

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT**

**AGENDA**

Regular Meeting of the Board of Directors

November 4, 2021 6:00 p.m. – District Office – Regular Meeting

North Highlands Recreation Center - 6040 Watt Avenue, North Highlands, Ca 95660

Phone: (916) 332-7440

WWW.NHRPD.ORG

**1. CALL MEETING TO ORDER**

**2. APPROVAL OF MINUTES**

A. Minutes October 14, 2021 Regular Meeting

**3. CHAIRPERSON'S REPORT**

**4. COMMENTS FROM BOARD MEMBERS**

**5. REPORTS FROM STANDING COMMITTEES:**

**Budget, Finance & Audit:** Chairperson Patrick Williams; Member Crystal Harding – Under New Business

**Facility Development:** Chairperson Beau Reynolds; Member Crystal Harding

**Personnel and Policy:** Chairperson Vacant; Member Vladimir Valin

**Programs, Fees and Charges:** Chairperson Vacant; Member Beau Reynolds

**6. ADMINISTRATOR'S REPORT**

A. Administrators Report

B. Park and Facility Maintenance Report

C. Recreation Report

**7. CORRESPONDENCE**

**8. COMMENTS AND REPORTS FROM CITIZENS AND ORGANIZATIONS**

Matters under the jurisdiction of the Board of Directors, and not on the posted agenda, may be addressed by the general public at this time. The public may address the Board on each agenda item during the Board's consideration of the item. In order to speak, the speaker must complete and submit a public comment card. The cards are available on a table to the rear of the Boardroom. The card should be handed to the Secretary of the Board. The Chairperson of the Board may use his or her discretion in waiving this policy. The Board of Directors limits testimony on matters not on the agenda to three minutes per person and not more than fifteen minutes for a particular subject. Except for public hearings, comments from the public shall not be received until after completion of Board Discussion and deliberation, and just before final action or completion of the Agenda item. The Board of Directors cannot take action on any unscheduled matter.

**9. UNFINISHED BUSINESS**

None

**10. NEW BUSINESS**

- A. Presentation: Fulton-EI Camino Recreation and Park District Park Police  
Presentation from Emily Ballus, General Manager for the Fulton-EI Camino Recreation and Park District, and James Brown, FECPD Chief of Police.
- B. District Audit Year-Ended June 30, 2021  
Board discussion/action to consider approval of the Draft Audit for Year-Ending 2021 as the Final Audit. The Audit will be presented by the Chair of Budget Finance & Audit Committee.
- C. Part Time Employee Salary Scale Hours Adjustment  
Board discussion/action to approve the Proposed PT Salary Schedule as presented.
- D. Board of Directors Candidates: Filling a Board Vacancy by Appointment  
Board discussion/action to appoint a new Director.
- E. FY 2021-2023 Project Work Plan  
Board discussion/action to approve the proposed district project list as presented.

**11. PAYMENT OF THE BILLS**

Board Members' opportunity to ask questions or get clarification on the bills. Board action to ratify payment of the bills. Reports will be handed out at the time of the meeting.

**12. ADJOURNMENT**

**13. DATE, TIME, AND PLACE OF NEXT MEETING**

The next regular meeting of the Board of Directors will be on December 9, 2021 at 6:30 p.m. in the North Highlands Recreation Center, 6040 Watt Avenue, North Highlands.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability related modification or accommodation to participate in this meeting, please contact the North Highlands Recreation and Park District Office at (916) 332-7440. Requests must be made as early as possible and at least one-full business day before the start of the meeting.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT**

**BOARD MEETING MINUTES**

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

Date: October 14, 2021

Time: 5:30 p.m. – Sierra Creek Park Tour  
6:30 p.m. – Regular Meeting

Place: North Highlands District Offices (6040 Watt Avenue, North Highlands, CA)

Member Present: Patrick Williams, Crystal Harding, Beau Reynolds, Vladimir Valin

Members Absent:

Staff Present: Larry Mazzuca, Administrator  
Scott Graham, Park Superintendent  
Sarah Musser, Recreation Superintendent  
Rachel Robertson, Recreation Supervisor  
Terri Smith, Administrative Service Manager

Guests Present:

**CALL MEETING TO ORDER:**

Chairperson Williams called Sierra Creek Park Tour to order at 5:25 p.m.

**RECESSED**

5:46 p.m. Chairperson Williams announced for a short recess to return to the District Office.

**RE-CALL MEETING TO ORDER:**

Chairperson Williams called the meeting to order at 6:30 p.m.

**APPROVAL OF MINUTES:**

Board Member Harding stated that she emailed Administrator Mazzuca and Administrative Service Manager Kollorz during the meeting with her correction.

**10/1/21**

Motion by Board Member Reynolds seconded by Board Member Valin that the Board of Directors approves the amended Minutes of the Regular Meeting of September 9, 2021.

AYES: Williams, Harding, Reynolds, Valin  
NOES: -0-  
ABSTAIN: -0-  
ABSENT: -0-

**CHAIRPERSON’S REPORT:**

Chairperson Williams stated he wanted to thank staff for the business cards.

**COMMENTS FROM BOARD MEMBERS:**

Board Member Crystal Harding stated that she is excited about the Saturday Halloween Extravaganza event.

**REPORTS FROM STANDING COMMITTEES:**

**Budget, Finance & Audit:** Chairperson Patrick Williams; Member Crystal Harding

**Facility Development:** Chairperson Beau Reynolds; Member Crystal Harding

**Personnel and Policy:** Chairperson Vacant; Member Vladimir Valin

**Programs, Fees and Charges:** Chairperson Vacant; Member Beau Reynolds

**ADMINISTRATOR’S REPORT:**

Oral report by Administrator Larry Mazzuca was presented with Board Comments and Questions:

- Larry briefly touch on a few of the items in his Administrator’s report:
  - State of California COVID Relief Application Submittal
  - State Park Grant Status – Proposition 68
  - Electronic Sign Board Photo will go up on the Website. If any Board Members would like a copy sent to them please let us know.
  - NHRPD Park Improvement Public Notification Cards.
  - Max Semenenko resignation letter from the Board and the timeline to fill the Board of Director’s vacancy.

Report by Park Superintendent Scott Graham was presented with Board comments and Questions:

Oral report by Recreation Superintendent Sarah Musser was presented with Board comments and Questions:

- Twin Rivers Unified School District Soccer Program will start next week.
  - Ten (10) teams
  - All games will be at Village Elementary School
- Halloween Extravaganza
  - Balloons
  - Bounce House
  - Costume parade
  - Games, crafts and activities

**CORRESPONDENCE:**

This is under new business.

**COMMENTS AND REPORTS FROM STANDING CITIZENS AND ORGANIZATIONS**

None

**UNFINISHED BUSINESS**

None

**NEW BUSINESS**

- A. Board Policy No. 4060.1: Amend Current Policy to Allow Board Chairperson to Serve Beyond Current Term Limit of Two Years – Temporary Amendment to Existing Policy

Administrator Mazzuca provided a brief background on Policy No. 4060.1. He recommends that the Board of Directors temporarily suspend this policy until December 2023, at this time this policy will revert back to the current Policy No. 4060.1.

**10/2/21**

Motion by Board Member Harding seconded by Board Member Valin that the Board of Directors approves staff recommendation on Policy No. 4060.1.

AYES: Williams, Harding, Reynolds, Valin  
NOES: -0-  
ABSTAIN: -0-  
ABSENT: -0-

- B. Board Policy No. 4060.1: Election of the Board Vice Chairperson

Chairperson Williams stated that the election of the Vice Chairperson will only be in effect through the December 2021 board meeting. The regular election of board officers for 2022 will take place December 9, 2021.

**10/3/21**

Motion by Chairperson Williams to nominate Board Member Reynolds for Vice Chairperson seconded by Board Member Valin.

AYES: Williams, Harding, Reynolds, Valin  
NOES: -0-  
ABSTAIN: -0-  
ABSENT: -0-

- C. Sacramento LAFCo Selection of Special District Commissioner for Office No. 7 and Alternate Special District Commissioner for Office No 6 & 7

**10/4/21**

Motion by Chairperson Williams to nominate from Ballot A, Commissioner – Office No.7 Michael Hanson from Arcade Creek Recreation & Park District and from Ballot B, Alternate Commissioner – for Offices No. 6&7 Charlea Moore (Incumbent) from Rio Linda Elverta Recreation and Park District second by Board Member Reynolds.

AYES: Williams, Harding, Reynolds, Valin  
NOES: -0-  
ABSTAIN: -0-  
ABSENT: -0-

**PAYMENT OF BILLS**

Payment of bills for the Month of September 2021 for the District and Cherry Blossom Park was presented with Board comments.

**10/5/21**

Motion by Board Member Reynolds seconded by Board Member Valin that the Board of Directors approves payment of the District’s September 2021 bills.

AYES: Williams, Harding, Reynolds, Valin  
NOES: -0-  
ABSTAIN: -0-  
ABSENT: -0-

**10/6/21**

Motion by Board Member Reynolds seconded by Board Member Valin that the Board of Directors approves payment of Cherry Blossom’s September 2021 bills.

AYES: Williams, Harding, Reynolds, Valin  
NOES: -0-  
ABSTAIN: -0-  
ABSENT: -0-

**ADJOURNMENT**

Chairperson Williams adjourned the meeting at 7:17 p.m.

**DATE, TIME AND PLACE OF MEETING**

The next regular meeting of the Board of Directors will be on November 4, 2021 at 6:30 p.m. in the North Highlands Recreation Center, 6040 Watt Avenue, North Highlands, CA

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

NORTH HIGHLANDS RECREATION AND PARK DISTRICT

TO: Pat Williams, Chairperson  
Board of Directors

FROM: Larry Mazzuca, Administrator

DATE: November 4, 2021

SUBJECT: Administrator's Report



BOARD OF DIRECTORS APPLICANTS

There are four North Highlands residents that have applied for the vacant seat on the District's Board of Directors. Each has been notified by email of the date, time and location for the interviews scheduled for November 4, 2021. A meeting reminder will be emailed to all candidates prior to November 4<sup>th</sup>. Because of the large number of candidates scheduled to be interviewed, the interview and appointment process will be placed towards the end of the board agenda, after Unfinished Business and New Business matters have been addressed.

The interview process to be used by the Board of Directors will be presented to the board when this item comes up on the agenda. It will include a brief introduction by the Chairperson for each candidate, and each candidate will have a few minutes to share information about themselves and their interest in being appointed to the NHRPD Board of Directors.

DISTRICT FINANCIALS DOCUMENTS/PAYMENT OF THE BILLS

The district budget information, financials and payment of the bills have not been included in the November 4<sup>th</sup> board agenda. Typically the county does not submit this information to the district until just a few days before the agenda is prepared, posted and emailed to the board. Because the November board meeting was moved by the BOD from November 11 to November 4, due to Veteran's Day Holiday falling on the 11<sup>th</sup>, the agenda will be publically posted and emailed to the BOD before the financial documents have been received from the county. Once the financials have been received from the county, staff will email this information to the board in advance of the November 4, 2021 board meeting.

# NORTH HIGHLANDS RECREATION AND PARK DISTRICT

## BOARD AGENDA

To: Larry Mazzuca, District Administrator  
From: Scott Graham, Park and Maintenance Superintendent  
Date: November 4, 2021  
Subject: Park/Maintenance Report

### PARK/FACILITY MAINTENANCE UPDATE:

- Weekly mowing edging, trimming and blowing of all District parks and facilities.
- All tables and chairs used for District programs and building rentals were sanitized and/or pressure washed.
- The pathways around the Office Complex were pressure washed, as was the open area between the buildings. In addition, an old, damaged table was removed from that space.
- Tree and shrub pruning continued at Cherry Blossom Park and Bing Drive, Capehart and Freedom Park.
- Numerous bollards were repaired/replaced at Ridgepoint Park.
- The Expression Swing at Strizek Park was repaired after being damaged by unknown subjects. A loose gate support was also repaired at Strizek.
- Eleven District parks had dog waste bag dispensers installed. Every District Park now has dispensers available for use by responsible pet owners.
- Backflow testing (Cherry Blossom Park) and repairs (Sierra Creek and Freedom Park) were completed in October. All units tested so far have passed inspection or reinspection. Testing at two other parks (Chardonnay and Sierra Creek) will occur in the next few weeks.
- At the Corporation Yard, a one-inch coupler was repaired. Irrigation at all District facilities was turned off in late October.
- The annual Sacramento County inspection of waste disposal at the corporation yard was conducted in October. The facility passed the inspection.
- At the Office Complex, both building roof gutters and downspouts were cleared of leaves.

### INCIDENT/ACCIDENT REPORT UPDATE:

- No Incident Reports were submitted in October.

### PROPOSITION 68 PER CAPITA GRANT PROGRAM UPDATE:

North Highlands Recreation and Park District is eligible for \$204,958.30 under the terms of the Proposition 68 Per Capita Grant Program. At the November, 2019 Board meeting, the Board voted to submit Resolution No. 582, authorizing staff to pursue the funding. Based on a recommendation by staff, the Board at that time approved a project to replace the gymnasium floor, bleachers and retractable backboards at the Capehart gymnasium. The deadline for submitting the grant application is December 31, 2021. Once approved, a contract will be created between NHRPD and the Office of Grants and Local Services by June, 2022 and the project must be completed by December, 2023. Staff has gathered all required information to apply for the grant and will submit the application by November 3, 2021.





CAPEHART GYMNASIUM

PARK AND FACILITY MAINTENANCE PROJECTS UPDATE:



FEC POP TEAM STAT PROGRAM:

Each month the District receives a summary of activity in District parks from the Fulton-El Camino Police Department. A report summary is listed below for your review. Staff is prepared to answer any questions from members of the Board regarding specific activity in our parks:

**Monthly activity report for:** North Highlands Park District, **Reporting Period:** 2021-10-01 to 2021-10-26

**Summary of enforcement actions**

	Park Hours:	0
	Drugs:	1
	Weapons:	0
NTA Issued: 1	Alcohol:	0
	Animals:	0
	Vehicle Code:	0
	Probation Violation:	0
	Other:	0
	Drugs:	0
	Weapons:	1
Onsite Arrests: 2	Assault/Battery:	0
	Sex Crimes:	0
	Theft:	0
	Probation Violation:	0
	Other:	1
Calls For Service:		1
Parking Citations:		1
Warrant Arrests:		0
DUI Arrests:		0
Stolen Vehicles:		0
Warnings Issued:		0

NORTH HIGHLANDS RECREATION AND PARK DISTRICT

BOARD AGENDA

TO: Larry Mazzuca, Administrator  
FROM: Sarah Musser, Recreation Superintendent  
DATE: November 4, 2021  
SUBJECT: Recreation Division Report

**Expanded Learning Afterschool Program**

- Staff continue to receive training from NHRPD and TRUSD. Topics PE & Clubs SWOT, Halloween prep, and event brainstorming.
  - SWOT – Strengths, Weaknesses, Opportunities, Threats to success.
- Staff attended a TRUSD training including: CPR, First Aid, and AED certification, TR Police presentation, and cup stacking events.
- TRUSD donated supplies to our incentive store so it is fully stocked for the most popular items.
- The program will have a week of Halloween celebrations during the final week in October, ending with a huge Halloween bash on Friday.
  - The event will include multiple games, activities, and crafts, as well as a costume fashion show

**Raccoon Club Afterschool Program**

- Averaging 15 student registrations each day for the paid side of the afterschool program
  - Registrants can select Monthly, Weekly, or Daily registration.

**Twin Rivers Unified School District Sports**

- Finalized the scope of service and signed contracts for the 2021/2022 school year
  - Soccer (fall)
  - Volleyball & Dodgeball (winter)
  - Basketball (spring)
- The soccer season started on October 19 and will run through November 10

**Senior Programs**

- Bingo continues to average 20 participants.
- Harvest Time continues to average 15 participants a week. Senior Coordinator is planning a costume competition for the final Thursday of October.
- Senior Move Days for October were The Legend of Bagger Vance and Hocus Pocus.

**Youth Programs**

- Completed the projected program and event agenda for 2022.
- Currently working on creating a seasonal postcard to broadcast our programs for the season.
- Created a marketing timeline that will help in planning social media posts, flyer distribution, website edits, etc.
- Winter Season (Dec-Feb) will be broadcasted on November 1 on all platforms.

- Fall Park Spotlight series finished on October 19<sup>th</sup>. The final class was cancelled due to weather concerns.

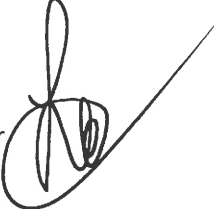
### **Special Events**

- Hosted the annual Halloween Extravaganza & Costume Parade from 10:00am-12:00pm on October 16 at the Kay F. Dahill Community Center.
  - Event was held almost entirely outside excluding the lobby being open for: bathrooms, character pictures, and Optimist Clubs food station.
  - The event included 10 vendors, 3 crafts, multiple games, a bounce house, balloon artist, DJ, food from Optimist Club, costume parade, and characters Jack and Sally from a Nightmare Before Christmas.
  - Event was a success with heavy traffic throughout the entire event.
- Many thanks to the part time staff for assisting with the set-up, breakdown, and leading craft/game stations.
- Thank you to Scott, Sergio, and the maintenance team for working with us to get the Halloween décor to us and taking it back to our event storage.
- Thank you to Chairperson Williams, Larry, Antelope Home Depot, Antelope Walmart, Antelope Winco, and Roseville Raley's for donating pumpkins for the pumpkin decorating station.
- Thank you to Christine for contacting local businesses to request pumpkin donations. In addition to helping with flyer distribution, craft prep, working the event, and so much more.
- Thank you, Chairperson Williams, for attending the event, supporting the staff, and even lending a hand in the costume parade!
- Our next event is the Holiday Extravaganza & Pajama Party. Event will be from 10:00am to 12:00pm on December 4<sup>th</sup> at the Kay F. Dahill Community Center (indoors).

NORTH HIGHLANDS RECREATION AND PARK DISTRICT

BOARD AGENDA

TO: Pat Williams, Chairperson  
Board of Directors

FROM: Larry Mazzuca, Administrator 

DATE: November 4, 2021

SUBJECT: Presentation: Fulton-El Camino Recreation and Park District Park Police

BACKGROUND

For many years, the North Highlands Recreation and Park District contracted with private security firms to patrol district parks and facilities. Because private security lacked the ability to make arrests and issue citations for local, state and federal laws, the district made the decision to look for an alternative solution. As a result, the district entered into a contract with the Fulton-El Camino Recreation and Park District to provide security and law enforcement services through their park police program.

Fulton-El Camino PD contracts with most, if not all, special district recreation and parks districts in the general Sacramento area. Officers are fully sworn California Peace Officers with the same authority as Sheriff's Deputies and City of Sacramento Police Officers.

DISCUSSION

In June 2018, the NHRPD entered into a contract with Fulton-El Camino PD for patrol and law enforcement services. Generally, the services cover a period of Thursday-Sunday, which typically is when district parks are most used by the public. Service hours vary, with more hours allocated during the spring and summer months, with slightly reduced hours during the late fall and winter, when public use of district parks has lessened.

NHRPD staff are pleased with the service provided by Fulton-El Camino PD. FECPD staff are professional and quick to respond to district inquiries, concerns and reports of crime occurring in district facilities. There has been a noticeable reduction in crime, citations and violation of laws in district parks since NHRPD began working with Fulton-El Camino PD. Park visitors and their families can expect a safe and enjoyable experience when visiting our local parks.

Emily Ballus, General Manager for the Fulton-El Camino Recreation and Park District, and James Brown, FECPD Chief of Police, will present an update on current services their agency provides to the North Highlands Recreation and Park District.

RECOMMENDATION

No action required of the Board of Directors.

NORTH HIGHLANDS RECREATION AND PARK DISTRICT

BOARD AGENDA

TO: Pat Williams, Chairperson  
Board of Directors

FROM: Larry Mazzuca, Administrator

DATE: November 4, 2021

SUBJECT: District Audit Year-Ended June 30, 2021



BACKGROUND

Attached is the District's Draft Audit Report for Year-Ended June 30, 2021. The Audit was prepared by the District's audit firm of Clifton, Larson and Allen, LLP (CLA). The draft audit has been reviewed by the Budget, Finance and Audit Committee comprised of Pat Williams, Chairperson and, Crystal Harding, Committee Member, and staff.

DISCUSSION

The Budget, Finance and Audit Committee, along with the Administrator and Office Manager, met several weeks ago to review the draft audit report. Representatives of CLA joined the meeting (teleconference).

CLA has audited the accompanying financial statements of the governmental activities and each major fund of the North Highlands Recreation and Park District for the year ending June 30, 2021. Included are the related notes to the financial statements, which collectively comprise the NHRPD's basic financial statements as listed in the audit report's table of contents.

In the auditors opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the NHRPD as of June 30, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. There are no Findings for the fourth consecutive year. By audit terms, this audit is considered to be a "clean audit."

What is an Audit Finding? An audit Finding consists of audit results and conclusions based on appropriate analysis and evaluation. Findings usually result in recommendations that will assist an area to better achieve its business objectives. There are five elements of a Finding:

- Condition: What is the problem or issue? What is happening?
- Cause: Why did the condition happen?
- Criteria: How do we, as auditors, know this is a problem?
- Effect: Why does this condition matter? What is the impact?
- Recommendation: How do we solve the condition? How do we address the cause?

Included on page 3 of the audit is the Management's Discussion and Analysis. The MD&A includes a statement of district assets and liabilities, developer deposits and credits, capital assets and information regarding long term debt.

On page 6, is a continuation of the MD&A. The District Administrator has included the section on Budgetary Highlights, Capital Assets, Economic Factors and Next Year's Budget Analysis and District Goals.

RECOMMENDATION

Staff recommends that the Board of Directors approve the Audit for Year-Ending 2021 as the FINAL audit.

ATTACHMENT

District Audit: Financial Statements and Supplementary Information (Year Ended June 30, 2021)

# **ATTACHMENT**

DISTRICT AUDIT  
YEAR ENDED JUNE 30, 2021



**NORTH HIGHLANDS RECREATION AND PARK DISTRICT**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

[CLAconnect.com](http://CLAconnect.com)

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2021**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>3</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>8</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>9</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>GOVERNMENTAL FUND</b>	
<b>BALANCE SHEET</b>	<b>10</b>
<b>RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET             TO THE STATEMENT OF NET POSITION</b>	<b>11</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN             FUND BALANCE</b>	<b>12</b>
<b>RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF             REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE             TO THE STATEMENT OF ACTIVITIES</b>	<b>13</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>14</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
<b>BUDGETARY COMPARISON SCHEDULE – GENERAL FUND</b>	<b>25</b>
<b>BUDGETARY COMPARISON SCHEDULE – COMMUNITY FACILITIES     DISTRICT</b>	<b>26</b>
<b>NOTES TO REQUIRED SUPPLEMENTARY INFORMATION</b>	<b>27</b>
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>28</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
North Highlands Recreation and Park District  
North Highlands, California

We have audited the accompanying financial statements of the governmental activities and each major fund of North Highlands Recreation and Park District (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the North Highlands Recreation and Park 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.

### ***Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the North Highlands Recreation and Park District as of June 30, 2021, and the respective changes in financial position for the year then ended in conformity 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 the budgetary comparison schedules for the General fund and Community Facilities District fund, as listed in the table of contents, 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 (GASB), 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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2021, on our consideration of the North Highlands Recreation and Park District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the North Highlands Recreation and Park District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Highlands Recreation and Park District's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Roseville, California  
October 21, 2021

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

This section of the North Highlands Recreation and Park District's (District) annual financial report presents an analysis of the District's financial performance during the fiscal year ended June 30, 2021. This information is presented in conjunction with the audited basic financial statements, which follows this section.

**FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2021**

- The assets of the District exceeded liabilities at the close of the 2020-2021 fiscal year by \$9,400,798 (net position). Of this amount \$1,407,162 is restricted for developer deposits, \$1,256,981 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors, and \$6,736,655 is invested in capital assets (net).
- As of June 30, 2021, the district's governmental funds reported combined fund balances of \$2,724,690 of which \$1,317,527 is available to meet the District's current and future needs (assigned/unassigned fund balance).
- At the end of the fiscal year, unassigned fund balance for the general fund was \$1,317,527 or 63% of total general fund expenditures.
- The District had no long-term debt outstanding as of June 30, 2021.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**REQUIRED FINANCIAL STATEMENTS**

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

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

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**REQUIRED FINANCIAL STATEMENTS (CONTINUED)**

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

Both of these government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District are recreation and park activities. There are no business-type activities.

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

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

**Notes to the Basic Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the District's budgetary comparative information for the general fund and the community facilities district fund.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Condensed Statements of Net Position  
June 30, 2021 and 2020**

	2021	2020
<b>Assets</b>		
Current and Other Assets	\$ 2,781,737	\$ 2,203,499
Capital Assets	6,736,655	6,983,329
Total Assets	9,518,392	9,186,828
 <b>Liabilities</b>		
Current/Noncurrent Liabilities	117,594	135,439
 <b>Net Position</b>		
Net Investment in Capital Assets	6,736,655	6,983,329
Restricted Net Position	1,407,163	1,119,304
Unrestricted Net Position	1,256,980	948,756
Total Net Position	\$ 9,400,798	\$ 9,051,389

Changes in the District's net position can be determined by reviewing the following condensed Statement of Activities for the year.

**Condensed Statements of Activities  
Years Ended June 30, 2021 and 2020**

	2021	2020
<b>Program Revenues:</b>		
Recreation Services	\$ 616,090	\$ 663,608
Operating Grants and Contributions	108,368	91,707
 <b>General Revenue:</b>		
Property Taxes	1,698,795	1,566,193
Investment Income	14,354	33,997
Miscellaneous	20,081	11,555
Total Revenue	2,457,688	2,367,060
 <b>Expenses:</b>		
Recreation and Park Activities	(2,108,279)	(2,115,518)
 Changes in Net Position	349,409	251,542
Net Position - Beginning of Year	9,051,389	8,799,847
Net Position - End of Year	\$ 9,400,798	\$ 9,051,389

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**BUDGETARY HIGHLIGHTS**

Total revenues were budgeted at \$1,885,758. The actual revenues for the 2020-2021 fiscal year were \$2,457,688 or \$571,930 more than the final budget. Revenues from operating grants, property taxes, and use of money and property increased compared with the prior year. Charges for current services and other revenues decreased over prior year.

Total expenditures were budgeted at \$1,965,410. The actual amount expended was \$2,108,279 or \$142,869 more than the final budget. The expenditure variance was due to salaries and benefits, services and supplies, and capital outlay expenditures during the fiscal year.

**CAPITAL ASSETS**

As of June 30, 2021, the District's net investment in capital assets totaled \$6,736,655 net of accumulated depreciation. The net investment in capital assets includes land, buildings and improvements, site improvements, and equipment. The capital assets are presented in the government-wide statement of net position.

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

Due to COVID-19, the district was forced to close its doors and reduce its operations. Program rentals, recreation activities and other operations were impacted. For the most part, district projects were cancelled or delayed. Local and state restrictions prohibited most district activities, which impacted revenues attached to these programs and activities.

Due to a unique partnership between the NHRPD and the Twin Rivers Unified School District, the district was able to replace most of its anticipated lost revenue through a program called District Learning. The district's community center was repurposed as an educational hub for the school district and was staffed by NHRPD personnel.

The district was able to reduce some operational costs during the time its facilities were closed; however, those savings were offset by additional expenditures associated with employee masks, cleaning supplies, disinfectant, sanitizer, and other COVID-19 related expenses.

The Lakes at Antelope residential development has yet to break ground, but it has been sold and the new developer KB homes anticipates breaking ground on this project sometime in fall 2021. The district anticipates developer impact fee revenues exceeding \$2.5 million.

The district completed the CEQA for Sierra Creek Park. The CEQA document will allow the district to complete its planned application for a Proposition 68 Round 4 state park grant. The grant application was submitted on time and the district is waiting to find out if it will receive a requested grant of \$2.85 million to construct the new Sierra Creek Park.

Next Year's Budget

While the economy appears to be improving, COVID-19 continues to impact district operations, expenditures and revenues. The district's Board of Directors (BOD) has approved a conservative budget for FY 2021-2022 that anticipates flat revenues, with a slightly higher level of expenditures. The BOD will revisit the budget in December 2021 and will make fiscal adjustments should they be required.



**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

The district has hired a new Office Assistant now that it has reopened its doors to the public. This position remained unfilled for most of last year due to a layoff. There have been several staff changes with the maintenance crew with new staff replacing others who left the district.

The FY 2021-2022 budget includes funds for projects cancelled the previous year, as well as several other new projects.

District Goals for FY 2021-2022

The District continues to be concerned about COVID-19 and its impact on the district and local economy. Therefore, its goals have been kept rather simple; keep the districts doors open to the public, complete a long list of necessary projects, keep its employees working, continue to seek alternative revenue opportunities, and, continue plans to add back services as the economy and COVID-19 allow.

**ADDITIONAL FINANCIAL INFORMATION**

This financial report is designed to provide the District's customers, investors and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the North Highlands Recreation and Park District Administrator at 6040 Watt Avenue, North Highlands, California 95660.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

	Governmental Activities
<b>ASSETS</b>	
Current Assets:	
Cash and Investments	\$ 1,368,404
Interest Receivable	6,064
Restricted Cash and Investments	1,407,269
Total Current Assets	2,781,737
Capital Assets:	
Land	3,623,569
Construction in Process	34,702
Structures and Improvements	9,145,240
Equipment	614,373
Total	13,417,884
Less: Accumulated Depreciation	6,681,229
Total Capital Assets	6,736,655
Total Assets	9,518,392
<b>LIABILITIES</b>	
Current Liabilities:	
Claims Payable	35,706
Accrued Payroll	637
Deposits	20,704
Compensated Absences, Current	30,273
Total Current Liabilities	87,320
Noncurrent Liabilities:	
Compensated Absences, Noncurrent	30,274
Total Liabilities	117,594
<b>NET POSITION</b>	
Net Investment in Capital Assets	6,736,655
Restricted for Developer Deposits	1,407,163
Unrestricted	1,256,980
Total Net Position	\$ 9,400,798

See accompanying Notes to Basic Financial Statements.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
<b>Governmental Activities:</b>				
Recreational Services	<u>\$ 2,108,279</u>	<u>\$ 616,090</u>	<u>\$ 108,368</u>	<u>\$ -</u>
				<u>\$ (1,383,821)</u>
General Revenues:				
Property Taxes				1,698,795
Investment Income				14,354
Other Revenues				20,081
Total General Revenues				<u>1,733,230</u>
Change in Net Position				349,409
Net Position - Beginning				<u>9,051,389</u>
Net Position - Ending				<u>\$ 9,400,798</u>

See accompanying Notes to Basic Financial Statements.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2021**

	General Fund	Developer In-Lieu Fees	Park Development Fees	Community Facilities District 2016-01	Total Governmental Funds
<b>ASSETS</b>					
Cash and Investments	\$ 1,368,404	\$ -	\$ -	\$ -	\$ 1,368,404
Interest Receivable	2,677	37	3,185	165	6,064
Restricted Cash and Investments	<u>-</u>	<u>14,064</u>	<u>1,327,967</u>	<u>65,238</u>	<u>1,407,269</u>
Total Assets	<u>\$ 1,371,081</u>	<u>\$ 14,101</u>	<u>\$ 1,331,152</u>	<u>\$ 65,403</u>	<u>\$ 2,781,737</u>
<b>LIABILITIES</b>					
Claims Payable	\$ 32,213	\$ -	\$ -	\$ 3,493	\$ 35,706
Accrued Payroll	637	-	-	-	637
Deposits	<u>20,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,704</u>
Total Liabilities	<u>53,554</u>	<u>-</u>	<u>-</u>	<u>3,493</u>	<u>57,047</u>
<b>FUND BALANCE</b>					
Restricted for Developer Deposits	-	14,101	1,331,152	61,910	1,407,163
Unassigned	<u>1,317,527</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,317,527</u>
Total Fund Balances	<u>1,317,527</u>	<u>14,101</u>	<u>1,331,152</u>	<u>61,910</u>	<u>2,724,690</u>
Total Liabilities, Deferred Inflows of of Resources, and Fund Balances	<u>\$ 1,371,081</u>	<u>\$ 14,101</u>	<u>\$ 1,331,152</u>	<u>\$ 65,403</u>	<u>\$ 2,781,737</u>

See accompanying Notes to Basic Financial Statements.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021**

Fund Balances of Governmental Funds	\$ 2,724,690
Amounts reported for governmental activities in the statement of net position are different because:	
Net Investment in capital assets, are not a current financial resources and are not included in the governmental funds.	6,736,655
Compensated absences that are not due and payable in the current period and are not reported in the funds.	<u>(60,547)</u>
Net Position of Governmental Activities	<u>\$ 9,400,798</u>

*See accompanying Notes to Basic Financial Statements.*

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2021**

	General Fund	Developer In-Lieu Fees	Park Development Fees	Community Facilities District 2016-01	Total Governmental Funds
<b>REVENUES</b>					
Property Taxes	\$ 1,580,216	\$ -	\$ -	\$ -	\$ 1,580,216
Intergovernmental Revenues	108,368	-	-	-	108,368
Charges for Current Services	297,451	-	-	-	297,451
Use of Money and Property	6,376	92	7,556	330	14,354
Development Fees	-	-	318,639	-	318,639
Special Assessments	-	-	-	118,579	118,579
Other Revenues	20,081	-	-	-	20,081
Total Revenues	<u>2,012,492</u>	<u>92</u>	<u>326,195</u>	<u>118,909</u>	<u>2,457,688</u>
<b>EXPENDITURES</b>					
Salary and Benefits	1,132,439	-	-	52,888	1,185,327
Services and Supplies	596,589	-	7,792	44,306	648,687
Capital Outlay	32,572	-	-	-	32,572
Total Expenditures	<u>1,761,600</u>	<u>-</u>	<u>7,792</u>	<u>97,194</u>	<u>1,866,586</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>					
	<u>250,892</u>	<u>92</u>	<u>318,403</u>	<u>21,715</u>	<u>591,102</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	67,445	-	15,094	-	82,539
Transfers Out	(15,094)	-	(67,445)	-	(82,539)
Total Other Financing Sources (Uses)	<u>52,351</u>	<u>-</u>	<u>(52,351)</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>					
	303,243	92	266,052	21,715	591,102
Fund Balances - July 1, 2020	<u>\$ 1,014,284</u>	<u>\$ 14,009</u>	<u>\$ 1,065,100</u>	<u>\$ 40,195</u>	<u>\$ 2,133,588</u>
<b>FUND BALANCES - JUNE 30, 2021</b>	<u>\$ 1,317,527</u>	<u>\$ 14,101</u>	<u>\$ 1,331,152</u>	<u>\$ 61,910</u>	<u>\$ 2,724,690</u>

See accompanying Notes to Basic Financial Statements.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
RECONCILIATION OF GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ 591,102

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 cost 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 Capital Assets	32,572
Depreciation Expense	(279,246)

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.

4,981

Change in Net Position of Governmental Activities	<u><u>\$ 349,409</u></u>
---	--------------------------

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The North Highlands Recreation and Park District (District) was organized in 1955 by a vote of the public. It is operated under the advisement of a five-member board of directors duly elected and empowered by the electorate with sole authority over the District's operations. Although the District is now independent from the Sacramento County's Board of Supervisors, its financial activities are still processed through the Sacramento County Auditor-Controller's Office.

In addition to providing recreational programs and services to the community, the District maintains park sites and leases property for the purpose of providing additional services to the community. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments.

Blended Component Unit

The District's Board of Directors approved the formation of the Community Facilities District (CFD) No. 2016-01 (Elverta Park) which authorized a special tax levy within CFD 2016-01 for the purpose of providing services for maintenance, servicing and replacement of existing park and recreation facilities for the 3.03 acre Elverta Park development and incidental expenses. The funds of the component unit are reported in Special Revenues Funds and are considered to be a blended component unit as they are part of the district's operations. Separate financial statements are not available for the District.

**B. Basis of Accounting**

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Resources not available to finance expenditures and commitments of the current period are recognized as unearned revenue or as a reservation of fund balance. The District considers property taxes available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as compensated absences and claims and judgments are recorded only when payment is due. General capital acquisitions are reported as capital outlay expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.



**NORTH HIGHLANDS RECREATION AND PARK DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**C. Basis of Presentation**

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties. The District has no business-type activities to report.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Program revenues include 1) charges paid by the recipient of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in separate columns. All remaining governmental funds (if any) are separately aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

*General Fund* – This fund accounts for all the financial resources not required to be accounted for in another fund. This fund consists primarily of general government type activities.

*Developer In-Lieu Fees Fund* – This special revenue fund accounts for the activity of the developer in lieu fees and park development fees.

*Park Development Fees Fund* – This special revenue fund accounts for the activity of the park development fees.

*Community Facilities District 2016-01 Fund* – This special revenue fund accounts for the activity of the Community Facilities District 2016-01.

**D. Restricted Assets**

Restricted assets are financial resources generated for a specific purpose such as construction of improvements and financing of debt obligations. These amounts are restricted, as their use is limited by applicable bond covenants or other external requirements.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**E. Capital Assets**

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available, are reported in governmental activities column of the government-wide financial statements. Contributed fixed assets are valued at their acquisition value. Capital assets include land, buildings and building improvements and equipment. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Useful Life</u>
Buildings and Improvements	10 – 30 Years
Site Improvements	10 – 20 Years
Equipment and Machinery	5 – 20 Years

**F. Deferred Inflows of Resources**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District only has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. This account represents miscellaneous revenue from a settlement and is deferred and recognized as inflow of resources in the period that the amount becomes available. The District has no such revenue in the current year.

**G. Compensated Absences**

Compensated absences represent the vested portion of accumulated vacation. In accordance with GASB Statement 16, the liability for accumulated leave includes all salary - related payments that are directly and incrementally connected with leave payments to employees, such as retirement pay. A current liability is recorded in the government wide financial statements to account for these vested leave accruals, which are expected to be used within the next fiscal year. Liabilities for accumulated vacation and sick leave are not accrued in the District's governmental fund financial statements but are recorded as expenditures when paid.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**H. Equity Classifications**

In the fund financial statements, in accordance with GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*," governmental funds report balances as nonspendable, restricted, committed assigned or unassigned based primarily on the extent the District is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable Fund Balance* – consists of amounts that are not in a spendable form or are required to be maintained intact.
- *Restricted Fund Balance* – consists of amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. The Restricted Developer In-Lieu Fees are for capital improvements of recreational facilities.
- *Committed Fund Balance* – consists of amounts that can be used only for the specific purposes determined by a formal action (resolution) of the District's highest level of decision-making authority (the board of directors) and do not lapse at year-end.
- *Assigned Fund Balance* – consists of amounts intended for a specific purpose by the board of directors or by a District official that has been delegated authority to adding amounts.
- *Unassigned Fund Balance* – consists of any remaining fund balance that has not been reported in any other classification.

Per the District's Policy, when an expenditure occurs that can be funded by more than one classification of fund balance the District considers fund balance to be spent in the following order: first restricted, then committed, then assigned, and finally unassigned.

The District classifies its net position into three components: net investment in capital assets, restricted net position, and unrestricted net position.

- *Net Investment in Capital Assets* consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- *Restricted net position* are financial resources generated for a specific purpose such as construction of improvements and financing of debt obligations. These amounts are restricted, as their use is limited by applicable bond covenants or other external requirements.
- *Unrestricted* are all other net assets that do not meet the definition of "net investment in capital assets" or "restricted."

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**I. Property Taxes**

The District receives property taxes from the County of Sacramento, which has been assigned the responsibility for assessment, collections, and apportionment of property taxes for all taxing jurisdictions within the County. Secured property taxes are levied on January 1 for the following fiscal year and on which date it becomes a lien on real property. Secured property taxes are due in two installments on November 1 and February 1 and are delinquent after December 10 and April 10, respectively, for the secured roll. Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the District, eliminating the need for an allowance for uncollectible. The County, in return, receives all penalties and interest. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid by August 31. Property taxes are recognized as revenues in the fiscal year for which the taxes are levied.

**J. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 CASH AND INVESTMENTS**

Cash and investments at June 30, 2021 consisted of the following:

Imprest Cash	\$ 600
Cash and Investments in the County Treasurer	<u>2,775,073</u>
Total Cash and Investments	<u><u>\$ 2,775,673</u></u>

**A. Investments Authorized by the California Government Code and the Entity's Investment Policy**

The table below identifies the investment types that are authorized for the North Highlands Recreation and Park District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk and concentration of credit risk.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State of California Obligations	5 Years	None	None
U.S. Agency Securities	5 Years	None	None
Banker's Acceptances	180 Days	40%	30%
Commercial Paper	270 Days	40%	10%
Negotiable CDs	5 Years	30%	None
Repurchase Agreements	1 Years	None	None
Reverse Repurchase Agreements	92 Days	20%	None
Medium Term Notes	5 Years	30%	None
Mutual/Money Market Funds	5 Years*	20%	10%
Collateralized Bank Deposits	5 Years	None	None
Mortgage Pass-Through Securities	5 Years	20%	15%
Time Deposits	5 Years	None	None
Local Agency Investment Fund (LAIF)	5 Years*	None	None

\* The five-year maximum maturity can be extended by the board of directors. Also, the maximum maturity can be extended if the funds are reserved for bond, COP, or note payments to coincide with the required repayments.

**B. Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investment maturity:

<u>Investment Type</u>	<u>Total</u>	<u>Remaining Maturity (in Months)</u>	
		<u>12 Months or Less</u>	<u>13-48 Months</u>
Sacramento County*	<u>\$ 2,775,073</u>	<u>\$ 2,775,073</u>	<u>\$ -</u>

**C. Concentrations of Credit Risk**

The Districts cash and investments are held with the County of Sacramento. Refer to the County of Sacramento financial statements for the required disclosure information for the concentrations of credit risk.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**D. Custodial Credit Risk**

The Districts cash and investments are held with the County of Sacramento. Refer to the County of Sacramento financial statements for the required disclosure information for the custodial credit risk.

**E. Investment in Government Pool**

Investments are accounted for in accordance with the provisions of GASB Statement 31, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in fair value of investments in the year in which the change occurred. The District reports its investment in the Sacramento County investment pool at fair value based on quoted market information obtained from fiscal agents or other sources.

**NOTE 3 PROPERTY PLANT AND EQUIPMENT**

Activity for general fixed assets capitalized by the District is summarized below:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirement/ Adjustments</u>	<u>Balance June 30, 2021</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 3,623,569	\$ -	\$ -	\$ 3,623,569
Construction in Process	2,130	32,572	-	34,702
Total Capital Assets, Not Being Depreciated	<u>3,625,699</u>	<u>32,572</u>	<u>-</u>	<u>3,658,271</u>
Capital Assets, Depreciable:				
Buildings and Improvements	9,145,240	-	-	9,145,240
Equipment	614,373	-	-	614,373
Total Capital Assets, Being Depreciated	<u>9,759,613</u>	<u>-</u>	<u>-</u>	<u>9,759,613</u>
Less Accumulated Depreciation For:				
Structures and Improvements	(5,838,290)	(270,870)	-	(6,109,160)
Equipment	(563,693)	(8,376)	-	(572,069)
Total Accumulated Depreciation	<u>(6,401,983)</u>	<u>(279,246)</u>	<u>-</u>	<u>(6,681,229)</u>
Total Capital Assets, Being Depreciated, Net	<u>3,357,630</u>	<u>(279,246)</u>	<u>-</u>	<u>3,078,384</u>
Capital Assets, Net	<u>\$ 6,983,329</u>	<u>\$ (246,674)</u>	<u>\$ -</u>	<u>\$ 6,736,655</u>

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 4 LONG-TERM LIABILITIES**

The following is a summary of changes in the long-term liabilities for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Due Within One Year
<b>Government Activities</b>					
Compensated Absences	\$ 65,528	\$ 46,416	\$ 51,397	\$ 60,547	\$ 30,273

These funds are funded by the general fund.

**NOTE 5 INTERFUND TRANSFERS**

Transfers are for moving funds between the general fund and the park development fees fund. The following are the interfund transfer balances as of June 30, 2021:

Transfers From Other Funds	Transfers To Other Funds	Amount
General Fund	Park Development Fees	\$ 67,445
Park Development Fees	General Fund	15,094
		<u>\$ 82,539</u>

**NOTE 6 PARK DEDICATION FUNDS**

The County maintains two funds for the benefit of the North Highlands Recreation and Park District. The corpus of the funds consists of in lieu fees paid by developers for subdivision development within the boundaries of the District. The use of these funds by the District is restricted for the purpose of providing park and recreation facilities to serve the population. The activity of these funds is recorded in the special revenue fund of the District.

**NOTE 7 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors, and omissions; injuries to employees; and natural disasters. The District together with other districts in the State carry California Association For Park And Recreation Insurance (CAPRI), a public entity risk pool currently operating as a common risk management and insurance program for member districts. The District pays an annual premium to CAPRI for its general insurance coverage. Furthermore the District carries workers compensation coverage with other districts in the State through the CAPRI. Membership in the California Association of Recreation and Park Districts is required when applying for CAPRI.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The Agreement for Formation provides that CAPRI will be self-sustaining through member premiums. CAPRI reinsures through commercial companies for claims up to \$10,000,000 for general and automobile liability and all risk property insurance, including boiler and machinery coverage, is subject to a \$2,000 deductible occurrence payable by the District. Financial statements for CAPRI are available at the District's office for fiscal year ended June 30, 2021.

The District carries commercial insurance for other risks of loss, including employees' health insurance.

There were no settlements in excess of insurance coverage in any of the three prior fiscal years.

**NOTE 8 SITE LEASE AGREEMENTS**

District as Lessor

SETA/Headstart Lease Agreement: The District entered into a site lease agreement with Sacramento Employment and Training Agency (SETA) whereby the District leases the Strizek Park Clubhouse to SETA for the Headstart program. The five (5) year lease was renewed July 1, 2019 and will expire June 30, 2024. Monthly payments of \$2,055 are due and payable at the end of each month. SETA will continue to be responsible for paying all utilities including electricity, gas, water, sewer, garbage, and waste removal.

Center Joint Unified School District Lease Agreement: The District entered into a five (5) year site ground lease agreement with Center Unified School District for the period of 2021-2026. The lease is for use of a small portion of Sierra Creek Park which the school district will place five portable modular classrooms and administrative facilities on. The lease agreement will go into effect September 30, 2021 and will expire September 30, 2026 unless extended by both parties. Lease payments to the district range from \$5,000 - \$5,500 over the course of the lease period with payments due August 1 of each year.

Jamie Throckmorton dba Something Extra Lease Agreement: The District entered into a (5) five year site lease agreement Jamie Throckmorton (dba, Something Extra) for the purpose of operating a daycare facility at the Capehart Youth Facility. The term of the lease starts September 1, 2018 and expires September 1, 2023. Rent starts at \$2,617 and is adjusted annually and will cap at \$3,085 beginning year 5 of the agreement. The agreement also requires the operator to pay for utility costs of \$820 per month.

All Star Specialty Events, Inc. Softball Lease Agreement: The District entered into a (5) five year lease agreement with a new operator - All Star Specialty Events, Inc. The term is January 1, 2019 expiring December 31, 2023. All Star Specialty Events, Inc. is authorized to run organized softball tournaments and other related programs at this facility. Rent is adjusted annually with a starting rent of \$5,000 per month capped at \$5,400 per month beginning 2023. The operator also will have a \$5,000 non-performance deposit with the District. The operator is responsible for following all requirements, regulations, laws, etc. as noted in the agreement.

The following are the minimum future rentals:



**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

Year Ending June 30,	
2022	170,904
2023	185,904
2024	121,534
2025	60,000
2026	60,000
Later Years	15,000
Total	<u>\$ 613,342</u>

**NOTE 9 DEFINED CONTRIBUTION PENSION PLAN**

The District contributes to a deferred compensation plan. The plan is a single-employer plan with the assets held in trust by Voya Retirement Insurance and Annuity Company. All full time salaried employees are eligible to participate in the plan after six months of satisfactory employment with the District. The plan is defined in the Internal Revenue Code Section 457.

The District pays 100% of the contribution, based on eight percent of the employee's wage. Participant accounts are credited with the employer contributions. Investment earnings and losses as well as administrative expenses are also charged to participant accounts. Allocations are based on participant's earnings and losses of chosen investments or account balances. The benefit to which a participant is entitled is the benefit that can be provided from the vested portion of the participant's account. The employee becomes vested in the employer contribution after two years from date of hire. The employer contribution stays with the pool if the employee leaves before vesting. The District contributed \$51,821 during the 2020/21 fiscal year towards the qualifying employee's plan.

In case of partial or complete termination of the plan or discontinuance of employer contribution to the plan, the rights to the plan benefits become fully vested regardless of any other provisions of the plan and trusts. The trust accounts would continue until all accounts have been distributed in accordance with the provisions of the plan.

Upon participant termination from services due to death, disability, or retirement, a participant may elect to receive either a lump sum amount equal to the value of the participant's vested interest in his or her account or installments over a period selected by the participant. For termination of service due to other reasons, a participant may receive the vested interest in his or her account as a lump sum distribution. The portion of the account that is not vested upon termination will be used to offset future employer contributions.

The District also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years through payroll deductions with no employer match. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies.

**NOTE 10 REVENUE LIMITATIONS IMPOSED BY CALIFORNIA PROPOSITION 218**

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

Proposition 218, which was approved by the voters in November 1996, regulates the District's ability to impose, increase, and extend taxes and assessments. Any new increase or extended taxes and assessments subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes and assessments are subject to voter initiative and may be rescinded in the future years by the voters.

**NOTE 11 FUND BALANCES - GOVERNMENTAL FUNDS**

The District adopted a policy for GASB Statement 54, *Fund Balance Reporting*. GASB Statement 54 establishes fund balance classifications that comprise a hierarchy based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. While the classifications of fund balance in the District's various governmental funds were revised, the implementation of this standard had no effect on total fund balance.

Detailed information on governmental fund-type, fund balances are as follows:

	General Fund	Developer In-Lieu Fees	Park Development Fees	Community Facilities District
Restricted for Developer Deposits	\$ -	\$ 14,101	\$ 1,331,152	\$ 61,910
Unassigned	1,317,527	-	-	-
Total Fund Balance	<u>\$ 1,317,527</u>	<u>\$ 14,101</u>	<u>\$ 1,331,152</u>	<u>\$ 61,910</u>

**NOTE 12 CONTINGENT LIABILITIES**

Grants are subject to audit to determine compliance with their requirements. District officials believe that if any refunds are required, they would not have a significant effect on the financial condition or liquidity of the District.

The District is unaware of any pending litigation or other contingencies which would have a material effect on the financial condition or liquidity of the District. In the normal course of business, the District is subject to various lawsuits. In the opinion of the General Counsel to the District, payment of claims by the District for amounts not covered by insurance, in the aggregate, are not expected to have a material adverse effect on their financial position.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,472,210	\$ 1,472,210	\$ 1,580,216	\$ 108,006
Intergovernmental Revenues	165,548	165,548	108,368	(57,180)
Charges for Current Services	225,000	225,000	297,451	72,451
Use of Money and Property	15,000	15,000	6,376	(8,624)
Other Revenues	8,000	8,000	20,081	12,081
Total Revenues	<u>1,885,758</u>	<u>1,885,758</u>	<u>2,012,492</u>	<u>126,734</u>
<b>EXPENDITURES</b>				
Salary and Benefits	1,224,573	1,224,573	1,132,439	(92,134)
Services and Supplies	705,837	705,837	596,589	(109,248)
Capital Outlay	35,000	35,000	32,572	(2,428)
Total Expenditures	<u>1,965,410</u>	<u>1,965,410</u>	<u>1,761,600</u>	<u>(203,810)</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES</b>				
	(79,652)	(79,652)	250,892	330,544
<b>OTHER FINANCING SOURCES</b>				
Transfer In	-	-	67,445	67,445
Transfer Out	-	-	(15,094)	(15,094)
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (79,652)</u>	<u>\$ (79,652)</u>	303,243	<u>\$ 397,989</u>
Fund Balance - July 1, 2020			<u>1,014,284</u>	
<b>FUND BALANCE - JUNE 30, 2021</b>			<u>\$ 1,317,527</u>	

See accompanying Notes to Required Supplementary Information.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
COMMUNITY FACILITIES DISTRICT  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	-	-	330	330
Special Assessments	118,440	118,440	118,579	139
Total Revenues	<u>118,440</u>	<u>118,440</u>	<u>118,909</u>	<u>469</u>
<b>EXPENDITURES</b>				
Salary and Benefits	68,574	68,574	52,888	(15,686)
Services and Supplies	56,155	56,155	44,306	(11,849)
Total Expenditures	<u>124,729</u>	<u>124,729</u>	<u>97,194</u>	<u>(27,535)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (6,289)</u>	<u>\$ (6,289)</u>	21,715	<u>\$ 28,004</u>
Fund Balance - July 1, 2020			<u>40,195</u>	
<b>FUND BALANCE - JUNE 30, 2021</b>			<u>\$ 61,910</u>	

See accompanying Notes to Required Supplementary Information.

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2021**

**NOTE 1 BUDGETS AND BUDGETARY ACCOUNTING**

As required by State law the District prepares and legally adopts a final operating budget. Public hearings were conducted on the proposed and final budget to review all appropriations and the sources of financing.

The budgets for the general fund and the Community Facilities District 2016-01 fund are adopted on the modified accrual basis of accounting. The budget for these funds are the only legally adopted budgets since the District does not adopt budgets for the Developer In-Lieu and the Park Development Fees Funds.

At the object level, actual expenditures cannot exceed budgeted appropriations. Management can transfer budgeted amounts between expenditure accounts within an object without the approval of the board of directors. Significant amendments and appropriation transfers between objects or funds must be approved by the board of directors. Appropriations lapse at fiscal year-end.

The budgetary data presented in the accompanying financial statements includes all revisions approved by the board of directors.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
North Highlands Recreation and Park District  
North Highlands, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the North Highlands Recreation and Park District (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 21, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of the audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CliftonLarsonAllen LLP*

### **CliftonLarsonAllen LLP**

Roseville, California  
October 21, 2021



Board of Directors  
North Highlands Recreation and Park District  
North Highlands, CA

We have audited the financial statements of the governmental activities and each major fund of North Highlands Recreation and Park District as of and for the year ended June 30, 2021, and have issued our report thereon dated October 21, 2021. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant audit findings**

#### ***Qualitative aspects of accounting practices***

##### *Accounting policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by North Highlands Recreation and Park 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.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

##### *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. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

##### *Financial statement disclosures*

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

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

#### ***Difficulties encountered in performing the audit***

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



***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

***Corrected misstatements***

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

***Disagreements with management***

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

***Management representations***

We have requested certain representations from management that are included in the management representation letter dated October 21, 2021.

***Management consultations with other independent accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' 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.

***Significant issues discussed with management prior to engagement***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

***Other information in documents containing audited financial statements***

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Board of Directors  
North Highlands Recreation and Park District  
Page 3

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Roseville, California  
October 21, 2021

NORTH HIGHLANDS RECREATION AND PARK DISTRICT

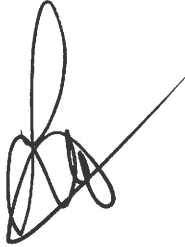
BOARD AGENDA

TO: Pat Williams, Chairperson  
Board of Directors

FROM: Larry Mazzuca, Administrator

DATE: November 4, 2021

SUBJECT: Part Time Employee Salary Schedule Adjustment



BACKGROUND

As the Board of Directors is aware, there is a shortage of qualified candidates to fill full and part time employment vacancies in the Sacramento region. In an effort to remain competitive in this challenging job market, employers have had to significantly increase part time wages above the current minimum wage of \$14.00 (soon to be \$15.00 effective January 1, 2022). Local fast food businesses are advertising starting part time wages of \$17.00-\$18.50 per hour. In some situations, employers are offering "sign up bonuses" for new hires and bonuses for current employees. In combination, this has created a "Perfect Storm" in that it has become more difficult to find, hire and pay part time employees a competitive wage.

DISCUSSION

The NHRPD, like many other special recreation and park districts in the Sacramento region, are finding it extremely difficult to find part time employees to fill vacancies within their organization. Specifically, there seems to be fewer employees seeking jobs, and those that are looking for jobs, are commanding wages well above current minimum wage.

The Recreation Division is finding it difficult to recruit employees at the current minimum wage level of \$14.00 per hour. Staff's original plan was to present this issue to the BOD at the December board meeting when the board will address the Mid-Year Budget Adjustment Request. However, it appears that the Recreation Division cannot wait until that time as the situation requires immediate action to increase the current part time salary range.

As a prelude to the December board meeting, the Recreation Division has indicated that they will seek a \$13,000 part time payroll adjustment which will cover the proposed part time salary adjustment through the end of June 2022. The division currently has sufficient funds to implement the new salary increase now, as long as the board backfills this funding in December. The same will apply to the parks and maintenance division.

Currently the Recreation Division has three specific part time salary positions: Recreation Leader, Recreation Coordinator (Sports) and Recreation Coordinator (Daycare). Listed below is the current and proposed salary adjustments based upon this request:

<u>POSITION</u>	<u>CURRENT PT SALARY SCHED.</u>	<u>PROPOSED PT SALARY SCHED.</u>
Recreation Leader	\$15.00/HR - \$17.00/HR	\$16.50/HR - \$20.00/HR
Recreation Coord. (Sports)	\$16.00/HR - \$18.00/HR	\$18.00/HR - \$20.00/HR
Recreation Coord. (Daycare)	\$16.00/HR - \$18.00/HR	\$18.00/HR - \$20.00/HR

By implementing this part time salary adjustment now, the Recreation Division can start recruiting for new staff advertising the higher hourly rate, while making adjustments to the salary schedule for existing district part time employees.

Final board approval for the salary adjustments will be included as part of the annual mid-year budget adjustment request which will be presented to the board on December 9, 2021.

RECOMMENDATION

Staff recommends that the Board of Directors approve the Proposed PT Salary Schedule as presented, with the actual funding to be included as part of the December 9, 2021 mid-year budget adjustment.

NORTH HIGHLANDS RECREATION AND PARK DISTRICT

TO: Pat Williams, Chairperson  
Board of Directors

FROM: Larry Mazzuca, Administrator

DATE: November 4, 2021

SUBJECT: Board of Director Candidates

Attached is a copy of the North Highlands RPF Notice of Vacancy Board of Directors flyer that has been provided to NHRPD residents from October 12-27, 2021. This document was placed in three public locations within the district, the District Website and Social Media Outlets, District Electronic Sign Board, and was posted in the Sacramento Bee on three separate dates.

Using Google Maps, the district was able to verify that all four of the physical mailing addresses provided by the candidates are located within the district boundaries. All four candidates have verified their voter registration status and have submitted a completed Letter of Interest, which has been included in your board packet. The interview and selection process will be presented to the Board of Directors during the board meeting. Staff will email the candidates a copy of the board agenda prior to the November 4<sup>th</sup> board meeting.

It is recommended that the Board of Directors prepare questions for candidates in advance of the actual interview process.

Please note that a memo has been included with candidate Karla Black Letter of Interest. The request seems reasonable and appears to only apply to the actual interview process.

# NORTH HIGHLANDS RECREATION AND PARK DISTRICT

Contact: Larry Mazzuca  
District Administrator  
Telephone: (916) 332-7440  
Email: [larry@nhrpd.org](mailto:larry@nhrpd.org)  
Date: October 12, 2021

FOR IMMEDIATE RELEASE

## NOTICE OF VACANCY BOARD OF DIRECTORS

**North Highlands, CA** – The North Highlands Recreation and Park District Board of Directors is accepting applications to fill, by appointment, a vacancy on its Board. Persons wishing to be considered for this appointment must be a **registered voter and a resident living or owning property within the boundaries of North Highlands Recreation and Park District (verification will be checked by the District).**

The boundary of North Highlands Recreation and Park District includes the community of North Highlands, and portions of the communities of Antelope and Sacramento. (For questions on the specific boundaries of the District, please contact the District office.) The appointed candidate will fill the current vacant position until the next District election November 2022. Board members receive \$100 per each regular and special board meeting, and \$50 for committee meetings.

Interested applicants must send a **Letter of Interest** addressed to the Board of Directors, c/o District Administrator: 6040 Watt Avenue, North Highlands, California, 95660 or emailed to Larry Mazzuca, District Administrator [larry@nhrpd.org](mailto:larry@nhrpd.org). The letter of interest must include the following information: Applicant's mailing address, voter registration status, phone number, and email address and reasons why the applicant wishes to serve on the Board. Additionally, the applicant shall specify their involvement in the community, NHRPD's recreation activities/programs and or park services.

**INTERVIEWS:** Candidate interviews are scheduled for Thursday, November 4, 2021 – 6:30 p.m. District Office Complex, 6040 Watt Avenue, North Highlands, CA 95660.

**LETTER OF INTEREST DEADLINE:** Letters of Interest must be received by the District before **5:00 p.m., October 27, 2021.**

For more information, contact Larry Mazzuca or Terri Smith at (916) 332-7440.

## Larry Mazzuca

---

**From:** John Berchielli <john.berchielli@gmail.com>  
**Sent:** Tuesday, October 19, 2021 8:32 PM  
**To:** Larry Mazzuca  
**Subject:** Board of Directors vacancy

Dear NHRPD Board of Directors, my name is John Berchielli and I would like to fill the vacant Board of Directors position.

1. 6505 Pearson Lane North Highlands, Ca. 95660
2. Registered voter
3. 916 459-8242
4. [john.berchielli@gmail.com](mailto:john.berchielli@gmail.com)
5. I bring more than 20 years of Board experience to serve my community. I have been a customer of the District since 1972 and am well established in the community. I believe I can work with the Board and community and institutional partners as well as local elected public officials and the School District to bring about the best possible services and amenities for North Highlands folks.
6. My extensive network of resources has helped to secure funding for the tot lot and under 5 year old playground at Freedom Park. I worked with local HeadStart and facilitated the students planting the Butterfly garden. I have also served on the advisory committee for the North Highlands Jubilee every year. I have coordinated many National Night out events at Freedom Park. Most recently I attended all the outreach meetings for the future Sierra Creek park across from the Arbors.

## Larry Mazzuca

---

**From:** Jeffrey Armstrong <jeffrey.armstrong22@gmail.com>  
**Sent:** Tuesday, October 26, 2021 10:26 PM  
**To:** Larry Mazzuca  
**Subject:** North Highlands Board of Directors

To:  
Board of Directors  
C/o Larry Mazzuca

Dear Mr. Mazzuca,

My name is Jeffrey Armstrong and I am writing this letter of interest to apply for the vacancy of the Board of Directors for North Highlands. I reside at 6225 Larry Way, North Highlands with my wife of 7 years and our beautiful children. My wife and I are registered voters for California. My wife is a current member of the military and I am a veteran after 12 years of service. My interest in becoming a member is to help enrich the community by preserving facilities and parks that promote learning, imagination and fun. To be a positive influence in my community and to be more involve to better the community I call home.

Thank you for the consideration.

Jeffrey Armstrong  
(916)846-4618  
Jeffrey.Armstrong22@gmail.com



## Larry Mazzuca

---

**From:** Veya Cummings <veyadanielle@yahoo.com>  
**Sent:** Wednesday, October 27, 2021 3:26 PM  
**To:** Larry Mazzuca  
**Subject:** LETTER OF INTEREST

Hello NHRPD Board of Directors!

My name is Veya Cummings, and I would like to fill the position of vacancy on board.

My address is:  
5709 North Haven Dr.  
N.Highlands, CA 95660

I am a registered voter in Sacramento County

Below is my contact information:  
916-803-0384  
Veyadanielle@yahoo.com

I have lived in North Highlands for the past nine years. My son Lincoln, has attended FC Joyce elementary school since pre-K and is currently enrolled as a second grader.

Before the pandemic, Lincoln, my son has always attended the summer camps and winter camps during his school breaks, while I was working. I can't tell you how much we valued these programs, as I didn't have child care and the 135\$ was a reasonable price for fun and care for my child. My son LOVED the staff and had a blast everyday during his camps.

During the pandemic, everything was uncertain and children were learning from home. I work from home and as you can imagine, times were beyond stressful having to have a child at home and having to work at the same time. Rachel, had contacted Lincoln's vice principal directly and asked for Lincoln directly for their zoom/distant learning group. When I got that call that my son was chosen for this program, the amount of stress that was lifted, I can't put into words. I am forever thankful for these programs that have been very near and dear to mine and my son's heart. We got to become extremely close to the staff, and it brings comfort knowing these programs are available for other families as well.

In addition, my son plays on a soccer team within the NH soccer club. We love this organization, the players, and coaches.

It would be an honor if I was chosen for this position and given opportunity to give back to this community that has given so much to my son and myself!

Thank you for your consideration,

Veya Cummings

Sent from my iPhone

# Karla Black

2121 Natomas Crossing, #200-326

Sacramento, CA. 95834

[Karlaspineapple@yahoo.com](mailto:Karlaspineapple@yahoo.com)

916.680.4942

October 27<sup>th</sup>, 2021

RE: NHRPD Vacancy Letter of Interest

Dear Board of Directors and District Administrator,

I would like to submit my letter of interest for the North Highlands Recreation and Parks District Board of Directors vacant position. I have a strong background in finance and accounting, I would love to utilize my skills on the Board as a member to further advance our community parks and recreation foundation. I cherish the opportunity to give back to my community and home.

I am long time residence of North Highlands, born and raised. I attended Kohler Elementary School as a young child. I grew up with many walks, bike rides, and birthday parties at Strizek Park in particular because of its proximity to my home. Preserving the parks and recreation centers is key to community growth and a much-needed outlet for children and parents alike to play and share space. Preserving safe and fun spaces with a focus on outdoor activities is important to mental and physical health. Our parks are important contributions to the local community and families. I actively participate in district and county virtual meetings, workshops, and public outreach programs. I am actively working to start my own non-profit to help encourage and assist our homeless population to utilize county resources and aid help them permanently become independent.

Additionally I've held previously employment positions as Customer Service Manger to a large multi-state auto dealership and will bring to the table excellent communication and problem solving skills. I was also responsible for creating and implementing policies and procedures for the company and am sure I will be a great asset to the board.

I am confident you will find me a good fit as a Board Member and I look forward to hearing from you, thank you for your time and consideration. I am available to reach by email and phone.

Thank you for your time and consideration,

Karla Black

MEMORANDUM

TO: Pat Williams, Chairperson  
Board of Directors

FROM: Larry Mazzuca, Administrator

DATE: October 28, 2021

SUBJECT: Board of Director's Applicant Mailing Address Correction

Attached to this memo is Board of Director's applicant, Karla Black's Letter of Interest. The address Ms. Black included on her Letter of Interest is a P.O. Box address located in Natomas, CA. In a follow up phone call to Ms. Black, she stated that the P.O. Box is where she gets her mail, but she then provided me with her actual physical mailing address which is where she lives.

**Karla Black**  
**4028 Alta Lorraine Way**  
**North Highlands, CA 95660**

The physical address Ms. Black provided is located within the boundaries of the North Highlands Recreation and Park District.

I advised Ms. Black that I would attach this memo to her Letter of Interest should any concern arise regarding her meeting the residency requirements of living in or owning property within the district boundaries.

## Larry Mazzuca

---

**From:** karla black <karlaspineapple@yahoo.com>  
**Sent:** Wednesday, October 27, 2021 4:52 PM  
**To:** Larry Mazzuca  
**Subject:** Re: North Highlands Recreation and Park District - Board of Directors

Sorry for the delay Larry I did not see this email.

I am absolutely still interested in the position and have just sent you my letter.

I do have one request during the interview process that is, I do not veil or mask my face for religious reasons.

These are sincerely-held religious beliefs and any masking, testing, or vaccinations prohibit me from participating and I truly do hope

none of that will be an issue or hinder this process in anyway. I will do anything necessary to achieve working together on this matter.

If I need to submit anything in writing please let me know.

Take care.

On Monday, October 18, 2021, 03:41:22 PM PDT, Larry Mazzuca <larry@nhrpd.org> wrote:

Hi Karla,

I'm checking in with you to see if you still plan on applying for the vacant Board of Director's position with the NHRPD. As of now, we have zero applicants and the deadline is October 27.

I hope to receive your Letter of Interest before the deadline date.

Thank you,

Larry Mazzuca

Administrator

North Highlands RPD

NORTH HIGHLANDS RECREATION AND PARK DISTRICT

BOARD AGENDA

TO: Pat Williams, Chairperson  
Board of Directors

FROM: Larry Mazzuca, Administrator

DATE: November 4, 2021

SUBJECT: FY 2021-2023 Project Work Plan



BACKGROUND

Since summer 2021, District staff and the Board of Directors have actively created a list of projects for board consideration. Staff has meet with the board and discussed these projects on several occasions. A few projects, such as Sierra Creek Park, remains tentative due to delays by State Parks regarding Proposition 68 grant funding. Others, including Ridgepoint Park and the Park Master Plan, require board funding approval, which is scheduled for the December 9 BOD meeting. A number of projects on this list are currently underway and will be completed within the current fiscal year, while others, due in part to the complexity and challenges of the project, will carry-over into the follow fiscal year or beyond.

DISCUSSION

Attachment (A) represents the current project list. Each project includes the following information:

- Tentative Project Timeline: Tentative dates for the project start/completion.
- Project description: Includes a brief description of the project.
- Board of Director’s Approval: Has the board previously approved the project? If not, when?
- Public Participation: Does the project require public involvement?
- Budget: Project budget amount and how it will be funded.
- Contracted or In-House Staff: Will the project substantially be contracted out or completed by in-house staff or a combination of both?

PROJECT STAFFING

Each proposed project requires staff involvement, some more than others. A few projects, such as the purchase and installation of the HVAC unit, ADA district office/community center electronic doors, building carpet replacement and park pathway improvements require informal bidding, selection of firms and scheduling/coordinating installation timelines. All of this requires a commitment of staff time, especially when multiple projects overlap one another, while other district work tasks continue to be addressed.

Larger projects, such as development of Sierra Creek Park, District Park and Recreation Master Plan, ADA Transition Plan, Ridgepoint and Chardonnay Park children’s playground equipment require extensive “hands on staff involvement”, while also contracted out. Some of these projects will require the

development of an RFP (Request for Proposal), development of scope of work, negotiating contracts, consultant selection, development of project bids, hiring architects/design firms, engineers, contractors, filing project financial reports, accounting and grant reimbursement, along with the day to day oversight of these projects, all of which may require the district to hire an outside project manager or management team.

These projects, along with the normal “day to day” district operations, requires an unbelievable amount of staff time and commitment by the district. Certain staff members will be required to work evenings, occasional weekends, possibly holidays and hours well above normal expectations. This is the result of managing projects with a very small team. The loss, temporarily or permanently by a member of the district staff assigned to these projects, will have a huge impact on staff’s ability to meet project timelines.

#### RECOMMENDATION

Staff recommends that the Board of Director’s approve the proposed district project list as presented, with the understanding that several unfunded projects identified on the list will need board funding approval as part of the December 2021 mid-year budget adjustment.

# ATTACHMENT (A)

## FY 2021-FY 2023 Projected District Project Work Plan

### **Sierra Creek Park:**

The district has submitted an application for a \$2.85 million grant through the Proposition 68 Statewide Park Program to design and construct Sierra Creek Park. This park site is a 7.2 acre parcel located at Watt Avenue and Davidson Drive, Antelope. Our state parks grant officer has informed our district that it anticipates awarding Round 4 project grants sometime in “early fall” 2021. Sierra Creek Park will include children’s playground equipment for various age groups; group and individual covered picnic areas, pedestrian trail system, a community garden, parking lot, outdoor performance area, pedestrian bridges crossing the creek, information placards identifying wildlife found in the park and creek area, trail exercise stations, community art, etc.

Tentative Project Timeline: Winter 2021-March 2025 \*  
Board of Directors Approved: Yes  
Public Participation: Yes  
Budget: \$2.85 Million (Contingent upon receiving state grant funds)  
Contracted or In-House Staff: Combination of contacting for design service, construction (bid process) and contract management TBA.

\*The grant covers a period of approximately 2.5 years. Because State Parks has delayed the grant approval period, it is anticipated that the Tentative Project Timeline will be readjusted once the grants have been awarded.

### **District Parks and Recreation Master Plan:**

Contingent upon funding approval by the district’s Board of Directors (December 2021), the district will embark upon developing a new comprehensive “10 Year Parks and Recreation Facilities Master Plan.” This document will provide an inclusive framework for orderly and consistent planning for a wide variety of district projects, including land acquisition, development, and administration of parks and recreation resources, programs, and facilities.

This Master Plan will serve as a road map for providing high quality parks and recreation facilities for residents and visitors to the North Highlands Recreation and Park District. It will include a detailed examination of existing park sites and recreation facilities, providing the basis for an in-depth community discussion and analysis of the needs and priorities of park and facility users.

Tentative Project Timeline: March 2022-January 2023  
Board of Directors Approved: December 2021  
Public Participation: Yes  
Budget: \$90,000 (General Fund)

Contracted or In-House Staff: Combination of both. The Master Plan will be contracted out to a planning firm that specializes in developing park and recreation master plans. Staff, the BOD and community will have an active role in this development.

\*Funding for this project will be included as part of the District's Mid-Year Budget Adjustment Plan. This plan and budget request will be presented to the Board of Directors as part of the December 9, 2021 board meeting.

**Americans with Disabilities (ADA) Transition Plan:**

The district has contracted with DAC (Disability Access Consultants) to complete the ADA Transition Plan and ADA Self-Evaluation Plan. The objective is to review and evaluate all district facilities to ensure that they ADA compliant or that a plan is developed that will make them compliant over a period of time.

Tentative Project Timeline: October 2021 – October 2022  
Board of Directors Approved: Yes (FY 2021-2022 Budget)  
Public Participation: No (Staff driven)  
Budget: \$50,000 (General Fund)  
Contracted or In-House Staff: Combination of both. This project has been contracted with DAC, but will rely heavily on staff involvement.

**Chardonnay Park Children's Playground Equipment Replacement and Turf Renovation Project:**

Chardonnay Park is a 3.4 acre neighborhood park located at La Tour and Monument Drive, North Highlands. New children's play equipment, benches and tables will replace the current aging park equipment. Additionally, the park turf area will be renovated to improve the existing turf area. This is a separate project that will begin in early 2022.

Tentative Project Timeline: January 2022 – July 2022 (Children's play equipment). Turf renovation project is ongoing for approximately 18 months.  
Board of Directors Approval: Yes (FY 2021-2022 Budget)  
Public Participation: Yes (Selection of play equipment and color scheme)  
Budget: \$100,000 (playground equipment) \$15,000 Turf renovation. The playground equipment will be funded by the General Fund and Developer Impact Fees. Turf renovations will be funded by the General Fund.  
Contracted or In-House Staff: The equipment, installation and demolition of existing equipment will be contracted out. Staff will coordinate the planning process.

**Ridgepoint Park Children's Playground Equipment Replacement and Turf Renovation Project:**

Ridgepoint Park is a 6.0 acre neighborhood park located at Tipwood Way, Sacramento, CA. New children's playground equipment, benches and picnic tables will replace the older equipment located in the park. Additionally, the park turf area will be renovated to improve the existing turf area. This is a separate project that will begin in November-December 2021.



Tentative Project Timeline: January 2022 – July 2022 (Children’s play equipment). Turf renovation project is ongoing for approximately 18 months.

Board of Directors Approval: December 2021 (Mid-Year Budget Adjustment Request)

Public Participation: Yes (Selection of play equipment and color scheme)

Budget: \$120,000 (playground equipment) \$15,000 Turf renovation. The playground equipment will be funded by the General fund and Developer Impact Fees. Turf renovations will be funded by the General Fund.

Contracted or In-House Staff: The equipment, installation and demolition of existing equipment will be contracted out. Staff will coordinate the planning process.

**Park Concrete Pathway Replacement/Strizek Park Irrigation System Evaluation**

Remove and replace portions of concrete park pathways and Strizek Park Irrigation System Evaluation.

Tentative Project Timeline: FY 2021-2022

Board of Directors Approval: Yes (FY 2021-2022 Budget)

Public Participation: No

Budget: \$45,000 (General Fund)

Contracted or In-House Staff: Both projects will be contracted out to concrete and irrigation firms. Will require in-house staff support.

**ADA Electronic Automatic Doors: Community Center and District Office**

Replace existing hand operated glass entrance doors with push button electronic ADA compliant doors.

Tentative Project Timeline: FY 2021-2022

Board of Directors Approval: Yes. FY 2021-2022 Budget.

Public Participation: No

Budget: \$75,000 (Part of a group project improvement package\*). General Fund.

Contracted or In-House Staff: Contracted out to a firm that specializes in the installation of glass ADA electronic doors. Will require in-house staff support.

**HVAC Replacement: Community Center**

Heating, Ventilation, and Air Conditioning Unit. To be placed on the CC roof.

Tentative Project Timeline: FY 2021-2022

Board of Directors Approval: Yes. FY 2021-2022 Budget.

Public Participation: No

Budget: \$75,000 (Part of a group project improvement package\*). General Fund.

Contracted or In-House Staff: Contracted out to an HVAC firm. Requires in-house staff support.

**District Office Carpet Replacement:**

Replace existing carpet in the District office area, employee offices, and lobby and hallway area.

Tentative Project Timeline: FY 2021-2022  
Board of Directors Approval: Yes. FY 2021-2022 Budget  
Public Participation: No  
Budget: \$75,000 (Part of a group project improvement package\*). General Fund.  
Contracted or In-House Staff: Contracted with in-house staff support.