

**CALIFORNIA ASSOCIATION OF RECREATION AND PARK DISTRICTS
(CARPD)**

**MINUTES OF THE BOARD OF DIRECTORS
MEETING ON OCTOBER 23, 2012**

A meeting of the Board of Directors was held on October 23, 2012 at Le Rivage Hotel, 4800 Riverside Blvd. Sacramento, California at 9:30 a.m.

MEMBERS PRESENT: Mike Limbaugh, President, Hesperia
Gene Hostetler, President Elect, Rancho Simi
Joe Gibson, Past President, Conejo
Maryalice Faltings, Secretary, Livermore Area
Nick Schouten, Chief Financial Officer, Valley Wide
Rick Sloan, Cordova
Al McGreehan, Paradise
Carol Severin, East Bay
Manuel “Manie” Meraz, Orangevale
Tarry Smith, Ambrose

MEMBERS ABSENT: None

OTHERS PRESENT: Patrick Cabulagan, Administrator
Bob Miller, Risk Manager
Tara Tappan, Administrative Assistant
Ralph Heim, Public Policy Advocates
Jim Friedl, Legislative Committee Chair, Conejo

1. CALL TO ORDER

The October 23, 2012 Board of Directors meeting was called to order at 9:40 a.m. by Board President Mike Limbaugh.

2. ATTENDANCE

Manie Meraz, Carol Severin, and Maryalice Faltings were not present at the start of the meeting; but Manie arrived at 9:43, Maryalice arrived at 9:50, and Carol arrived at 10:10.

3. AGENDA MODIFICATIONS/APPROVAL

Al McGreehan made a motion to approve the agenda. Joe Gibson seconded the motion. The motion passed unanimously.

4. PRESIDENT'S REPORT

President Limbaugh reported that earlier in October he, Joe Gibson, Gene Hostetler, and Executive Director Cabulagan met to interview candidates for the General Manager Consultant position. President Limbaugh also reported that during the retreat the Board will work together to update the goals and expectations of CARPD.

5. MINUTES

Minor wording changes were made to the July 18, 2012 meeting minutes.

Manie Meraz made a motion to adopt the corrected meeting minutes. Joe Gibson seconded the motion. The motion passed unanimously.

6. CORRESPONDENCE

None

7. PUBLIC COMMENTS

None

8. FINANCIAL REPORT**A. Balance Sheet**

Chief Financial Officer Nick Schouten presented his report of CARPD's balance sheet. CFO Schouten also informed the Board that all outstanding 2012 Conference checks had been received; and that Executive Director Cabulagan will be depositing all checks in the future directly into the bank instead of sending them to the CFO upon receipt to prevent confusion and lost checks.

B. Expenditure Report

Chief Financial Officer Nick Schouten presented CARPD's expenditure report. Al McGreehan raised the question of why only \$30 is listed as income from reserves (Expenditure Report item 1500). CFO Schouten explained that, while that is considerably less than what would be considered normal, this is all that was needed to balance the budget thus far into the year. Executive Director Cabulagan and CFO Schouten both said that they would go back and double check to ensure that this figure was accurate.

Al McGreehan made a motion to accept the Balance Sheet and Expenditure report as submitted. This motion was seconded by Gene Hostetler. The motion passed

unanimously.

9. COMMITTEE MEETINGS

There was no discussion on Committee Meetings.

10. COMMITTEE REPORTS

A. 2012 Conference Report

Gene Hostetler, the Conference Committee Chair, reported that the location and dates for the conference have been confirmed. The 2013 Conference will be held at the Embassy Suites in South Lake Tahoe May 16-19, 2013. Mr. Hostetler then asked the Board for suggestions in regard to speakers and presentation topics for the conference. Several suggestions were provided. The Conference Committee plans on getting together for a committee meeting soon.

B. Legislative

Ralph Heim of Public Policy Advocates and Legislative Committee Chair Jim Friedl gave the Board an update on the Committee and various legislative matters. The current legislative session will adjourn on November 30th, and the new session for swearing in will start on December 3rd. It is projected that there will be 35-40 new legislators, pending election results, that have never served in the State Legislature before being sworn in at that time. These new legislators can and will start introducing bills in their first few days in office. Bills have to be introduced by the third week in February. Ralph and Jim plan on having several conference call meetings early in the upcoming year to keep up to date and ahead of the curve on the incoming bills as there is a 30 day wait in place on newly introduced bills; they cannot be heard or amended for 30 days.

Ralph informed the Board that, in regard to the upcoming election, the new legislators and Proposition 30 are the two election items that will most strongly impact CARPD. As a result, legislative outreach will be of the utmost importance. Ralph reported that the passage Proposition 30, according to the Governor and other advocates, will not solve all of California's financial problems but will hopefully put us on a three to five year road to stop the yearly multibillion dollar deficits. The current budget that the legislature has passed is only balanced if Proposition 30 passes. If it does not pass automatic cuts will occur. If Proposition does not pass Ralph predicts that the new legislators will start getting creative as to where they can find money and make cuts to programs; and if this happens it is unclear at this time how CARPD and or our Districts will be affected. Ralph suggested that if Proposition 30 does not pass that the Governor might call as

special session before December 3rd and allow the current legislators to make the necessary budget cuts.

Another issue that might come up in the future is redevelopment agencies and the introduction of redevelopment bills. Supposedly, local agencies will no longer have money taken away from them without their permission; however, we will have to stay up to date and informed on this issue. Ralph suggested that it would be a good idea for districts to have plans for a project ready to go to prevent money being taken away from districts. While this in no way represents a guarantee, it could offer some protection.

C. Awards

Maryalice Faltings, chair of the Awards Committee, said that there was nothing new to report, but that the Committee was open to any suggestions the Board may have in regard to improving the nomination form/process. It was suggested that the Committee move up the nomination deadline so that there is more time to process the nomination forms.

D. Nominations/Elections

It was decided that this will be discussed under Agenda item 11: Old Business.

E. CAPRI

Executive Director Cabulagan reported that insurance companies, in general, are charging higher premiums because they are not making money on investments. As a result, Workers' Compensation rates will be increasing to compensate for the downturn in the market. The CAPRI board, however, voted to keep rates fairly flat. He also reported that Liability looks good, but Property looks bad due to the market and due to catastrophic losses. In regard to CAPRI, copper theft is occurring with a higher than normal rate and is quickly going through the CAPRI budget; likely resulting in an increase in Property rates. However, Executive Director Cabulagan reports that the good news is that the CAPRI board approved a \$200,000 Liability and Property dividend to be issued sometime in the next month or so. This is a \$100,000 decrease from last year, but still very good considering the current market. CAPRI will also be issuing a \$350,000 Workers' Compensation dividend, which is a \$50,000 increase over last year.

Executive Director Cabulagan also reported that CAPRI is doing very well in their layer for Workers' Compensation, but the excess layer is not fairing as well. CAPRI is not helping this situation due to three claims that are currently reserved in the excess layer. All three claims will likely go to the excess carrier; the first of the three claims has already reached the excess carrier. These will likely result in a

rate increase. The number of Workers' Compensation claims has gone down, but the severity has increased.

11. OLD BUSINESS

A. **CARPD Vacancy/Appointment**

Executive Director Cabulagan reported that a letter was sent to the Districts soliciting nominations for the CARPD Board of Directors. Only one nomination was received; Stephen Fraher from Arcade Creek Recreation and Park District. Stephen Fraher currently sits on the CAPRI Board of Directors and Joe Gibson raised the question of whether that would cause any sort of issue due to the fact that the CARPD board already appoints two of the CAPRI board members. There is nothing in the CARPD bylaws that prevents a Board member from also being on the CAPRI board. As well, staff recommended the approval of Stephen Fraher for the vacant position.

Al McGreehan made a motion to appoint Stephen Fraher to the vacant position. This motion was seconded by Joe Gibson. The motion passed unanimously.

B. **Update on CARPD General Manager Consultant Position**

President Limbaugh reported that on October 3, 2012 he, Joe Gibson, Gene Hostetler, and Executive Director Cabulagan interviewed four candidates for the General Manager Consultant position. The field was narrowed down to two qualified candidates and Executive Director Cabulagan informed the Board that he would be making a hiring decision the following week pending reference checks.

Al McGreehan asked whether the interviewers had a list of questions that they asked all four candidates consistently and whether or not the questions could be made available to the rest of the board. Executive Director Cabulagan confirmed that all of the candidates were asked the same exact questions and that those questions could be made available. Executive Director Cabulagan read the interview questions to the Board.

12. NEW BUSINESS

A. **Board of Director's Meeting/Strategic Retreat Schedule**

Executive Director Cabulagan discussed the schedule for the Strategic Retreat with the Board. The Strategic Retreat will immediately follow the Board of Directors Meeting. The Retreat will consist of discussion and planning, but no final decisions will be made outside of a Board of Directors Meeting.

B. Formalized Sponsorship Program

The Board discussed and updated the Conference Sponsorship Program. There will now be four levels of sponsorship: a bronze level; a silver level; a gold level; and a platinum level. The level of sponsorship will be determined by fixed monetary ranges and each successive level will have incrementally increasing benefits.

Joe Gibson moved to approve the Sponsorship Program as amended. This motion was seconded by Gene Hostetler. The motion passed unanimously.

C. Approve/Review Annual Membership Dues

Executive Director Cabulagan presented the Board with a copy of 2012-2013 dues letter. He suggested changing the format of the dues letter and instead sending an invoice to CARPD Districts. He also asked the board if the fee structure was adequate, if they wanted to continue charging a CAPRI participation fee, and if there were any other format issues that needed to be changed. The board authorized the Executive Director to update the dues format.

Al McGreehan raised the issue that the dues fee structure has remained unchanged for a number of years and asked, specifically, how long it has been since CARPD had increased their dues. The board could not remember how long it has been, but it has been at least 10-15 years. Nick Schouten suggested that the CAPRI participation fee be removed and rolled into the overall dues fee. The dues letters typically do not go out until June, so it was decided that staff and the Finance Committee will take a look at the dues related issues and come back at a later date, possibly by the March Board meeting, with a recommendation for staff.

The Board of Directors recessed for lunch at 11:45p.m. and reconvened at 12:46 p.m .

D. Bylaws Review/Update

Al McGreehan, Chair of the Bylaws Committee, informed the Board that staff and the Committee went over the bylaws and then presented their recommendations for Board approval. Several amendments were made to update the text of the Bylaws to make the bylaws more specific, accurate, or grammatically correct. As well, Al suggested adding a fifth objective to Article II (Mission and Objectives) of the bylaws. The objective reads as follows “promote and establish education opportunities to board members and administrative staff of Member Districts.” Joe Gibson thought that it would be premature to make any changes to the bylaws goals and objectives at this time, because discussion of goals and objectives is to

be one of the topics of the Strategic Retreat; he suggested holding off making a decision until January. Al felt that the issue should be voted on during the Board meeting because it had been raised during the meeting.

Another change that was suggested by the Bylaws Committee was to reduce the term of CARPD appointed CAPRI Board members from four years to three years. The rationale behind this change was to make the position more appealing to potential candidates.

Maryalice Faltings did not think that Article VIII of the bylaws needed to be changed. The current language states that “these bylaws may be amended by a majority vote of the Board of Directors. Amendments will be submitted to the general membership and may be rescinded by a majority vote of the regular member districts at the next membership meeting or by mail.” The suggested change to the bylaws would read “these bylaws may be ratified or amended by a majority vote or the Board of Directors.” She felt that the addition of the work “ratified” was unnecessary and that, as long as the Board and general membership did not feel that any changes needed to occur, changes to the bylaws would only take place when necessary, and not on an annual basis.

Al McGreehan made a motion to accept only text amendments to the bylaws with the exception of the text amendments in Article VII. This motion was seconded by Manie Meraz. The motion passed. Joe Gibson and Maryalice Faltings voted Nay.

E. Website Update

Staff purchased the necessary software and updated much of the content of the CARPD.net website. Larger format updates were made by a web developer. Executive Director Cabulagan asked for clarification on the Environmental Sustainability section of the website; whether it was up to date and whether the Board wanted to keep it on the website. He further asked if they wanted to update the CARPD logo/color scheme of the website because the colors of the logo do not match the colors in the website. The Board gave permission to make color changes to the website. The Board also wanted to keep the environmental sustainability information on the website, but it needs to be made current. Staff will send the environmental sustainability information to the Environmental Sustainability Committee. The Board would like to encourage more districts to fill out the check list for environmental sustainability.

13. CARPD CALENDAR OF EVENTS

Executive Director Cabulagan went over the calendar with the Board. The Conference Committee and the Awards Committee both need to meet soon.

14. EXECUTIVE DIRECTOR'S REPORT

Executive Director Cabulagan reported that in the three months since the last Board meeting three CSDA meetings were attended, a newsletter went out to districts, a legislative update regarding pension reform went out to districts, staff visited Sunrise to meet their new manager, financial issues related to lost checks were dealt with, the website was updated, district contact lists were updated, the location for the Conference was finalized, and progress was made on the hiring of a General Manager Consultant.

15. BUSINESS ITEMS FOR NEXT MEETING

- Bylaws
- Membership Rates
- 2013 Conference
- Items that come up during the retreat

16. CLOSING COMMENTS

The Board would like the Board of Directors/Committee Roster included in the next meeting packet.

17. ADJOURNMENT

The meeting adjourned at 1:24 p.m.