chair	Shess, Member
Land/Facility Development	Shess, Chair	Glover, Member
Personnel	Glover, Co-Chair	Donaghu, Co-Chair
Program	Donaghu, Chair	Sterrett, Member
City/District Liaisons	Bonato	Shess
Chamber Representative	Donaghu	Sterrett
Fundraising Liaison	Glover	
Oversight Working Group (OWG)	Bonato	Shess
CSDA Representative	Sterrett	
CAPRI Representative	Bob Berggren	

Board Chair Bonato asked the General Manager to have reports from Committee meetings as a standing Board Agenda item.

TO CONSIDER DATES FOR JANUARY BOARD STUDY SESSION

The Board decided upon February 5, 2015 from 8:30 a.m. to 1:30 p.m. with the location to be determined. Board Chair Bonato said she will work with the General Manager on agenda items.

BOARD ANNOUNCEMENTS AND REQUESTS TO STAFF

Donaghu made the following announcements/questions:

- He attended the Holiday Festival on December 10, 2014, and received many positive comments about the event. He said the petting zoo seemed to be the most popular attraction.
- He attended the Senior Holiday Luncheon.
- He attended the District staff's Holiday party, and thought it was a lot of fun.
- He attended the Yalla restaurant grand opening. He thought the food was very good.
- He commented that at the Chamber Board meeting this morning an ordinance was discussed to bring to the City Council to ban Styrofoam boxes from restaurants in the city of Pleasant Hill.
- He said Joe Stokeley from the College Park Boosters Club had very favorable comments about the staff that helped him at the Community Center with their crab feed.

Bonato made the following announcements/questions:

- She attended Pat William's retirement party. She said it was great.
- She thought the Holiday Festival was excellent.
- She attended the Senior Holiday Luncheon, and said it was a lot of fun.
- She gave an update on the Library Task Force.
- She attended the District staff Holiday party, and had a great time.
- She attended the Rodgers Ranch Boutique which was very nice.
- She said the Yalla restaurant would like to be very involved in community projects.
- She was very impressed with the lights on the Hospice Tree of Lights this year.
- She attended the CERT training at the Community Center last month, and would like more helpful information about the WIFI password when there is no staff available. Superintendent Young will follow up on this.

Shess made the following announcements/questions:

- He thought the Holiday Festival was great. He congratulated staff on a wonderful event.
- He thanked the General Manager for the updates on the weather impact on the District.
- He spoke to the General Manager of the Yalla restaurant who said they will be moving their corporate offices to Pleasant Hill. He is thinking they may be a good corporate sponsor opportunity for the Wine, Women & Shoes event.
- He asked for an update on the directional signage. The General Manager said they were almost ready to be reviewed by the City.
- He asked for an update on the WIFI at the Community Center. The General Manager said they are looking into purchasing another booster satellite for the Perera Pavilion.

Glover made the following announcements/questions:

- He had the opportunity to attend Assembly Member Bonilla's Breakfast. He received many favorable comments about the Community Center.

Sterrett made the following announcements/questions:

- She said the Holiday Festival was great, and it was nice to have it back. She enjoyed being the MC.
- She updated the Board on the latest Library Task Force meeting. She said the next meeting will be January 12, 2015.
- She attended the grand opening of the Yalla restaurant.
- She enjoyed the District staff holiday party.
- She updated the Board on Legislative Bill 2040 which would allow Districts to be reimbursed for transparency costs mandated by the State.

STAFF ANNOUNCEMENTS

The General Manager made the following announcements:

- Distributed the Contra Costa Water District's 2015 calendar to the Board.
- Distributed CERT information to the Board.
- He announced that Thursday, February 26, 2015 is the CPRS District III luncheon at the Community Center.
- Hospice of the East Bay mentioned Wine, Women & Shoes in their newsletter.
- He wished everyone Happy Holidays.

ADJOURNMENT

Board Chair Bonato adjourned the meeting at 8:47 p.m.

Robert B. Berggren, Clerk of the Board



MEMORANDUM

TO: Board of Directors
FROM: General Manager
DATE: March 5, 2015
RE: March 12, 2015 Board Meeting

Presentation and Approval of Annual Audit and Management Letter (ACTION)

- Review District Annual Audit
- PH Seniors Club Annual Review

Craig Fechter with Fechter & Company will be presenting the District's annual audit. Enclosed in your packet is the audit. The Senior Club annual review and the management letter. This is an action item for the Board of Directors to accept the annual audit and management letter.

**PLEASANT HILL
RECREATION & PARK DISTRICT
MANAGEMENT REPORT
FOR THE YEAR ENDED JUNE 30, 2014**

PLEASANT HILL RECREATION & PARK DISTRICT

Management Report
For the Year Ended June 30, 2014

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**FECHTER
& COMPANY**
Certified Public Accountants

Craig R. Fechter, CPA, MST
Scott A. German, CPA

Board of Directors
Pleasant Hill Recreation & Park District
Pleasant Hill, California

In planning and performing our audit of the financial statements of the Pleasant Hill Recreation & Park District for the year ended June 30, 2014, we considered the District's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

Our consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce, to a relatively low level, the risk that errors or irregularities in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

We will review the status of these comments during our next audit engagement. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing any control changes you consider implementing. We thank the District's staff for its cooperation on this audit.

Fechter & Company, CPAs



January 1, 2015
Sacramento, CA

PLEASANT HILL RECREATION & PARK DISTRICT
Required Communications
For the Year Ended June 30, 2014

The Auditor's Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 10, 2013, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the District financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 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 transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Internal Control Related Matters

In any smaller entity, whether private enterprise or a governmental agency, the lack of segregation of duties can present potential issues in regards to the perpetuation and concealment of fraud. Even with a perfect segregation of duties frauds can be perpetuated and concealed. The District can perform some specific control procedures to help reduce the risk of fraud, however. Some of the controls would include:

- Having someone independent of the bank reconciliation function review the bank statements on a monthly basis.
- Examining financial statements on a monthly basis at the management and department levels.
- Examining a budget to actual report on a frequent basis.
- Comparing the financial statements on a detailed level to the prior year on a frequent basis.

PLEASANT HILL RECREATION & PARK DISTRICT

Required Communications For the Year Ended June 30, 2014

- Having someone independent of the payroll process review payroll on a bi-weekly basis, checking for accuracy of pay rates, paid time off recorded, etc.
- Verifying that a second person is approving all disbursement activity and that an individual independent of the accounting function is signing checks and asking questions about invoices presented for payment.
- Frequently displaying “professional skepticism” when considering staff responses on District finances.

The District is presently performing the above activities and plans to continue to do so going into the future.

California Government Code Section 12422.5 requires the State Controller’s office to develop internal control guidelines applicable to each local agency by January 1, 2015. The intent of the legislation is to assist local agencies in establishing a system of internal control to safeguard assets and prevent and detect financial errors and fraud. To this end, the State Controller’s Office has produced a draft of control guidelines for local Agencies. As the District contemplates changes to its system of internal control, we advise in utilizing these guidelines when developing internal procedures to assist with your internal control processes.

The State Controller’s office has defined internal controls into five components that work together in an integrated framework. Their guidelines were adopted from the definitions and descriptions contained in *Internal Control – Integrated Framework*, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The components are:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring Activities

The *Control Environment* is the set of standards, processes, and structures that provide the basis for carrying out internal control across the entity. The governing board and management establish the “tone at the top” regarding the importance of internal control, including expected standards of conduct which then cascade down through the various levels of the organization and have a strong effect on the overall system of internal control.

A District’s *Risk Assessment* process includes how management identifies risks (including fraud risk) relevant to the preparation and fair presentation of the financial statements in accordance with the District’s applicable financial reporting framework. In addition, this would also involve areas of business and operational risk which could potentially affect the District’s finances on a go-forward basis.

Control Activities are in reference to establishing policies and procedures that achieve management directives and respond to identified risks in the internal control system. These are specific procedures designed to perform a secondary review of internal processes that will allow for segregation of duties and a management level review of processed transactions.

PLEASANT HILL RECREATION & PARK DISTRICT
Required Communications
For the Year Ended June 30, 2014

Information and Communication are the District's methods of identifying what information is relevant to present to management and the board to assist the District in making the correct decisions.

It also is in reference to the District's internal processes of gathering and summarizing that information.

Monitoring involves evaluating the effectiveness of controls on an on-going basis and taking remedial actions when necessary when identified by the other control procedures in place. On-going monitoring activities often are built into the normal recurring activities of a local government and include regular management and supervisory activities.

There is no catch-all for finding all instances of fraud within any entity, whether public or private. One of the key factors in helping prevent fraud is to encourage ethical behavior at all levels of the organization, i.e., "tone at the top". Another key would be to note instances of abnormal behavior of finance or accounting staff when questioned about District financial matters.

The District should remember that they have outside resources available in the case of fraud – they are able to contact the District auditor, their attorney, or the county auditor-controller should anyone feel there is a chance of fraud or abuse.

Accounting Estimates

Accounting estimates are an integral part of the financial statements 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 estimate(s) affecting the financial statements were:

- Accrual and disclosure of compensated absences
- Capital asset lives and depreciation expense
- PERS actuarial study to estimate the annual retired contribution of benefit plan

Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the District's financial reporting process (that is, cause future financial statements to be materially misstated). The following audit adjustments, in our judgment, indicate matters that could have a significant effect on the District's financial reporting process:

- Posting of all GASB 34 entries on behalf of the district

PLEASANT HILL RECREATION & PARK DISTRICT
Required Communications
For the Year Ended June 30, 2014

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter 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.

Consultations with Other Independent Auditors

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 governmental unit'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.

Difficulties Encountered in Performing the Audit

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

Management recommendations – prior year

On September 30, 2013 we performed our testing of thirty-eight (38) haphazardly selected disbursements throughout the fiscal year 2012-2013. We started out by reviewing the Transaction Flow Documentation Sheet for Cash Disbursements and the Expense Authorization Policy number 3040 located in the Pleasant Hill Recreation and Park District Policy Handbook in order to gain an understanding of the controls and policies in place related to purchases. As stated in Policy Number 3040.10:

- All purchases made for the District by staff shall be authorized by the General Manager, and shall be in conformance with the approved District budget. All ordering will utilize purchase orders, which will be approved by the General Manager or his/her designated representative.

Upon reviewing the selected disbursements, we noticed that only one (1) expense related to One Workplace for furniture in the amount of \$99,904.33 had the required purchase order attached to the

PLEASANT HILL RECREATION & PARK DISTRICT
Required Communications
For the Year Ended June 30, 2014

supporting documentation; therefore, thirty-seven (37) disbursements did not follow the policy stated above. Because it is formally written in the Pleasant Hill Recreation and Park District Policy Handbook as a requirement for all expense authorizations, we are required to note that there were thirty-seven (37) exceptions observed during the Cash Disbursement testing of our audit.

In order to prevent further results from occurring, we came to the conclusion and recommend that if the Board of Directors want to continue the practice of not requiring purchase orders on all expense transactions that they revise the current Expense Authorization Policy - Policy number 3040.10 to include a sentence stating that only expense transactions within a certain range require a purchase order. For example, perhaps requiring all purchases above \$10,000 requiring a purchase order. Once the addendum is made it will allow any outside viewers of Pleasant Hill Recreation and Park District's financials fully understand the reasoning behind only having purchase orders on certain expense transactions.

In reviewing transactions for the 2014 fiscal year audit we did not note the same issues as the prior year. It is our understanding that the District is in the process of modifying its purchasing policy and we will continue to examine the issue and verify District policy was followed.

**PLEASANT HILL RECREATION
AND PARK DISTRICT**

PLEASANT HILL, CALIFORNIA

BASIC FINANCIAL REPORT

JUNE 30, 2014

PLEASANT HILL RECREATION AND PARK DISTRICT

Basic Financial Statements
June 30, 2014

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PLEASANT HILL RECREATION AND PARK DISTRICT

Board of Directors
June 30, 2014

<u>NAME</u>	<u>TITLE</u>
Sherry Sterrett	Chair
Sandra Bonato	Vice Chair
Zac Shess	Secretary
Bobby Glover	Member
Dennis Donaghu	Member



Craig R. Fechter, CPA, MST
Scott A. German, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Pleasant Hill Recreation and Park District
Pleasant Hill, California

We have audited the accompanying financial statements of the governmental activities of each major fund, and the aggregate remaining fund information of the Pleasant Hill Recreation and Park District as of and for the year ended June 30, 2014, 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.

Board of Directors
Pleasant Hill Recreation and Park District

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 Pleasant Hill Recreation and Park District as of June 30, 2014, 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 and budgetary comparison information on pages 4-8 and 33, respectively, 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.

Fechter & Company, Certified Public Accountants


Sacramento, CA
January 1, 2015

PLEASANT HILL RECREATION AND PARK DISTRICT

Management Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2014

Pleasant Hill Recreation and Park District's (the "District") Management Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's basic financial statements.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of three parts: management discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District, which report the District's operation in more detail than the government-wide statements.

The fund financial statements are composed of:

- Governmental fund statements which tell how basic services were financed in the short-term, as well as what remains for future spending.

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities report information about the District as a whole and about its activities. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting used by private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position as well as changes to the net position. Net position is the difference between assets and liabilities, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. To assess the overall health of the District, you need to consider additional non-financial factors including the condition of the District's buildings and other facilities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds; not the District as a whole. Funds are accounting devices for District use to keep track of specific sources of funding and spending on particular programs:

PLEASANT HILL RECREATION AND PARK DISTRICT

Management Discussion and Analysis (Unaudited) For the Year Ended June 30, 2014

- Some funds are required by law and covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that certain revenues have been properly used.

Governmental Funds

The District's basic services are reported in governmental funds, which generally focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash, and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of fund information, which helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statements that explains the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The following table summarizes the District's Net Position as of June 30,

Table 1
Net Position

	<u>2014</u>	<u>2013</u>
Assets:		
Current and other assets	\$ 3,435,714	\$ 11,206,096
Capital assets and bond issuance costs	39,832,632	32,342,205
Total assets	<u>43,268,346</u>	<u>43,548,301</u>
Liabilities:		
Other liabilities	2,607,014	2,640,304
Long-term liabilities	30,406,925	31,076,543
Total liabilities	<u>33,013,939</u>	<u>33,716,847</u>
Net Position:		
Invested in capital assets, net of related debt	7,431,327	720,417
Restricted	1,274,286	7,798,189
Unrestricted	1,548,794	1,312,848
Total net position	<u>\$ 10,254,407</u>	<u>\$ 9,831,454</u>

The District's net position was \$10,254,407 for the fiscal year ended June 30, 2014. Of this amount, \$1,707,354 was unrestricted. Restricted net position are reported separately to show legal constraints from debt covenants and enabling legislation that limit the board's ability to use those net assets for day-to-day operations.

PLEASANT HILL RECREATION AND PARK DISTRICT

Management Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2014

The following table summarizes the District's change in net position for the years ended June 30,

Table 2
Changes in Net Position

	2014	2013
Expenses:		
Recreation and parks	\$ 7,018,106	\$ 5,853,114
Interest expense	2,142,934	1,291,840
Total expenses	<u>9,161,040</u>	<u>7,144,954</u>
Revenues:		
Program revenues:		
Charges for services	3,071,952	3,049,250
Total program revenues	<u>3,071,952</u>	<u>3,049,250</u>
General revenues:		
Property taxes	5,298,390	5,044,109
Interest and other income	1,213,651	189,333
Total general revenues	<u>6,512,041</u>	<u>5,233,442</u>
Total revenue	<u>9,583,993</u>	<u>8,282,692</u>
Change in net position	<u>\$ 422,953</u>	<u>\$ 1,137,738</u>

Government Activities

For the 2014 fiscal year, the total District revenues were \$9,583,993 and the total District expenses were \$9,161,040. The difference of \$422,953 is the change in net position bringing the total net position to \$10,254,407 on June 30, 2014. The main sources of revenue for the District are charges for services and property taxes. The cost of all governmental activities was \$18,591,588 this year. District taxpayers ultimately financed \$5,298,390 for these activities through local taxes and assessments. The increase in property tax revenues and interest expense are due to the Measure E property tax and related debt service.

Capital Assets

At June 30, 2014, the District had \$39,057,934 in a broad range of capital assets, including land, buildings and furniture and equipment. The District uses \$5,000 as its capitalization threshold.

PLEASANT HILL RECREATION AND PARK DISTRICT

Management Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2014

Table 3
Capital Assets at Year End

	<u>2014</u>	<u>2013</u>
Land	\$ 6,638,913	\$ 6,638,913
Construction in progress	-	7,927,548
Land and park improvements	9,913,340	5,831,511
Building and structure	27,605,625	15,796,130
Swimming pool	1,599,173	1,585,804
Furniture and equipment	1,992,024	1,406,113
Accumulated depreciation	<u>(8,691,140)</u>	<u>(7,646,724)</u>
Net capital assets	<u>\$ 39,057,935</u>	<u>\$ 31,539,295</u>

Debt Administration

The District made all scheduled repayments of existing debt. Each of the District's debt issues is discussed in detail in Note 4 to the basic financial statements. As of June 30, 2014, the District's debt comprised:

General Obligation Bond – Measure E	\$ 27,120,000
Certificates of Participation	2,260,000
Municipal Finance Corporation FF&E loan	262,304
Total	<u>\$ 29,642,304</u>

General Fund Budgetary Highlights

The Pleasant Hill Recreation & Park District Board of Directors has made increasing the District's General Reserves a priority. The fiscal year ending 2013-14 will reflect another positive reserve balance. This enabled the District to refinance two existing loans that will save the District approximately \$15,000 per year with a \$220,000 total savings over the term of the loan. Standard & Poor's gave the Refunding COP's a rating of "BBB+" which is an improvement from the Moody's rating of "Baa3." The improved rating helped the District secure the approval for Bond insurance, which allowed for the District's credit COP's rating to increase to "AA-."

The District has started to receive additional tax revenue through the abolishment of Redevelopment Agencies by the State of California. Pleasant Hill Recreation & Park District was affected by both the City of Pleasant Hill's Redevelopment Agency as well as the Contra Costa County's Redevelopment Agency. Both agencies have long term debt to pay off so the District will not receive all of the redevelopment tax proceeds.

PLEASANT HILL RECREATION AND PARK DISTRICT

Management Discussion and Analysis (Unaudited) For the Year Ended June 30, 2014

The following are some of the highlights for the fiscal year 2013 - 2014 budget:

1. Employees will contribute an additional 2.75% to the Public Employees Retirement System. This increase, along with the past two year's contribution, brings the employees' total to 7% which is the total employee match for the retirement program. The Board agreed to a 5% cost of living adjustment for employees.
2. New Rental/Program Coordinator position will be added to handle the rentals of the new Community Center, Senior Center, Teen Center & Winslow Center.
3. Establishment of a new account entitled "Special Events" category to better monitor these events.
4. Capital expenditures for the fiscal year include: improvements to the Community Center site, HVAC and parking lot improvements at the Senior Center, building maintenance equipment and replacement equipment for Park Maintenance.

The Measure E Bond Projects are continuing as scheduled. The Community Center opened in December with a Grand Opening on January 22. Pleasant Oaks Park was also completed and held a Grand Opening in spring of 2014, right on time for the Baseball season. We are extremely excited about the progress and what the new facilities have added to providing recreation programs and park opportunities for the people of our community.

The Strategic Business Plan Committee made up of Board Members and Staff continues to meet to review and establish both short term and long term goals for each division/department of the District. The committee has placed emphasis on revenue enhancement, reducing subsidy to programs, increased marketing efforts and monitoring expenditures to meet both the current and future financial challenges of the District.

Contacting the District Financial Management

This financial report is designed to provide citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, contact the General Manager, Pleasant Hill Recreation and Park District, 147 Gregory Lane, Pleasant Hill, California 94523.

PLEASANT HILL RECREATION AND PARK DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2014

ASSETS

Cash and investments	\$	1,957,560
Restricted cash		1,285,958
Accounts receivable		192,196
Prepaid items		-
Bond issuance costs, net		774,698
Non-depreciable capital assets		6,638,913
Depreciable capital assets, net		<u>32,419,021</u>
 Total Assets		 <u><u>43,268,346</u></u>

LIABILITIES

Accounts payable		504,554
Accrued payroll		13,058
Deferred revenue		560,371
Accrued interest		1,136,733
Long-term debt:		
Due within one year		392,298
Due after one year		30,097,576
Compensated absences		<u>309,349</u>
Total long-term liabilities		<u>30,799,223</u>
 Total Liabilities		 <u>33,013,939</u>

NET POSITION

Invested in capital assets, net of related debt		7,431,327
Restricted for:		
Debt service		1,285,958
Measure E		-
Unrestricted		<u>1,537,122</u>
 Net Position		 <u><u>\$ 10,254,407</u></u>

**PLEASANT HILL RECREATION AND PARK DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Assets
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
Governmental Activities:					
Administration	\$ 439,349	\$ 324,682	\$ -	\$ -	\$ (114,667)
Recreation	394,910	-	-	-	(394,910)
Senior citizens	869,093	597,125	-	-	(271,968)
Winslow center	49,839	33,565	-	-	(16,274)
Community center rental	317,905	94,248	-	-	(223,657)
Adult activities	128,439	169,958	-	-	41,519
Athletics & teens	746,295	736,481	-	-	(9,814)
Preschool, youth, & special	372,878	776,066	-	-	403,188
Child care	271,177	-	-	-	(271,177)
Aquatics	647,265	339,827	-	-	(307,438)
Communications	224,006	-	-	-	(224,006)
Parks	1,186,977	-	-	-	(1,186,977)
Maintenance	328,700	-	-	-	(328,700)
Interest and fees	2,142,934	-	-	-	(2,142,934)
Depreciation expense	1,041,273	-	-	-	(1,041,273)
Total Governmental Activities	\$ 9,161,040	\$ 3,071,952	\$ -	\$ -	(6,089,088)

General Revenues:

Taxes	5,298,390
Use of money and property	9,666
Inter-governmental revenues	1,203,985
Total general revenues	6,512,041
Change in net position	422,953
Net position at beginning of fiscal year	9,831,454
Net position at end of fiscal year	\$ 10,254,407

PLEASANT HILL RECREATION AND PARK DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2014

	General Fund	Landscape Fund	Measure E Project Fund	Measure E Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 1,695,174	\$ 66,637	\$ -	\$ -	\$ 195,749	\$ 1,957,560
Restricted cash	215,189	-	-	1,070,769	-	1,285,958
Accounts receivable	192,196	-	-	-	-	192,196
Due from other funds	-	8,530	5,836	-	38,481	52,847
Prepaid items	-	-	-	-	-	-
Total Assets	\$ 2,102,559	\$ 75,167	\$ 5,836	\$ 1,070,769	\$ 234,230	\$ 3,488,561
LIABILITIES						
Accounts payable	\$ 382,754	\$ -	\$ 5,836	\$ -	\$ 473	\$ 389,063
Accrued payroll	13,058	-	-	-	-	13,058
Deferred revenue	560,371	-	-	-	-	560,371
Due to other funds	40,346	-	-	-	12,501	52,847
Other liabilities	115,491	-	-	-	-	115,491
Total Liabilities	1,112,020	-	5,836	-	12,974	1,130,830
FUND BALANCES						
Restricted	215,189	-	-	1,070,769	-	1,285,958
Nonspendable for prepaids	-	-	-	-	-	-
Assigned for:						
Special revenue funds	-	75,167	-	-	221,256	296,423
Unassigned	775,350	-	-	-	-	775,350
Total fund balances	990,539	75,167	-	1,070,769	221,256	2,357,731
Total liabilities and fund balances	\$ 2,102,559	\$ 75,167	\$ 5,836	\$ 1,070,769	\$ 234,230	\$ 3,488,561

**PLEASANT HILL RECREATION AND PARK DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF JUNE 30, 2014**

Fund Balances of Governmental Funds	\$ 2,357,731
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets, net of accumulated depreciation, are not current financial resources and are not included in the governmental funds.	39,057,934
Bond issue costs, net, related to the general obligation advanced refunding issue are not financial resources and, therefore, are not reported in the funds.	774,698
Some liabilities, including long-term debt, compensated absences and accrued interest are not due and payable in the current period and therefore are not reported in the funds.	<u>(31,935,956)</u>
Net position of governmental activities	<u>\$ 10,254,407</u>

PLEASANT HILL RECREATION AND PARK DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	General Fund	Landscape Fund	Measure E Project Fund	Measure E Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 3,546,770	\$ -	\$ -	\$ 1,703,506	\$ 48,114	\$ 5,298,390
Administration	324,682	-	-	-	-	324,682
Senior citizens	597,125	-	-	-	-	597,125
Winslow center	33,565	-	-	-	-	33,565
Community center rental	94,248	-	-	-	-	94,248
Adult activities	169,958	-	-	-	-	169,958
Athletics & teens	736,481	-	-	-	-	736,481
Preschool, youth, & special	776,066	-	-	-	-	776,066
Child care	-	-	-	-	-	-
Aquatics	339,827	-	-	-	-	339,827
Interest	3,694	-	5,742	-	230	9,666
Inter-governmental revenues	-	-	1,203,985	-	-	1,203,985
Total Revenues	6,622,416	-	1,209,727	1,703,506	48,344	9,583,993
Expenditures						
Administration	387,666	-	-	-	-	387,666
Recreation	394,910	-	-	-	-	394,910
Senior citizens	869,093	-	-	-	-	869,093
Winslow center	49,839	-	-	-	-	49,839
Community center rental	317,905	-	-	-	-	317,905
Adult activities	128,439	-	-	-	-	128,439
Athletics & teens	746,295	-	-	-	-	746,295
Preschool, youth, & special	372,878	-	-	-	-	372,878
Child care	271,177	-	-	-	-	271,177
Aquatics	647,265	-	-	-	-	647,265
Communications	224,006	-	-	-	-	224,006
Parks	1,152,704	-	-	-	34,273	1,186,977
Maintenance	328,700	-	-	-	-	328,700
Capital outlay	410,597	-	8,152,207	-	-	8,562,804
Debt service:						
Principal	2,358,696	-	-	305,000	-	2,663,696
Interest and fees	211,878	-	-	1,228,060	-	1,439,938
Total Expenditures	8,872,048	-	8,152,207	1,533,060	34,273	18,591,588
Excess (Deficit) of Revenues Over (Under) Expenditures	(2,249,632)	-	(6,942,480)	170,446	14,071	(9,007,595)
Other Financing Sources (Uses)						
Proceeds on long-term debt	2,366,000	-	-	-	-	2,366,000
Transfers in	-	-	259,801	-	33,212	293,013
Transfers out	(203,444)	-	-	-	(89,569)	(293,013)
Total Other Financing Sources (Uses)	2,162,556	-	259,801	-	(56,357)	2,366,000
Net change in Fund Balances	(87,076)	-	(6,682,679)	170,446	(42,286)	(6,641,595)
Fund Balances, beginning of period	1,077,615	75,167	6,682,679	900,323	263,542	8,999,326
Fund Balances, end of period	\$ 990,539	\$ 75,167	\$ -	\$ 1,070,769	\$ 221,256	\$ 2,357,731

**PLEASANT HILL RECREATION AND PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Net Change in Fund Balances - Total Governmental Funds \$ (6,641,595)

Amounts reported for governmental activities in the Statement of Activities differs from the amounts reported in the Statement of Revenues, Expenditures and Changes in Fund Balances because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is 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:

Cost of assets capitalized	8,563,056
Depreciation expense	(1,044,416)

Loan proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Assets the repayment reduces long-term liabilities	(2,366,000)
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Interest accrued on long-term debt is reported as an expenditure in the government-wide financial statements but not in the fund financial statements	(703,200)
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Repayments of long-term debt and capital leases are reported as an expense in the fund financial statements but as a reduction of debt in the statement of net assets	2,663,696
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Amortization of bond issuance costs is reported as an expense on the statement of activities	3,143
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Changes in long-term compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds	<u>(51,731)</u>
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Change in net position of governmental activities	<u><u>\$ 422,953</u></u>
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PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Description

The Pleasant Hill Recreation and Park District (the "District") was formed January 22, 1951, under the laws of the State of California Public Resources Division 5, Chapter 4, Section 5780. The District is governed by a board of five elected directors who hold regularly scheduled meetings twice a month.

The District offers a wide variety of recreational activities for persons of all ages, from preschoolers to senior citizens. Some of the major activities include: a wide range of aquatic programs, varied cooking classes, adult and youth sports programs, dance classes, special events, excursions, fitness classes, special interest classes, and many other types of classes and activities for one's leisure time. Along with these activities, the District also sponsors over fifteen special clubs and organizations, such as the Camera Club, Garden Club, Hiking Club, Las Juntas Artists, Tennis Club and others for public participation and enjoyment.

To facilitate this wide range of recreational activities, the District has over 250 acres of park-lands including: thirteen park sites, three pools, a community center facility, a senior citizens' complex, a cultural center, and many joint efforts with the local school district at various local school sites.

B. Reporting Entity

The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements. The basic, but not the only, criterion for including a governmental department, agency, institution, commission, public authority, or other governmental organization in a governmental unit's reporting entity for financial reports is the ability of the governmental unit's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one governmental unit is dependent on another and that the dependent unit should be reported as part of the other. Oversight responsibility is derived from the governmental unit's power and includes, but is not limited to:

- Financial interdependency
- Selection of governing authority
- Designation of management
- Ability to significantly influence operations
- Accountability for fiscal matters

Accordingly, for the year ended June 30, 2014, the District does not have any component units and is not a component unit of any other reporting entity.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. Accounting Principles

The District accounts for its financial transactions in accordance with the policies and procedures recommended by the State of California. The accounting policies of the District conform to U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants.

(a) Government-wide and Fund Financial Statements:

The government-wide financial statements (the statement of net position and the statement of activities) report on the District as a whole. The statement of activities demonstrates the degree to which the direct expenses of the District's functions are offset by program revenues. *Direct expenses* are those that are clearly identifiable with the District's functions. *Program revenues* include charges for services, which are mainly from park and recreation fees. Other items not properly included among program revenues are reported instead as *general revenues*. Separate financial statements are provided for the governmental fund of the District (balance sheet and the statement of revenues, expenditures and changes in fund balances).

(b) Measurement Focus, Basis of Accounting and Financial Statement Presentation:

Government-wide Financial Statements

The statement of net position and the statement of activities are prepared using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. Accounting Principles – continued

Fund Financial Statements - continued

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

The emphasis of fund financial statements is on major governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds in a single column, regardless of their fund type. Major funds are those that have assets, liabilities, revenue or expenditures equal to ten percent of their fund-type total. The General Fund is always a major fund. The District may also select other funds it believes should be presented as major funds.

The government reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Landscape Fund: The Landscape Fund is used to account for the proceeds of specific revenue sources that are legally or otherwise restricted to expenditures for landscape purposes.

Measure E Project Fund: The Measure E Project Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities.

Measure E Debt Service Fund: The Measure E Debt Service Fund is used to account for financial resources to be used to pay the annual borrowing costs of long-term debt.

Other Governmental Funds are comprised of several non-major funds that include funds for separate smaller landscaping districts not included in the main Lighting and Landscape Fund, funds reserved for specific capital acquisitions and other miscellaneous fund balances.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. Accounting Principles - continued

Fund Financial Statements - continued

(c) Use of Estimates:

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures/expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

D. Budget and Budgetary Accounting

During the month of April, the District staff prepares an annual budget. The full Board is presented the budget in May to be adopted in June as a preliminary budget and as a final budget by the last meeting in July. The preliminary budget is published in a newspaper thirty days prior to acceptance as a final budget.

Budget amounts in the combined financial statements reflect the annual budget and revisions approved during the year. Budgets are based upon the District's estimate of expenditures for each year and their proposed means of financing.

Expenditures are controlled on the major object level within the Funds. Any amendments of appropriations are approved by the Board. Budgeted amounts are reported as amended. All appropriations lapse at year-end.

E. Cash and Investments

Cash balances held in banks and in revolving funds are insured to \$250,000 by the Federal Deposit Insurance Corporation.

The District participates in the Contra Costa County Treasury. Contra Costa County (the County) pools its funds with those of other districts in the County and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County are either secured by federal depository insurance or are collateralized.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

E. Cash and Investments - continued

Furthermore, the County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, the County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27134.

F. Prepaid Items

The District has the option of reporting expenditures in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditure during the benefiting period.

G. Capital Assets

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expensed as incurred. Depreciation on all capital assets is computed using a straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life in Years</u>
Land	N/A
Land improvements	20
Building and structures	50
Portable classrooms	25
Kitchen equipment	15
Copiers	5
Musical instruments	10
Vehicles	5
Grounds equipment	5

H. Deferred Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Deferred revenue is recorded to the extent that cash received on specific projects and programs exceeds qualified expenditures.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

H. Deferred Revenue – continued

Deferred revenue consists primarily of class registration and rental fees received during the current year for programs or trips to be conducted subsequent to June 30, 2014. As of June 30, 2014, the deferred revenue balance was \$560,371.

I. Compensated Absences

The District grants employees vacation and sick leave in varying amounts. In the event of retirement or termination, an employee is reimbursed at full salary rates for accumulated vacation days and at one-quarter of salary rates for sick leave days in excess of 30 days. The current portion of accumulated vacation and sick leave is recognized in the general fund. All compensated absences are accrued when incurred in the government-wide financial statements.

As of June 30, 2014, the liability for accrued vacation, administrative and compensatory time-off leave was \$309,349. This liability is paid from funds related to the accrued personnel costs.

J. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Premiums, discounts and issuance costs are deferred and amortized over the life of the debt using the effective-interest method.

In the fund financial statements, governmental funds recognize premiums, discounts and issuance costs during the current period. The face amount of the debt issued, premiums, or discounts are reported as other financing sources/uses. Designations for the ending fund balance indicate tentative plans for financial resource utilization in a future period.

K. Restricted Cash

Restricted cash represents assets either held by bond trustees or the District, which are governed by a trust indenture specifying their uses. These assets all relate to various debt issuances.

L. Revenue Limit/Property Tax

The County is responsible for assessing, collecting, and apportioning property taxes on behalf of the District. Taxes are levied for each fiscal year on taxable real and personal property in the County. The levy is based on the assessed values as of the preceding January 1, which is also the lien date. Property taxes on the secured roll

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

L. Revenue Limit /Property Tax - continued

are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on January 1 and become delinquent if unpaid by August 31.

The County apportions secured property tax revenue in accordance with the alternate method of distribution prescribed by Section 4705 of the *California Revenue and Taxation Code*. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll – approximately October 1 of each year.

M. Inter-fund Transactions

Inter-fund transactions are reported as loans, services provided, reimbursements, or transfers. Loans are reported as inter-fund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when a fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

N. GASB 63

The District adopted the provisions of GASB Statement No. 63 (GASB 63), *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* during the year ended June 30, 2013. GASB 63 provides financial reporting guidance for deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. It also identifies net position as the residual of all other elements presented in a statement of financial position, or the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. As implied above, GASB 63 changes the previous classification of net assets to net position, and consequently, the statement of net assets to the statement of net position. The District had no deferred inflows or outflows of resources as of June 30, 2014.

NOTE 2: CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent possible pursuant to the District Board Approved Investment Policy and Guidelines and State Government Code. Cash on deposit as of June 30, 2014, amounted to \$3,243,518 and was deposited

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 2: CASH AND INVESTMENTS – continued

in the following depositories:

<u>Deposits and Investments</u>	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Investment Risk</u>
Cash in County Treasury	\$ 1,515,024	\$ 1,515,024	AA
Cash in bank	622,319	622,319	N/A
Cash with fiscal agent (restricted)	210,012	210,012	N/A
Investments in LAIF (includes rest.)	<u>896,163</u>	<u>896,163</u>	Not Rated
Total cash and Investments	<u>\$ 3,243,518</u>	<u>\$ 3,243,518</u>	

A. 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 deposits and investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the District's name and places the District ahead of general creditors of the institution.

B. Investments

The District's investments are carried at fair value instead of cost, as required by U.S. generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end if material, and it includes the effects of these adjustments in income for that fiscal year.

The District places certain funds with the State of California's Local Agency Investment Fund (LAIF). The District is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the District's investment

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 2: CASH AND INVESTMENTS – continued

B. Investments - continued

in this pool is reported in the accompanying financial statements based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The management of the State of California Pooled Money Investment Account has indicated to the District that as of June 30, 2014 the carrying amount of the pool was \$64,846,169,129 and the estimated market value of the pool (including accrued interest) was \$64,850,840,279. The District's proportionate share of that value is \$896,163. Included in LAIF's investment portfolio are certain derivative securities or similar products in the form of structured notes, totaling \$800,000,000 and asset-backed securities totaling \$1,297,405,000. LAIF's (and the District's) exposure to risk (credit, market or legal) is not currently available.

The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis. Funds are accessible and transferable to the master account with twenty-four hour notice. Financial statements for LAIF can be obtained from the California State Treasurer's Office: State Treasurer's Office, 915 Capitol Mall, Suite 110, Sacramento, CA 95814.

C. Restricted and Designated Cash and Equivalent

The District segregates certain cash and equivalents that have legal or Board of Directors' designated restrictions as to their uses. The District is required under the terms of certain long-term debt covenants to segregate and maintain \$215,189 restricted for debt service in the general fund and \$1,070,769 in the Measure E fund for debt service as of June 30, 2014.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 3: CAPITAL ASSETS

An analysis of fixed assets at June 30, 2014, is as follows:

<u>Governmental Activities</u>	<u>Balance 6/30/13</u>	<u>Increase</u>	<u>Decrease</u>	<u>Adjustments</u>	<u>Balance 6/30/14</u>
Capital assets, not being depreciated:					
Land	\$ 6,638,913	\$ -	\$ -	\$ -	\$ 6,638,913
Construction in progress	7,927,548	-	-	(7,927,548)	-
Total capital assets, not being depreciated	14,566,461	-	-	(7,927,548)	6,638,913
Capital assets, being depreciated:					
Land and park improvements	5,831,511	3,362,270	-	719,559	9,913,340
Building and structure	15,796,130	4,790,097	-	7,019,398	27,605,625
Swimming pool	1,585,804	13,369	-	-	1,599,173
Furniture and equipment	1,406,113	397,320	-	188,591	1,992,024
Total capital assets, being depreciated	24,619,558	8,563,056	-	7,927,548	41,110,162
Less accumulated depreciation:					
Land and park improvements	(4,693,556)	(227,665)	-	-	(4,921,221)
Building and structure	(1,169,494)	(555,336)	-	-	(1,724,830)
Swimming pool	(842,439)	(30,595)	-	-	(873,034)
Furniture and equipment	(941,235)	(230,820)	-	-	(1,172,055)
Total accumulated depreciation	(7,646,724)	(1,044,416)	-	-	(8,691,140)
Total capital assets being depreciated – net	16,972,834	7,518,640	-	7,927,548	32,419,022
Capital assets – net	\$ 31,539,295	\$ 7,518,640	\$ -	\$ -	\$ 39,057,935

All depreciation expense was charged to the parks & recreation function.

NOTE 4: LONG-TERM DEBT

A. Change in Long-Term Debt

The following is a summary of changes in long-term debt as of June 30, 2014:

	<u>6/30/13</u>	<u>Additions</u>	<u>Retirements</u>	<u>6/30/14</u>	<u>Current</u>
Certificates of Participation	\$ 2,215,000	\$ -	\$ 2,215,000	\$ -	\$ -
General obligation	27,425,000	-	305,000	27,120,000	230,000
Issuance/premiums, net	(75,957)	3,153	-	(72,804)	-
Loan payable	300,000	-	37,696	262,304	39,298
2013 COP	-	2,366,000	106,000	2,260,000	123,000
Accrued interest	433,534	1,136,734	433,534	1,136,734	1,136,734
Compensated absences	257,666	51,683	-	309,349	-
Total	\$ 30,555,243	\$ 3,557,570	\$ 3,097,230	\$ 31,015,583	\$ 1,529,032

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 4: LONG-TERM DEBT -- continued

B. Certificates of Participation ("COP")

1998 COP

The District issued certificates of participation in January of 1998 to finance the acquisition of Pleasant Oaks Park. The total amount of the issue was \$1,895,000 with an average interest rate of 5.56%. The certificates were defeased during the 2013/2014 fiscal year.

2000 COP

The District entered into a purchase agreement with the City of Pleasant Hill for 2.25 acres of land beneath and surrounding the community center. The purchase price was \$953,000, including a promissory note in the amount of \$650,000. The note was refinanced in May 2000 with Certificates of Participation in the amount of \$1,285,000. The additional money was used for repairs and upgrades to the community center. The note will be amortized over 30 years at a simple interest rate of 5.80% with monthly installments commencing May 1, 2000. The certificates were defeased during the 2013/2014 fiscal year.

2013 COP

The District issued certificates of participation in August of 2013 to refinance the prior two certificates. The total amount of the issue was \$2,366,000 with an interest rate bearing 3.65%. The 2013 certificates mature as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2015	\$ 123,000	\$ 82,490	\$ 205,490
2016	132,000	78,001	210,001
2017	131,000	73,183	204,183
2018	139,000	68,401	207,401
2019	142,000	63,328	205,328
2020-2024	801,000	234,257	1,035,257
2025-2030	792,000	84,571	876,571
Total	\$ 2,260,000	\$ 684,231	\$ 2,944,231

C. Measure E General Obligation Bond

The District issued general obligation bonds in August of 2009 to finance the acquisition, expansion and improvement of District facilities. Measure E was authorized by an election of registered voters of the District. The total amount of the two issues of these Measure E bonds were \$28,000,000 with an average interest rate of 4.63%.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 4: LONG-TERM DEBT – continued

The Series A certificates mature through 2041 as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2015	\$ 405,000	\$ 880,825	\$1,285,825
2016	420,000	864,625	1,284,625
2017	435,000	852,025	1,287,025
2018	445,000	838,975	1,283,975
2019	460,000	825,625	1,285,625
2020-2024	2,545,000	3,879,775	6,424,775
2025-2029	3,130,000	3,298,550	6,428,550
2030-2034	3,970,000	2,448,845	6,418,845
2035-2040	5,045,000	1,378,500	6,423,500
2041-2042	<u>2,390,000</u>	<u>180,750</u>	<u>2,570,750</u>
Total	<u>\$ 19,245,000</u>	<u>\$ 15,448,495</u>	<u>\$ 34,693,495</u>

The Series B certificates mature through 2042 as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2015	\$ 50,000	\$ 341,760	\$ 391,760
2016	90,000	340,260	430,260
2017	125,000	337,560	462,560
2018	160,000	333,810	493,810
2019	165,000	327,410	492,410
2019-2023	955,000	1,531,250	2,486,250
2024-2028	1,200,000	1,287,550	2,487,550
2029-2033	1,470,000	964,850	2,434,850
2034-2038	1,840,000	623,870	2,463,870
2039-2042	<u>1,820,000</u>	<u>197,626</u>	<u>2,017,626</u>
Total	<u>\$ 7,875,000</u>	<u>\$ 6,285,946</u>	<u>\$ 14,160,946</u>

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 5: INTER-FUND RECEIVABLES AND PAYABLES

Current inter-fund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2014, inter-fund balances comprised the following:

<u>Fund</u>	<u>Inter-fund Receivable</u>	<u>Inter-fund Payable</u>
General fund	\$ -	\$ 40,346
Special revenue funds:		
Measure E	5,836	
Parkland	38,481	12,501
Landscape	8,530	-
Total inter-fund receivable/payable	<u>\$ 52,847</u>	<u>\$ 52,847</u>

NOTE 6: DEFINED BENEFIT PENSION PLAN

Plan Description

The District contributes to the California Public Employees' Retirement System (PERS); an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and District ordinance. Copies of PERS' annual financial report may be obtained from their Executive Office, 400 P Street, Sacramento, CA 95814.

Funding Policy

Participants are required to contribute 7% of their annual covered salary. The District is required to contribute at an actuarially determined rate; the current rate is 13.463% for employees of annual covered payroll. The contribution requirements of plan members and the District are established and may be amended by PERS.

Annual Pension Cost

For 2014, the District's annual pension cost of \$251,073 for PERS was equal to the District's required and actual contributions. The required contribution was determined as part of the June 30, 2011 actuarial valuation using the entry age normal actuarial cost method. A summary of principle assumptions and methods used to determine the

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 6: DEFINED BENEFIT PENSION PLAN - continued

Annual Required Contribution (ARC) is shown below.

Actual Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	20 Years as of the Valuation Date
Asset Valuation Method	15-Year Smoothed Market
Actuarial Assumptions:	
Investment Rate of Return	7.5% (net of administrative expense)
Projected Salary Increase	3.30% to 14.20% depending on age, service and type of employment
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assured annual inflation component of 3.0% and an annual production growth of 0.25%

Three-Year Trend Information for PERS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>APC Contributed</u>	<u>Net Pension Obligation+</u>
6/30/2012	\$ 314,823	100%	\$ -
6/30/2013	\$ 270,967	100%	\$ -
6/30/2014	\$ 251,073	100%	\$ -

The Schedule of Funding Progress below shows the recent history of the actuarial value of assets, actuarial accrued liability, their relationship, and the relationship of the unfunded actuarial accrued liability to payroll:

<u>Valuation Date</u>	<u>(A) Accrued Liabilities (AL)</u>	<u>(B) Actuarial Value of Assets (AVA)</u>	<u>(C) Unfunded Liabilities (UL)</u>	<u>(D) Funded Ratio (AVA/AL)</u>	<u>(E) Annual Covered Payroll</u>	<u>(F) UL as of % of Payroll</u>
6/30/2012	\$ 11,301,215	\$ 9,700,314	\$ 1,600,901	85.8%	\$ 2,402,525	66.63%

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 7: RISK MANAGEMENT

The District manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these risk pools are not the District's responsibility.

The District is a member of a program through which certain specified and limited self-insured general liability, property loss and automobile liability are administered by the California Association for Park and Recreation Insurance (CAPRI) and shared by its participating members.

Complete audited financial statements for CAPRI can be obtained from CAPRI's office at 6341 Auburn Boulevard, Suite A, Citrus Heights, CA 95621.

CAPRI provides comprehensive general liability coverage with a \$10,000,000 limit per occurrence for personal injury and property damage to which the coverage applies. There is no deductible to the District.

CAPRI also provides public officials and employee liability coverage with a \$10,000,000 annual aggregate limit per member district because of a wrongful act(s) 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.

All-Risk Property Loss coverage including Boiler & Machinery coverage is subject to a \$2,000 deductible per occurrence payable by the District.

CAPRI provides 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% of the value of the building, contents, and/or structure damaged, whichever is greater.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 8: CONTINGENCIES

The District is involved in various claims and litigation arising in the ordinary course of business. District management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters will not have a materially adverse effect on the District's financial position or results of operations.

NOTE 9: PART-TIME AND SEASONAL EMPLOYEE RETIREMENT PLAN

The District uses a FICA alternative (457) plan for the District's seasonal and part-time employees. This plan satisfies the requirements of Internal Revenue Code Section 3121, which requires the District to either include these employees under the Social Security System or a qualified pension plan. The District contributed \$22,379 during the year ended June 30, 2014.

NOTE 10: DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time and permanent part-time employees, permits them to defer a portion of their salary until future years. Under this plan, participants are not taxed on the deferred portion of the compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District's property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

NOTE 11: NET POSITION AND FUND BALANCES

GASB Statement No. 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis. GASB 63 changed this terminology to "Net Position".

A. Net Position

Net position is the excess of all the District's assets over all its liabilities, regardless of fund. Net position is divided into three captions under GASB Statement No. 34. These captions apply only to net assets, which is determined only at the Government-wide level, and are described below:

Invested in Capital, net of related debt describes the portion of net assets that is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 11: NET POSITION AND FUND BALANCES – continued

A. Net position - continued

Restricted describes the portion of net assets that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that the District cannot unilaterally alter. These include amounts for debt service requirements.

Unrestricted describes the portion of net assets that is not restricted to use.

B. Fund Equity

The accompanying financial statements reflect certain changes that have been made with respect to the reporting of the components of fund balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision making authority. The Board of Directors serves as the District's highest level of decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by the District for specific purposes, subject to change, as established either directly by the Board of Directors or by management officials to whom assignment authority has been delegated by the Board of Directors.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

PLEASANT HILL RECREATION AND PARK DISTRICT

Notes to Basic Financial Statements
For The Year Ended June 30, 2014

NOTE 11: NET POSITION AND FUND BALANCES – continued

B. Fund Equity - continued

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, the District's policy specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

NOTE 12: TRANSFERS

Transactions which constitute reimbursement of a fund for expenditures initially made from that fund, which are properly attributable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of the expenditures in the fund that is reimbursed. The funds below were combined with the general fund in previous years. The following schedule summarizes the transfers in and out for the fiscal year ended June 30, 2014:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General fund	\$ -	\$ 203,444
Other funds	293,013	89,569
Totals	<u>\$ 293,013</u>	<u>\$ 293,013</u>

NOTE 13: SUBSEQUENT EVENTS

Subsequent events were reviewed through January 1, 2015. No additional events were found that will materially affect the District's financial position.

**PLEASANT HILL RECREATION AND PARK DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive
Revenues				
Property taxes	\$ 3,159,500	\$ 3,239,997	\$ 3,546,770	\$ 306,773
Non-recreation	426,550	636,850	324,682	(312,168)
Senior citizens	457,000	525,381	597,125	71,744
Winslow center	29,000	32,000	33,565	1,565
Community center rental	134,000	79,000	94,248	15,248
Adult activities	182,000	165,000	169,958	4,958
Athletics & teens	630,000	692,500	736,481	43,981
Preschool, youth, & special	476,900	475,540	776,066	300,526
Child care	320,000	263,000	-	(263,000)
Aquatics	330,800	339,425	339,827	402
Interest	-	-	3,694	3,694
Total Revenues	<u>6,145,750</u>	<u>6,448,693</u>	<u>6,622,416</u>	<u>173,723</u>
Expenditures				
Administration	338,372	310,730	387,666	(76,936)
Recreation	368,419	386,390	394,910	(8,520)
Senior citizens	814,318	835,243	869,093	(33,850)
Winslow center	48,930	49,385	49,839	(454)
Community center rental	352,624	327,400	317,905	9,495
Adult activities	141,693	131,264	128,439	2,825
Athletics & teens	687,175	709,533	746,295	(36,762)
Preschool, youth, & special	366,994	354,895	372,878	(17,983)
Child care	256,391	263,550	271,177	(7,627)
Aquatics	659,848	655,700	647,265	8,435
Communications	217,740	222,720	224,006	(1,286)
Parks	1,171,372	1,160,436	1,152,704	7,732
Maintenance	319,200	321,855	328,700	(6,845)
Capital outlay	133,000	445,000	410,597	34,403
Debt service:				
Principal	132,700	143,700	2,358,696	(2,214,996)
Interest	122,800	87,400	211,878	(124,478)
Total Expenditures	<u>6,131,576</u>	<u>6,405,201</u>	<u>8,872,048</u>	<u>(2,466,847)</u>
Excess (Deficit) of Revenues Over (Under) Expenditures	<u>14,174</u>	<u>43,492</u>	<u>(2,249,632)</u>	<u>(2,293,124)</u>
Other Financing Sources (Uses)				
Issuance of debt	-	-	2,366,000	(2,366,000)
Transfers in	-	-	-	-
Transfers out	-	-	(203,444)	203,444
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,162,556</u>	<u>(2,162,556)</u>
Net change in Fund Balances			<u>(87,076)</u>	
Fund Balances, beginning of period			<u>1,077,615</u>	
Fund Balances, end of period			<u>\$ 990,539</u>	

PLEASANT HILL SENIOR'S CLUB

PLEASANT HILL, CALIFORNIA

FINANCIAL STATEMENTS

JUNE 30, 2014

PLEASANT HILL SENIOR'S CLUB

Financial Statements
June 30, 2014

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**FECHTER
& COMPANY**
Certified Public Accountants

**Craig R. Fechter, CPA, MST
Scott A. German, CPA**

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Pleasant Hill Senior's Club
Board of Directors
Pleasant Hill, California

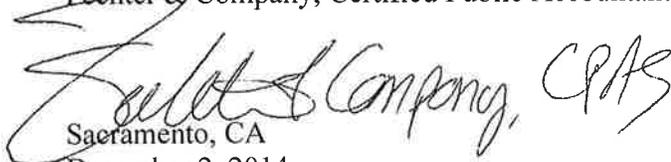
We have reviewed the accompanying statement of assets, liabilities, and net assets—modified cash basis of the Pleasant Hill Senior Club (a nonprofit organization) as of June 30, 2014 and the related statement of revenues, expenses, and other changes in net assets—cash basis for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting, as described in Note 2.

Fechter & Company, Certified Public Accountants


Sacramento, CA
December 2, 2014

PLEASANT HILL SENIOR'S CLUB
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS
MODIFIED CASH BASIS
JUNE 30, 2014

ASSETS

Current Assets:	
Cash and investments	\$ 381,760
Total current assets	<u>381,760</u>
Capital assets, net	<u>124,897</u>
Total assets	<u><u>506,657</u></u>

NET ASSETS

Unrestricted	457,653
Permanently restricted	<u>49,004</u>
Total net assets	<u><u>\$ 506,657</u></u>

PLEASANT HILL SENIOR'S CLUB
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS -
MODIFIED CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Unrestricted	Permanently Restricted	Total
Revenues:			
Operating revenues	\$ 202,210	\$ 3,543	\$ 205,753
Total revenues	<u>202,210</u>	<u>3,543</u>	<u>205,753</u>
Expenses:			
Operating expenses	<u>206,509</u>	<u>272</u>	<u>206,781</u>
Total expenses	206,509	272	206,781
Changes in net assets	(4,299)	3,271	(1,028)
Net assets, beginning of period	<u>468,789</u>	<u>45,733</u>	<u>514,522</u>
Prior period adjustment	(6,837)	-	(6,837)
Net assets, end of period	<u><u>\$ 457,653</u></u>	<u><u>\$ 49,004</u></u>	<u><u>\$ 506,657</u></u>

PLEASANT HILL SENIOR'S CLUB
STATEMENT OF OPERATING REVENUES - MODIFIED CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Total
Operating revenues:	
Active sports	\$ 36,500
Bingo	9,715
Boutique	8,649
Care management	3,359
Special events	28,176
Donations	14,239
Interest	7,386
Senior club	40,578
Transportation	31,087
Trips	26,064
Miscellaneous	-
Total operating revenues	\$ 205,753

PLEASANT HILL SENIOR'S CLUB
STATEMENT OF OPERATING EXPENSES - MODIFIED CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Total
Operating expenses:	
Active sports	\$ 10,937
Bingo	3,292
Building & equipment	4,789
Boutique	747
Care management	757
Special events	17,558
Center supplies	34,148
Depreciation	35,684
Donations	1,527
Senior club	38,396
Bank service charges	927
Transportation	33,624
Trips	23,895
Miscellaneous	500
Total operating expenses	\$ 206,781

PLEASANT HILL SENIOR'S CLUB

Notes to Financial Statements – Modified Cash Basis
June 30, 2014

NOTE 1: ORGANIZATIONS AND NATURE OF ACTIVITIES

Pleasant Hill Senior's Club was established in 1956 as an unincorporated nonprofit organization sponsored by the Pleasant Hill Recreation and Park District. Its purpose is to provide friendship, fellowship, recreation, education, and social activities for its members. Membership is open to all adults 50 years and over, regardless of race or creed.

Pleasant Hill Senior's Club is governed by a board of thirteen Directors who hold regularly scheduled meetings once a month. A general business meeting is also held once a month. The Directors are elected by a majority vote of the general membership for a one-year term.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting. That basis differs from U.S. generally accepted accounting principles primarily because Pleasant Hill Senior's Club does not recognize dues receivable from members, accounts payable to vendors, and their related effects on the change in net assets.

B. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statement of Not-for-Profit Organizations*. Under SFAS No. 117, Pleasant Hill Senior's Club is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

C. Unrestricted Net Assets

Unrestricted net assets generally result from revenues obtained by providing services, receiving unrestricted contributions, and receiving interest and dividends from income-producing assets. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of Pleasant Hill Senior's Club and the purposes specified in its Articles of Incorporation or Bylaws and limits resulting from contractual agreements entered into by Pleasant Hill Senior's Club in the course of its operations.

D. Property and Equipment

Property and equipment have been recorded at cost and depreciated using the straight-line method over their estimated useful lives. Building improvements have a useful life of 7-15 years and equipment and furniture have a useful life of 3-7 years.

PLEASANT HILL SENIOR'S CLUB

Notes to Financial Statements – Modified Cash Basis
June 30, 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Property and Equipment - continued

Pleasant Hill Senior's Club capitalizes all expenses for property and equipment in excess of \$5,000 and a useful life of more than one year.

E. Income Taxes

Pleasant Hill Senior's Club is exempt under the Pleasant Hill Recreation and Park District tax exempt status and therefore, no provision for income tax has been made.

F. Restrictions on Net Assets

Permanently restricted net assets consist of donations to Pleasant Hill Foundation Senior Center Endowment Fund. The fund's investments are to be held indefinitely, the income from which is expendable to support the Senior Center activities.

G. Use of Estimates

The financial statements include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those estimates.

H. Risk Management

Pleasant Hill Senior's Club is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and errors and omissions for which Pleasant Hill Recreation and Park District carries insurance.

I. Donations

Donations represent contributions to the program from private organizations and individuals and are recognized as support when received.

PLEASANT HILL SENIOR'S CLUB

Notes to Financial Statements – Modified Cash Basis
June 30, 2014

NOTE 3: CASH AND INVESTMENTS

A. Cash

Cash and investments as of June 30, 2014, amounted to \$381,760 and were deposited in the following depositories:

	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Investment Risk</u>
Cash in Bank	\$ 228,403	\$ 228,403	N/A
East Bay Community Foundation Investment Pool	51,844	51,844	N/A
Funds Invested – Local Agency Investment Fund (LAIF)	<u>101,513</u>	<u>101,513</u>	Not Rated
Totals	<u>\$ 381,760</u>	<u>\$ 381,760</u>	

The bank balance as of June 30, 2014 was \$381,760 held at different banks and the entire amount was covered by the Federal Deposit Insurance Corporation (FDIC). The difference between the bank balance and the carrying amount is due to reconciling items such as deposits in transit and outstanding checks.

B. Investments

At June 30, 2014, Pleasant Hill Senior's Club had no investments other than pooled cash of \$101,513 in the State of California's Local Agency Investment Fund. The Local Agency Investment Fund through the State Treasurer's Office invests State and local agency funds in a Pooled Money Investment Account. The State Treasurer is responsible for the control and safekeeping of all securities purchased.

C. Restricted Cash and Investments

Restricted cash and investments consist of donations to the Pleasant Hill Foundation Senior Center Endowment Fund. As of June 30, 2014, the amount of \$51,844 was recorded as restricted cash and investments.

PLEASANT HILL SENIOR'S CLUB

Notes to Financial Statements – Modified Cash Basis
June 30, 2014

NOTE 3: CASH AND INVESTMENTS - continued

D. Summary of Fair Value Exposure

FASB ASC 820-10 and subsections, *Fair Value Measurements and Disclosures* clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable. Pleasant Hill Senior's Club has adopted FASB ASC 820-10 for its financial assets and liabilities measured on a recurring and nonrecurring basis.

FASB ASC 820-10 defines fair value as the amount that would be received from the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants, i.e. an exit price. To estimate an exit price, a three-tier hierarchy is used to prioritize the inputs:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spreads, credit risk, etc.)

Level 3: Significant unobservable inputs (including the organization's own assumptions in determining the fair value of investments).

The inputs and methodology used for valuing Pleasant Hill Senior's Club's financial assets and liabilities are not indicators of the risks associated with those investments.

As of June 30, 2014, the investment balance of \$51,844 was all classified to be Level 1.

NOTE 4: CAPITAL ASSETS

The following is a summary of capital assets as of June 30, 2014

Equipment and furniture	\$ 178,425
Accumulated depreciation	<u>(53,528)</u>
	<u>\$ 124,897</u>

Depreciation recorded for the year ended June 30, 2014 was \$35,684. A prior period adjustment of (\$6,837) was recorded to reflect prior period depreciation expense.



MEMORANDUM

TO: Board of Directors
FROM: General Manager
DATE: March 5, 2015
RE: March 12, 2015 Board Meeting

Report from Rodgers Ranch Heritage Center

Denise Koroslev and representatives from Rodgers Ranch will be on hand to give an update on the membership and activities of the Rodgers Ranch Heritage Center.



MEMORANDUM

TO: Board of Directors
FROM: General Manager
DATE: March 5, 2015
RE: March 12, 2015 Board of Directors Meeting

To Consider Purchasing Window Coverings at Senior Center Chateau Room Sharing with the Pleasant Hill Senior Club (ACTION)

The Budget Committee will be meeting on Tuesday, March 10 to review this item. The information is attached for review from Kendra Luke, Senior Center Supervisor. The total cost of the installation is \$8,138 and the split between the District and the PH Senior Club would be just over \$4,000 to each entity.



Board of Directors AGENDA

PLEASANT HILL RECREATION & PARK DISTRICT

MISSION STATEMENT

In order to serve the diverse recreational needs of individuals and families and to enrich the quality of life for all residents, the Pleasant Hill Recreation & Park District is committed to providing park facilities, open space, and programs and activities for all ages.

147 Gregory Lane
Pleasant Hill, CA 94523
(925) 682-0896
(925) 682-1633 fax
pleasanthillrec.com

**Pleasant Hill Recreation & Park District
Board of Directors
Budget and Finance Committee
Tuesday, March 10, 2015
5:00 p.m.
Chateau Room, Pleasant Hill Senior Center
233 Gregory Lane, Pleasant Hill**

**Chair: Sandy Bonato
Member: Zac Shess**

1. Public Comment
2. To Consider Window Shades for the Chateau Room at the Senior Center (Action)
3. To Review Capital Projects List

Documents that are disclosable public records required to be made available under California Government Code Section 54957.5 (b) (1) and (2) are available to the public for inspection at no charge during business hours at our administrative office located at 147 Gregory Lane, Pleasant Hill, California.

The Pleasant Hill Recreation & Park District will provide reasonable disability-related modification or accommodation to a person with a disability who requires a modification or accommodation in order to participate in the meeting of the Board of Directors. Please contact Susie Kubota (925) 682-0896 at least 48 hours before the meeting if you require such modification or accommodation.



MEMORANDUM

TO: Bob Berggren

FROM: Kendra Luke, Senior Center Supervisor

DATE: 2/2/15

RE: Window Shades in the Chateau Room at the Senior Center – Revised Quote

Currently an entire wall of the Chateau Room is windows which provides a great view but also creates challenges when programming for events that need the room to be dark or darker than we can currently make it. These events include not only Senior Center and Senior Club programs but also rentals, District special events and adult classes/programs.

Original plans for the building included shades for the Chateau and Dining Room windows however; due to budget constraints these features were removed from the design. Now entering its third year in operation, the Senior Center would benefit greatly from the addition of window shades in the Chateau Room.

The Senior Club recently paid for the installation of window shades in the Dining Room at a total cost of \$2,125.80 and would now like to install similar shades in the Chateau Room.

The original estimates received for window shades in the Chateau Room were approximately \$15,875 which includes manual shades on the lower windows and battery operated shades on the upper windows. A revised quote was sent over on 1/22/15 with a different manufacturer supplying the upper windows. This option was a significant savings. The quality of the product would be the same, the only drawback would be more frequent battery changes. The revised quote came in at \$8,138.96.

The Senior Club would like to propose splitting the cost of the window shades in the Chateau Room with the Pleasant Hill Recreation and Park District. The addition of the shades in the Chateau Room would not only add value aesthetically but they would also aid in improving the overall quality of programming and events held by PHR&PD in the Chateau Room.

Staff would like to recommend the District split the cost of the Chateau Room window shades with the Pleasant Hill Senior Club for a cost of \$4,069.48 to each.

HMI

Hartley Motorization Inc.

January 22, 2015

Kendra Luke
Pleasant Hill Recreation – Senior Center
Recreation Room – Upper Windows – Battery Operated

Proposal

16 Draper Battery Flexshades with the Avila Twilight Pearl fabric and painted fascias for the Upper Windows in the Recreation Room. Includes Multi-channel wall switch.	\$ 6,351.12
Installation of 16 Draper Battery Operated Shades over 10' High....Includes all programming, setting of limits and final adjustments	\$ 1,248.00
Shipping	TBD
Sales Tax (8.50%)	<u>\$ 539.84</u>
TOTAL	\$ 8,138.96

Upon acceptance of this bid, we will require a 50% deposit to proceed with the order.
I understand that this is a specialty ordered product; therefore it cannot be cancelled, exchanged or returned. It is the responsibility of the customer to verify the accuracy of all data. All deposits are non-refundable.

Acceptance signature X _____ Date _____

We sincerely thank you for the opportunity to bid your project.

Regards,

Ann Ronchelli
Hartley Motorization, Inc.
707-525-8256
www.hartleymotorizationinc.com

INTERIOR AND EXTERIOR MOTORIZED SOLUTIONS
P.O. BOX 6292, SANTA ROSA, CA 95406 | NORTH BAY 707-525-8256 | FAX 707-575-3959
CONTRACTORS LICENSE # 833622



MEMORANDUM

TO: Board of Directors
FROM: General Manager
DATE: March 5, 2015
RE: March 12, 2015 Board Meeting

Land and Facility Development Committee Report

- a. To Discuss the status of the Winslow Center, School House & Chilpancingo Park**
- b. To Discuss Issues at Dinosaur Hill Park**

The Land and Facility Development Committee, consisting of Zac Shess and Bobby Glover are meeting on March 5 to discuss the status of the Winslow Center, School House and Chilpancingo Park and specifically looking and reviewing the deeds for those sites. Attorney Curt Kidder will be on hand to discuss the deeds, plus discuss other issues with Dinosaur Hill Park. We are continuing to have night time issues at Dinosaur Hill Park where there is quite a bit of litter and garbage at that site.



Board of Directors AGENDA

PLEASANT HILL RECREATION & PARK DISTRICT

147 Gregory Lane
Pleasant Hill, CA 94523
(925) 682-0896
(925) 682-1633 fax
pleasanthillrec.com

MISSION STATEMENT

In order to serve the diverse recreational needs of individuals and families and to enrich the quality of life for all residents, the Pleasant Hill Recreation & Park District is committed to providing park facilities, open space, and programs and activities for all ages.

Documents that are disclosable public records required to be made available under California Government Code Section 54957.5 (b) (1) and (2) are available to the public for inspection at no charge during business hours at our administrative office located at 147 Gregory Lane, Pleasant Hill, California.

The Pleasant Hill Recreation & Park District will provide reasonable disability-related modification or accommodation to a person with a disability who requires a modification or accommodation in order to participate in the meeting of the Board of Directors. Please contact Susie Kubota (925) 682-0896 at least 48 hours before the meeting if you require such modification or accommodation.

**Pleasant Hill Recreation & Park District
Board of Directors
Land and Facility Development Committee
Thursday, March 5, 2015
5:00 p.m.
Administration Office
147 Gregory Lane, Pleasant Hill**

Chair: Zac Shess
Member: Bobby Glover

1. Public Comment
Public comment will be limited to five minutes per person with a maximum time of thirty minutes unless further time is granted by the presiding officer. The public may speak regarding agenda items at the time the matter is taken up. Non-agenda items can be addressed under Public Comment.
2. To Discuss Status of the School House, Chilpancingo Park, and the Winslow Center.
3. To Continue Discussion on Disc Golf at Paso Nogal Park
4. To Discuss Issues Concerning Dinosaur Hill Park

Law Office of Curtis S. Kidder
P.O. Box 29981
Oakland, California 94604
(510) 333-9956
curt@cskidderlaw.com

March 6, 2015

Robert Berggren, General Manager
Pleasant Hill Recreation and Park District
147 Gregory Lane
Pleasant Hill, California 94523

Re: Summary of Grant Deeds

Dear Mr. Berggren:

Pursuant to the request made at the March 5, 2015 meeting of the Land and Facility Development Committee, please find attached a summary of the Grant Deeds for Chilpancingo Park, the School House property (formerly Pleasant Hill Elementary School site), and the Winslow Center (formerly the Grace Community Baptist Church). It was agreed that since the summary will be a public document, I did not include any legal analysis of the content of the deeds.

If you need any additional information or clarification regarding the Grant Deed, then please let me know.

Sincerely,

Curtis S. Kidder
Law Office of Curtis S. Kidder

Summary of Restriction and Limitations
Contained in Grant Deeds

Chilpancingo Park:

Date Recorded: June 14, 1996

Grantor: City of Pleasant Hill. The City received title in 1973 from Angelo Gaspare.

Use Restrictions: The District must improve and maintain the property "in a park-like development" and cannot authorize or permit any other use of the property other than for park purposes. The grove of trees on the property are to be preserved.

Reversion Clause: Should the District cease to use the property "for park purposes in accordance with the physical nature of the property as presently constituted" or if it authorizes or permits the property to be used other than for park purposes, then title to the property shall revert to the City of Pleasant Hill.

If the City of Pleasant Hill does not use the property for park purposes as set forth in the Grant Deed, then title to the property will revert to Angelo Gaspare or to his heirs and assigns.

Covenant Running with Land: The restrictions in the Grant Deed run with the land and benefit the remainder of the property owned by Angelo Gaspare.

School House Property:

Date Recorded: May 16, 1983

Grantor: Mount Diablo Unified School District of Contra Costa County

Use Restriction: The Grant Deed contains a condition subsequent—the property is to be used as a school or for community recreational purposes exclusively for a 5-year period following the close of escrow. If the District fails to meet the condition, then MDUSD, upon payment of the purchase price (\$161,000.00), without interest, may re-enter and take possession of the property as if the conveyance never happened.

Right of First Refusal: Should the District desire to sell the property, or any portion thereof, and receives a bona fide offer to purchase, then MDUSD shall have a right of first refusal for 60 days to meet the terms and conditions of the

offer. If MDUSD does not meet the terms and conditions of the offer, then the District can sell the property to the offeror.

Winslow Center:

Date Recorded: August 5, 1991

Grantor: Grace Community Baptist Church

Use Restrictions: District must comply with the terms and conditions contained in the Local Grant Program Agreement ("Agreement") with East Bay Regional Park District ("EBRPD"), dated June 26, 1991. The Agreement states that the property must be used for the purposes identified in the District's application to EBRPD for bonds funds. The Agreement provides that the use can be changed to another form of park or recreational use or be relocated with the approval of EBRPD's Board of Directors.

The Agreement also states that the term of use is for the period identified in the District's application. If no such term is identified, then the term is "at least a period of time reasonably sufficient to fairly amortize" the grant funds used on the project and "commensurate with the nature of the project and the proportion of [grant funds] to local funds used for the capital costs of the project."

Property Sale: The Agreement provides that "[i]f by reason of unavoidable, compelling circumstances [the property] must be disposed of by [the District], same shall be sold so as to produce the highest possible cash price. The proceeds of such sale shall be then utilized...for acquisition and/or development of a replacement Project to be geographically located so as to reasonably serve the same segment of the general public as the original Project did, and to be of reasonably comparable characteristics and size as the replaced project was." Any excess proceeds of the sale not used on the replacement project must be returned to EBRPD. The Agreement also states that the District must get EBRPD's prior written consent to any sale or transfer of the property.

Shifting Executory Interest: The Grant Deed provides that if the District defaults under the terms of the Agreement, then title to the property will shift to EBRPD. The shifting executory interest expires on July 1, 2048.



MEMORANDUM

TO: Board of Directors

FROM: General Manager

DATE: March 5, 2015

RE: March 12, 2015 Board Meeting

To Discuss the Process of Reviewing the Policy Manual

All the Board Members have the policy manual. We now want to go forward with approval of the policy manual. We would like to discuss how we proceed with different sections of the policy manual on upcoming Board of Directors agendas.