

## BOARD OF DIRECTORS REGULAR MEETING

Thursday, May 23, 2024 – 4:00 P.M.

If you need an accommodation to participate in this meeting, please call (530) 895-4711  
Agenda posted prior to 4:00 PM Monday, May 20, 2024

### **BOARD MEMBERS**

Michael McGinnis, Chair  
Dave Donnan, Vice Chair  
Tom Lando  
Christopher Norden  
Michael Worley

### **CARD STAFF**

Annabel Grimm, General Manager  
Angela Carpenter, Finance Manager  
Holli Drobny, Business Services Manager  
Anjie Goulding, Recreation Director  
Scott Schumann, Parks and Facilities Director

### **LEGAL COUNSEL**

Jackson Glick, Sac Valley Law

## **A G E N D A**

### **Zoom Meeting Information:**

<https://card.zoom.us/j/81607636750?pwd=R1NNUkZPYi9ySGNsNVQ3OXh0U1hoZz09>

Meeting ID: 816 0763 6750

Passcode: 156857

### **1. CALL TO ORDER**

1.1. Roll Call

### **2. PUBLIC COMMENTS**

*Members of the public may address the Committee at this time on any matter not already listed on the Agenda, with comments being limited to three minutes. The Committee cannot take any action at this meeting on requests made under this section of the agenda.*

### **3. CONSENT AGENDA**

3.1. Minutes of the Regular Meeting of the Board of Directors on April 25, 2024

*Action Requested: Board of Directors approve the minutes.*

3.2. Monthly Financial Reports (Staff Report FI-24-015) *Action Requested: Board of Directors approve the following Monthly Financial Reports.*

- January 2024
- February 2024
- April 2024

3.3. Irrigation Improvement Project Award (Staff Report FI-24-022) *Action Requested: The Board of Directors will award an irrigation firm to provide improvements to various irrigation throughout the District.*

#### 4. REGULAR AGENDA

4.1. Committee Report Out – *Information provided, discussion, possible action.*

- Finance Committee
- Facility Committee (no meeting)

4.2. Authorizing the Destruction of Records (Staff Report 24-025 & Resolution 24-008)  
*Action requested: Board of Directors adopts Resolution 24-008.*

Resolution 24-008 authorizes the destruction of certain expired records as provided in Government Code Sections 60200-60203 guidelines.

4.3. Establishing Appropriations Limits for Fiscal Year 2024-2025 (Staff Report FI-24-020 and Resolution 24-009) *Action Requested: Board of Directors adopt Resolution 24-009 establishing Appropriations Limits for the 2024-2025 Fiscal Year.*

Establishing annual appropriation limits for Special Districts, as required by Proposition 4, authorizes a limit of funds to be spent by the District.

4.4. Adopting the Final Budget for Fiscal Year 2024-2025 (Staff Report FI-24-021 and Resolution 24-010) *Action Requested: Board of Directors approve Resolution 24-010.*

Resolution 24-010 adopts the Final Budget for the 2024-2025 Fiscal Year.

4.5. Items Removed from the Consent Agenda

#### 5. NEW BUSINESS

5.1. DeGarmo Beyond Golf Lease (Staff Report 24-026) *Action Requested: The Board of Directors approves the lease between the District and Beyond Golf at DeGarmo Community Park.*

The District would like to complete the lease with Beyond Golf to begin developing Phase One of the golf project at DeGarmo.

5.2. Observatory Lease (Staff Report 24-027) *Action Requested: The Board of Directors approves the lease between the District and the City of Chico for the Chico Observatory.*

The City of Chico approved the pending lease for the Chico Observatory on May 21, 2024.

5.3. 2024-2025 Ice Rink Operating Discussion (Staff Report 24-028) *Information provided, discussion, possible action.*

The District is requesting Board review and discussion related to the upcoming Winter Season Ice Rink Operation.

5.4. Bocce Ball Court Proposed Donation (Staff Report 24-029) *Action Requested: The Board of Directors approves the proposal by Debra Cannon to install an art fixture made of concrete in recognition of other significant donations and accept a donation of four bocce scoreboards.*

**6. DIRECTOR COMMENTS**

Opportunity for the Board to comment on items not listed on the agenda.

**7. STAFF COMMENTS**

Opportunity for District Staff to comment on items not listed on the agenda.

- Recreation Update (Staff Report 24-030)
- Parks and Facilities Update (Staff Report 24-031)
- General Manager Update (Staff Report 24-032)

**8. CLOSED SESSION**

Pursuant to Government Code 54956.9: Conference with Legal Counsel-Existing Litigation – Tarman

Pursuant to Government Code 54957.6 Conference with Labor Negotiators  
Agency Designated Representative: Annabel Grimm, General Manager

**9. ADJOURNMENT**

Adjourn to the next meeting of the Board of Directors of the Chico Area Recreation and Park District.

## BOARD OF DIRECTORS REGULAR MEETING MINUTES

April 25, 2024 – 4:00 P.M.

**DRAFT**

**Board Members Present:** Michael McGinnis, Chair  
Dave Donnan, Vice-Chair  
Christopher Norden, Board Member  
Michael Worley, Board Member

**Board Members Absent:** Tom Lando, Board Member

**Staff Members Present:** Annabel Grimm, General Manager  
Angela Carpenter, Finance Manager  
Holli Drobny, Business Services Manager  
Anjie Goulding, Recreation Manager  
Scott Schumann, Parks and Facilities Manager

**Legal Counsel Present:** Jackson Glick, Attorney at Law

### 1. CALL TO ORDER

The meeting was called to order at 4:00, and a roll call was taken, as noted above.

### 2. PUBLIC COMMENTS

There were none.

### 3. CONSENT AGENDA

- 3.1. Minutes of the Regular Meeting of the Board of Directors on March 28, 2024  
*Action Requested: Board of Directors approve the minutes.*
- 3.2. March Monthly Financial Report (Staff Report FI-24-015) *Action Requested: Board of Directors approve the Monthly Financial Report.*
- 3.3. Lakeside Pavilion Audio Improvements (Staff Report FI-24-014) *Action Requested: Board of Directors approve the budget reallocation for the Lakeside Pavilion audio equipment improvement project.*
- 3.4. Rotary Centennial Neighborhood Park Enhancements (Staff Report FA-24-008)  
*Action Requested: Board of Directors approve the work plan and the ADA budget reallocation.*

**M/S/C/ (Directors Worley/Norden)** Board of Directors approved the consent agenda.  
**The motion was unanimously approved.**

Absent: Lando

### 4. REGULAR AGENDA

- 4.1. Committee Report Out – Information Provided
  - 4.1.1. Finance Committee
  - 4.1.2. Facility Committee

Director McGinnis directed staff to get a better understanding if the District can own land outside of the sphere of influence.

4.2. Public Hearing of Continuation of Landscape and Lighting Assessment Districts (Staff Report FI-24-018 & Resolution 24-007)

The public hearing was opened at 4:10PM and closed at 4:11PM.

**M/S/C/ (Directors McGinnis/Donnan)** Board of Directors approved Resolution 24-007 which approves engineer's reports, confirms diagram and assessment, and orders the continuation of the levy of assessment for Fiscal Year 2024-25 for the Oak Way, Amber Grove/Greenfield, and Baroni Neighborhood Park and Open Space (No. LLD 001-05) Landscaping and Lighting Assessment Districts.

**The motion was unanimously approved.**

Absent: Lando

4.3. Public Hearing for Fiscal Year 2024-2025 Budget (Staff Report FI-24-017)

The Board of Directors held a public hearing to provide an opportunity for the public to provide comments regarding the proposed adoption of the Final Budget for the 2024-25 Fiscal Year. The public hearing was opened at 4:13PM and closed at 4:14PM. There were no public comments.

## 5. NEW BUSINESS

5.1. Resolution Acknowledging Significant Donation (Resolution 24-006)

**M/S/C/ (Directors McGinnis/Donnan)** Board of Directors approved Resolution 24-006 which acknowledges the significant donations that were made to the District by the Cannon Family Trust to the Bocce Courts at Community Park.

**The motion was unanimously approved.**

Absent: Lando

5.2. Painting Bocce Court Shed (Staff Report 24-019)

**M/S/C/ (Directors McGinnis/Norden)** Board of Directors made a motion to allow the Chico Bocce Club to paint their logo on the shed that they donated, located at the Bocce Courts at Community Park.

**The motion was unanimously approved.**

Absent: Lando

5.3. DeGarmo Beyond Golf Lease (Staff Report 24-020)

District staff provided an update on the pending lease with Beyond Golf to begin the development of Phase One of the golf project at DeGarmo.

5.4. DeGarmo Golf Project Development – CEQA/Initial Study Tiering (Staff Report 24-021)

**M/S/C/ (Directors McGinnis/Worley)** Board of Directors approved tiering off the Initial Study and Mitigated Negative Declaration (MND) under the condition that the developer shall comply with the mitigation measures set forth by the adopted Mitigated Negative Declaration AP# 006-220-014, 014, Use Permit UP03-13, State Clearinghouse #2002012025.

**The motion was unanimously approved.**

Absent: Lando

## **6. DIRECTORS' COMMENTS**

## **7. STAFF COMMENTS**

## **8. CLOSED SESSION**

Pursuant to Government Code 54956.9: Conference with Legal Counsel-Existing Litigation – Tarman

CLOSED SESSION ANNOUNCEMENT- Information received, no action taken.

Pursuant to Government Code 54957: Public Employment Performance Review – General Manager

CLOSED SESSION ANNOUNCEMENT- Information received, no action taken.

## **9. ADJOURNMENT**

Adjourned to the next meeting of the Board of Directors of the Chico Area Recreation and Park District at 5:10.

**Finance Committee**

# STAFF REPORT

**DATE:** March 28, 2024  
**TO:** Board of Directors  
**FROM:** Angie Carpenter  
**SUBJECT:** January and February Monthly Financials

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**ANALYSIS**

Since January and February financial reports are attached, highlights from the February financial are as follows:

- February represents **66%** of the budget for the year.
- Overall Revenue is at 87.6% noted on page 7.
- Investment income is over \$410,000 through February. The figure includes interest proceeds from CLASS, the CD that matured and was converted into a Money Market account, and LAIF.
- Full-time salaries appear to be trending higher than pace due to the number of pay periods in the year.
- Operating expenses are 65.74% of the budget (page 8) and include expenses that were previously tracked as Capital Project e.g., ADA Improvements and Deferred Maintenance. The project accounting module began implementation this week and will be used to track expenses associated with those projects.
- Annual expenses paid in full and planned purchases of computers and equipment are inflating the YTD percentage.
  - o Equipment contains \$28,700 for lighting and sound equipment for the Ice Rink that will be reimbursed.
  - o Contract services contain ~\$170K of contract instructor payments. The income offsets are in Camps and Classes.
  - o Transportation is higher than budgeted. However, the income offsets are similar to Contract Services.
  - o Water and Electricity expenses have decreased for the winter months, while Gas will start to trend high during the same period.



Chico Area Recreation and Park District

# Budget Report Group Summary

For Fiscal: FY 2024 Period Ending: 01/31/2024

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 60 - Baroni Park</b>							
<b>Revenue</b>							
5015 - Assessments	162,300.00	162,300.00	0.00	0.00	0.00	-162,300.00	0.00%
<b>Revenue Total:</b>	<b>162,300.00</b>	<b>162,300.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-162,300.00</b>	<b>0.00%</b>
<b>Expense</b>							
6010 - Wages: Full-Time	123,250.00	123,250.00	1,600.22	54,903.12	0.00	68,346.88	44.55%
6015 - Wages: Part-Time	0.00	0.00	306.03	306.03	0.00	-306.03	0.00%
6110 - Health Insurance	0.00	0.00	272.88	272.88	0.00	-272.88	0.00%
6212 - Contract Services	4,241.00	4,241.00	0.00	3,340.05	0.00	900.95	78.76%
6248 - Supplies	3,000.00	3,000.00	0.00	511.37	0.00	2,488.63	17.05%
6310 - Building and Improvements	0.00	0.00	0.00	236.36	0.00	-236.36	0.00%
6345 - Vandalism	200.00	200.00	0.00	0.00	0.00	200.00	0.00%
6350 - Repairs & Maintenance	14,109.00	14,109.00	97.37	97.37	0.00	14,011.63	0.69%
6450 - Water	12,500.00	12,500.00	690.94	7,925.81	0.00	4,574.19	63.41%
<b>Expense Total:</b>	<b>157,300.00</b>	<b>157,300.00</b>	<b>2,967.44</b>	<b>67,592.99</b>	<b>0.00</b>	<b>89,707.01</b>	<b>42.97%</b>
<b>Fund: 60 - Baroni Park Surplus (Deficit):</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>-2,967.44</b>	<b>-67,592.99</b>	<b>0.00</b>	<b>-72,592.99</b>	<b>-1,351.86%</b>



**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 63 - Indigo Park</b>							
<b>Revenue</b>							
5015 - Assessments	30,000.00	30,000.00	0.00	0.00	0.00	-30,000.00	0.00%
<b>Revenue Surplus (Deficit):</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-30,000.00</b>	<b>0.00%</b>
<b>Expense</b>							
6010 - Wages: Full-Time	22,000.00	22,000.00	1,600.22	1,600.22	0.00	20,399.78	7.27%
6015 - Wages: Part-Time	0.00	0.00	306.03	306.03	0.00	-306.03	0.00%
6110 - Health Insurance	0.00	0.00	272.88	272.88	0.00	-272.88	0.00%
6212 - Contract Services	0.00	0.00	0.00	9,332.00	0.00	-9,332.00	0.00%
6350 - Repairs & Maintenance	8,000.00	8,000.00	0.00	793.28	0.00	7,206.72	9.92%
6410 - Electric	0.00	0.00	62.08	122.23	0.00	-122.23	0.00%
6450 - Water	0.00	0.00	381.04	975.48	0.00	-975.48	0.00%
<b>Expense Total:</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>2,622.25</b>	<b>13,402.12</b>	<b>0.00</b>	<b>16,597.88</b>	<b>44.67%</b>
<b>Fund: 63 - Indigo Park Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,622.25</b>	<b>-13,402.12</b>	<b>0.00</b>	<b>-13,402.12</b>	<b>0.00%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 65 - Oak Way Park</b>							
<b>Revenue</b>							
5015 - Assessments	23,800.00	23,800.00	0.00	0.00	0.00	-23,800.00	0.00%
5181 - Operating Transfer In	121,000.00	121,000.00	0.00	0.00	0.00	-121,000.00	0.00%
<b>Revenue Surplus (Deficit):</b>	<b>144,800.00</b>	<b>144,800.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-144,800.00</b>	<b>0.00%</b>
<b>Expense</b>							
6010 - Wages: Full-Time	105,000.00	105,000.00	2,068.17	62,478.17	0.00	42,521.83	59.50%
6015 - Wages: Part-Time	0.00	0.00	169.92	169.92	0.00	-169.92	0.00%
6110 - Health Insurance	0.00	0.00	357.76	357.76	0.00	-357.76	0.00%
6210 - General Services	1,000.00	1,000.00	230.00	1,332.82	0.00	-332.82	133.28%
6212 - Contract Services	6,850.00	6,850.00	0.00	3,340.03	0.00	3,509.97	48.76%
6248 - Supplies	8,000.00	8,000.00	0.00	0.00	0.00	8,000.00	0.00%
6310 - Building and Improvements	0.00	0.00	0.00	2,926.58	0.00	-2,926.58	0.00%
6345 - Vandalism	1,000.00	1,000.00	0.00	7,213.89	0.00	-6,213.89	721.39%
6350 - Repairs & Maintenance	14,350.00	14,350.00	77.16	77.16	0.00	14,272.84	0.54%
6410 - Electric	6,600.00	6,600.00	734.51	5,497.48	0.00	1,102.52	83.30%
6430 - Refuse	0.00	0.00	958.16	958.16	0.00	-958.16	0.00%
6440 - Sewer	0.00	0.00	65.68	65.68	0.00	-65.68	0.00%
6450 - Water	2,000.00	2,000.00	261.87	809.55	0.00	1,190.45	40.48%
<b>Expense Total:</b>	<b>144,800.00</b>	<b>144,800.00</b>	<b>4,923.23</b>	<b>85,227.20</b>	<b>0.00</b>	<b>59,572.80</b>	<b>58.86%</b>
<b>Fund: 65 - Oak Way Park Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>-4,923.23</b>	<b>-85,227.20</b>	<b>0.00</b>	<b>-85,227.20</b>	<b>0.00%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 67 - Peterson Park</b>							
<b>Revenue</b>							
5015 - Assessments	42,400.00	42,400.00	0.00	0.00	0.00	-42,400.00	0.00%
5181 - Operating Transfer In	79,000.00	79,000.00	0.00	0.00	0.00	-79,000.00	0.00%
<b>Revenue Surplus (Deficit):</b>	<b>121,400.00</b>	<b>121,400.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-121,400.00</b>	<b>0.00%</b>
<b>Expense</b>							
6010 - Wages: Full-Time	90,500.00	90,500.00	2,068.17	41,156.92	0.00	49,343.08	45.48%
6015 - Wages: Part-Time	0.00	0.00	169.92	169.92	0.00	-169.92	0.00%
6110 - Health Insurance	0.00	0.00	357.76	357.76	0.00	-357.76	0.00%
6212 - Contract Services	4,182.00	4,182.00	0.00	3,340.03	0.00	841.97	79.87%
6248 - Supplies	818.00	818.00	0.00	568.08	0.00	249.92	69.45%
6310 - Building and Improvements	0.00	0.00	0.00	736.20	0.00	-736.20	0.00%
6350 - Repairs & Maintenance	2,000.00	2,000.00	2,069.53	12,104.14	0.00	-10,104.14	605.21%
6410 - Electric	100.00	100.00	14.86	73.06	0.00	26.94	73.06%
6450 - Water	23,800.00	23,800.00	911.25	12,876.09	0.00	10,923.91	54.10%
<b>Expense Total:</b>	<b>121,400.00</b>	<b>121,400.00</b>	<b>5,591.49</b>	<b>71,382.20</b>	<b>0.00</b>	<b>50,017.80</b>	<b>58.80%</b>
<b>Fund: 67 - Peterson Park Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>-5,591.49</b>	<b>-71,382.20</b>	<b>0.00</b>	<b>-71,382.20</b>	<b>0.00%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 70 - City Impact Fees</b>							
<b>Revenue</b>							
5020 - Park Impact Fees	2,000,000.00	2,000,000.00	0.00	0.00	0.00	-2,000,000.00	0.00%
<b>Revenue Surplus (Deficit):</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,000,000.00</b>	<b>0.00%</b>
<b>Fund: 70 - City Impact Fees Surplus (Deficit):</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,000,000.00</b>	<b>0.00%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 80 - County Impact Fees</b>							
<b>Revenue</b>							
5020 - Park Impact Fees	60,000.00	60,000.00	7,125.00	26,125.00	0.00	-33,875.00	43.54%
<b>Revenue Surplus (Deficit):</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>7,125.00</b>	<b>26,125.00</b>	<b>0.00</b>	<b>-33,875.00</b>	<b>43.54%</b>
<b>Fund: 80 - County Impact Fees Surplus (Deficit):</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>7,125.00</b>	<b>26,125.00</b>	<b>0.00</b>	<b>-33,875.00</b>	<b>43.54%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 90 - General Funds</b>							
<b>Revenue</b>							
5021 - Current Secured	4,676,215.00	4,676,215.00	0.00	33,182.13	0.00	-4,643,032.87	0.71%
5027 - Other Taxes	0.00	0.00	0.00	2,835.73	0.00	2,835.73	0.00%
5029 - Homeowner	54,068.00	54,068.00	16,708.45	23,869.21	0.00	-30,198.79	44.15%
5030 - RDA Pass Through	1,600,000.00	1,600,000.00	741,714.01	1,668,344.83	0.00	68,344.83	104.27%
5035 - Rebates & Reimbursed Costs	38,500.00	38,500.00	-14,979.58	2,807.19	0.00	-35,692.81	7.29%
5040 - Reimbursements-City Parks	290,000.00	290,000.00	0.00	359,473.34	0.00	69,473.34	123.96%
5045 - County Pass-Through	0.00	0.00	0.00	1,850.39	0.00	1,850.39	0.00%
5046 - Prior Years Unsecured	10,000.00	10,000.00	0.00	4,456.39	0.00	-5,543.61	44.56%
5047 - Current Supplemental	155,986.00	155,986.00	0.00	30,056.38	0.00	-125,929.62	19.27%
5048 - Prop Tax Backfill Pro Rata Share	0.00	0.00	0.00	1,550.00	0.00	1,550.00	0.00%
5049 - Current Unsecured	253,731.00	253,731.00	0.00	289,898.82	0.00	36,167.82	114.25%
5105 - Administrative Fees	0.00	0.00	0.00	853.00	0.00	853.00	0.00%
5110 - Program Income	4,452,500.00	4,452,500.00	155,686.28	2,663,728.76	0.00	-1,788,771.24	59.83%
5120 - Rental Income	475,000.00	475,000.00	17,884.94	273,259.12	0.00	-201,740.88	57.53%
5130 - Donations	0.00	0.00	5,310.00	12,207.21	0.00	12,207.21	0.00%
5140 - Endowments	10,000.00	10,000.00	0.00	4,606.32	0.00	-5,393.68	46.06%
5150 - Investment Income	100,000.00	100,000.00	55,337.23	242,959.78	0.00	142,959.78	242.96%
5160 - Grant Proceeds	0.00	0.00	7,303.16	7,303.16	0.00	7,303.16	0.00%
5170 - Other Income	5,000.00	5,000.00	-14,248.93	36,020.01	0.00	31,020.01	720.40%
5180 - Scholarships	0.00	0.00	-372.71	-267.11	0.00	-267.11	0.00%
5210 - Event Tickets	0.00	0.00	213,149.84	301,475.68	0.00	301,475.68	0.00%
5230 - Silent Auction	0.00	0.00	0.00	12,511.07	0.00	12,511.07	0.00%
5240 - Sponsorship	0.00	0.00	0.00	46,000.00	0.00	46,000.00	0.00%
<b>Revenue Surplus (Deficit):</b>	<b>12,121,000.00</b>	<b>12,121,000.00</b>	<b>1,183,492.69</b>	<b>6,018,981.41</b>	<b>0.00</b>	<b>-6,102,018.59</b>	<b>49.66%</b>
<b>Expense</b>							
2028 - FICA	537,075.00	537,075.00	0.00	204,552.34	0.00	332,522.66	38.09%
2038 - Medicare and Social Security - Employer	0.00	0.00	18,771.19	18,771.19	0.00	-18,771.19	0.00%
5180 - Scholarships	25,000.00	25,000.00	0.00	4,145.31	0.00	20,854.69	16.58%
6010 - Wages: Full-Time	3,500,000.00	3,500,000.00	410,101.44	2,289,582.03	0.00	1,210,417.97	65.42%
6015 - Wages: Part-Time	3,435,000.00	3,435,000.00	164,514.31	1,657,678.28	0.00	1,777,321.72	48.26%
6020 - Wages: Seasonal	0.00	0.00	96,643.74	142,684.73	0.00	-142,684.73	0.00%
6025 - Wages: Overtime	0.00	0.00	48.67	159.11	0.00	-159.11	0.00%
6050 - Accumulated Leave Buy Back	40,000.00	40,000.00	0.00	0.00	0.00	40,000.00	0.00%
6110 - Health Insurance	645,000.00	645,000.00	56,322.20	226,684.36	0.00	418,315.64	35.14%
6120 - Payroll Taxes	0.00	0.00	0.00	-54,097.78	0.00	54,097.78	0.00%
6125 - Retirement Contributions	625,000.00	625,000.00	-26,343.90	258,632.98	0.00	366,367.02	41.38%
6130 - Unemployment Insurance	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	0.00%
6135 - Workers' Compensation Insurance	120,000.00	120,000.00	0.00	134,851.11	0.00	-14,851.11	112.38%
6150 - Allocation to Other Funds	-340,750.00	-340,750.00	0.00	0.00	0.00	-340,750.00	0.00%

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original	Current	Period	Fiscal	Encumbrances	Variance	Percent Used
	Total Budget	Total Budget	Activity	Activity		Favorable (Unfavorable)	
6210 - General Services	506,000.00	506,000.00	42,385.32	261,868.46	0.00	244,131.54	51.75%
6212 - Contract Services	490,880.00	490,880.00	143,548.16	299,548.47	0.00	191,331.53	61.02%
6215 - Bank Fees & Credit Card Charges	0.00	0.00	9,127.52	10,851.03	0.00	-10,851.03	0.00%
6218 - Board Meeting Expense	10,000.00	10,000.00	450.00	2,850.00	0.00	7,150.00	28.50%
6220 - Communications	70,000.00	70,000.00	11,458.74	37,067.66	0.00	32,932.34	52.95%
6222 - Compensation - Instructors	0.00	0.00	9,630.04	158,539.94	0.00	-158,539.94	0.00%
6226 - Equipment	44,500.00	44,500.00	0.00	77,575.92	0.00	-33,075.92	174.33%
6228 - Fuel	60,000.00	60,000.00	10,733.39	45,984.47	0.00	14,015.53	76.64%
6230 - Hospitality	20,000.00	20,000.00	2,087.96	5,690.08	0.00	14,309.92	28.45%
6232 - Insurance	340,600.00	340,600.00	971.27	372,541.88	0.00	-31,941.88	109.38%
6234 - Miscellaneous	30,000.00	30,000.00	1,526.73	13,001.09	0.00	16,998.91	43.34%
6236 - Marketing	50,000.00	50,000.00	5,761.53	31,113.59	0.00	18,886.41	62.23%
6238 - Publications and Legal Notices	1,000.00	1,000.00	0.00	295.06	0.00	704.94	29.51%
6240 - Professional Development	40,000.00	40,000.00	1,294.99	10,270.14	0.00	29,729.86	25.68%
6242 - Recruitment	20,000.00	20,000.00	5,507.67	13,084.13	0.00	6,915.87	65.42%
6244 - Program Apparel	49,500.00	49,500.00	576.09	11,419.96	0.00	38,080.04	23.07%
6246 - Uniform Apparel	30,000.00	30,000.00	3,680.42	12,225.14	0.00	17,774.86	40.75%
6248 - Supplies	340,000.00	340,000.00	48,669.50	171,306.91	0.00	168,693.09	50.38%
6258 - Equipment Rental	0.00	0.00	726.79	956.78	0.00	-956.78	0.00%
6260 - Rent/Lease Structures	2,000.00	2,000.00	500.00	1,500.00	0.00	500.00	75.00%
6262 - Small Tools/Minor Equipment	25,000.00	25,000.00	12,901.38	22,733.48	0.00	2,266.52	90.93%
6263 - Furniture and Fixtures	0.00	0.00	4,628.02	5,425.82	0.00	-5,425.82	0.00%
6264 - Technology Hardware (under \$25K)	30,000.00	30,000.00	2,847.47	23,975.96	0.00	6,024.04	79.92%
6266 - Technology Software (under \$25K)	100,000.00	100,000.00	14,930.55	74,950.19	0.00	25,049.81	74.95%
6268 - Transportation	4,000.00	4,000.00	0.00	0.00	0.00	4,000.00	0.00%
6270 - Travel	10,000.00	10,000.00	419.93	764.46	0.00	9,235.54	7.64%
6272 - Use Tax	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	0.00%
6281 - Operating Transfer Out	200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	0.00%
6310 - Building and Improvements	0.00	0.00	0.00	10,126.73	0.00	-10,126.73	0.00%
6315 - Equipment Maintenance	50,500.00	50,500.00	4,041.28	28,910.82	0.00	21,589.18	57.25%
6325 - Vehicle Maintenance	25,000.00	25,000.00	929.27	9,812.26	0.00	15,187.74	39.25%
6345 - Vandalism	5,000.00	5,000.00	471.24	2,186.97	0.00	2,813.03	43.74%
6350 - Repairs & Maintenance	250,000.00	250,000.00	28,029.62	41,928.23	0.00	208,071.77	16.77%
6355 - Structures and Grounds	0.00	0.00	0.00	5,401.19	0.00	-5,401.19	0.00%
6365 - ADA Improvements	0.00	0.00	1,865.00	1,865.00	0.00	-1,865.00	0.00%
6375 - Deferred Maintenance	0.00	0.00	40,912.64	40,912.64	0.00	-40,912.64	0.00%
6410 - Electric	323,300.00	323,300.00	22,921.98	228,865.27	0.00	94,434.73	70.79%
6420 - Gas	75,000.00	75,000.00	5,271.93	17,119.36	0.00	57,880.64	22.83%
6430 - Refuse	0.00	0.00	12,874.64	12,874.64	0.00	-12,874.64	0.00%
6440 - Sewer	20,000.00	20,000.00	7,697.54	12,771.95	0.00	7,228.05	63.86%
6450 - Water	121,700.00	121,700.00	11,697.88	93,295.71	0.00	28,404.29	76.66%
6920 - Depreciation	0.00	0.00	0.00	406,196.22	0.00	-406,196.22	0.00%

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 01/31/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used
6930 - Contribution to Other Agencies	15,000.00	15,000.00	0.00	12,865.49	0.00	2,134.51	85.77%
<b>Expense Total:</b>	<b>11,966,805.00</b>	<b>11,966,805.00</b>	<b>1,191,134.14</b>	<b>7,474,316.76</b>	<b>0.00</b>	<b>4,492,488.24</b>	<b>62.46%</b>
<b>Fund: 90 - General Funds Surplus (Deficit):</b>	<b>154,195.00</b>	<b>154,195.00</b>	<b>-7,641.45</b>	<b>-1,455,335.35</b>	<b>0.00</b>	<b>-1,609,530.35</b>	<b>-943.83%</b>
<b>Report Surplus (Deficit):</b>	<b>2,219,195.00</b>	<b>2,219,195.00</b>	<b>-16,620.86</b>	<b>-1,666,814.86</b>	<b>0.00</b>	<b>-3,886,009.86</b>	<b>-75.11%</b>



**Fund Summary**

<b>Fund</b>	<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>Period Activity</b>	<b>Fiscal Activity</b>	<b>Encumbrances</b>	<b>Variance Favorable (Unfavorable)</b>
60 - Baroni Park	5,000.00	5,000.00	-2,967.44	-67,592.99	0.00	-72,592.99
63 - Indigo Park	0.00	0.00	-2,622.25	-13,402.12	0.00	-13,402.12
65 - Oak Way Park	0.00	0.00	-4,923.23	-85,227.20	0.00	-85,227.20
67 - Peterson Park	0.00	0.00	-5,591.49	-71,382.20	0.00	-71,382.20
70 - City Impact Fees	2,000,000.00	2,000,000.00	0.00	0.00	0.00	-2,000,000.00
80 - County Impact Fees	60,000.00	60,000.00	7,125.00	26,125.00	0.00	-33,875.00
90 - General Funds	154,195.00	154,195.00	-7,641.45	-1,455,335.35	0.00	-1,609,530.35
<b>Report Surplus (Deficit):</b>	<b>2,219,195.00</b>	<b>2,219,195.00</b>	<b>-16,620.86</b>	<b>-1,666,814.86</b>	<b>0.00</b>	<b>-3,886,009.86</b>



Chico Area Recreation and Park District

# Budget Report Group Summary

For Fiscal: FY 2024 Period Ending: 02/29/2024

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 60 - Baroni Park</b>						
<b>Revenue</b>						
5015 - Assessments	162,300.00	162,300.00	56,279.20	56,279.20	-106,020.80	34.68%
5150 - Investment Income	0.00	0.00	3,153.89	3,153.89	3,153.89	0.00%
<b>Revenue Total:</b>	<b>162,300.00</b>	<b>162,300.00</b>	<b>59,433.09</b>	<b>59,433.09</b>	<b>-102,866.91</b>	<b>36.62%</b>
<b>Expense</b>						
6010 - Wages: Full-Time	123,250.00	123,250.00	1,623.77	56,526.89	66,723.11	45.86%
6015 - Wages: Part-Time	0.00	0.00	311.43	617.46	-617.46	0.00%
6110 - Health Insurance	0.00	0.00	272.80	545.68	-545.68	0.00%
6212 - Contract Services	4,241.00	4,241.00	1,020.33	4,360.38	-119.38	102.81%
6248 - Supplies	3,000.00	3,000.00	0.00	511.37	2,488.63	17.05%
6310 - Building and Improvements	0.00	0.00	0.00	236.36	-236.36	0.00%
6345 - Vandalism	200.00	200.00	0.00	0.00	200.00	0.00%
6350 - Repairs & Maintenance	14,109.00	14,109.00	0.00	97.37	14,011.63	0.69%
6450 - Water	12,500.00	12,500.00	0.00	7,925.81	4,574.19	63.41%
<b>Expense Total:</b>	<b>157,300.00</b>	<b>157,300.00</b>	<b>3,228.33</b>	<b>70,821.32</b>	<b>86,478.68</b>	<b>45.02%</b>
<b>Fund: 60 - Baroni Park Surplus (Deficit):</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>56,204.76</b>	<b>-11,388.23</b>	<b>-16,388.23</b>	<b>-227.76%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 02/29/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 63 - Indigo Park</b>						
<b>Revenue</b>						
5015 - Assessments	30,000.00	30,000.00	29,504.92	29,504.92	-495.08	98.35%
5150 - Investment Income	0.00	0.00	22.52	22.52	22.52	0.00%
<b>Revenue Total:</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>29,527.44</b>	<b>29,527.44</b>	<b>-472.56</b>	<b>98.42%</b>
<b>Expense</b>						
6010 - Wages: Full-Time	22,000.00	22,000.00	1,623.77	3,223.99	18,776.01	14.65%
6015 - Wages: Part-Time	0.00	0.00	311.43	617.46	-617.46	0.00%
6110 - Health Insurance	0.00	0.00	272.80	545.68	-545.68	0.00%
6212 - Contract Services	0.00	0.00	0.00	9,332.00	-9,332.00	0.00%
6350 - Repairs & Maintenance	8,000.00	8,000.00	0.00	793.28	7,206.72	9.92%
6410 - Electric	0.00	0.00	77.47	199.70	-199.70	0.00%
6450 - Water	0.00	0.00	0.00	975.48	-975.48	0.00%
<b>Expense Total:</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>2,285.47</b>	<b>15,687.59</b>	<b>14,312.41</b>	<b>52.29%</b>
<b>Fund: 63 - Indigo Park Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>27,241.97</b>	<b>13,839.85</b>	<b>13,839.85</b>	<b>0.00%</b>

**Budget Report**

For Fiscal: FY 2024 Period Ending: 02/29/2024

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 65 - Oak Way Park</b>						
<b>Revenue</b>						
5015 - Assessments	23,800.00	23,800.00	12,427.80	12,427.80	-11,372.20	52.22%
5150 - Investment Income	0.00	0.00	369.12	369.12	369.12	0.00%
5181 - Operating Transfer In	121,000.00	121,000.00	0.00	0.00	-121,000.00	0.00%
<b>Revenue Total:</b>	<b>144,800.00</b>	<b>144,800.00</b>	<b>12,796.92</b>	<b>12,796.92</b>	<b>-132,003.08</b>	<b>8.84%</b>
<b>Expense</b>						
6010 - Wages: Full-Time	105,000.00	105,000.00	2,054.09	64,532.26	40,467.74	61.46%
6015 - Wages: Part-Time	0.00	0.00	156.56	326.48	-326.48	0.00%
6110 - Health Insurance	0.00	0.00	358.16	715.92	-715.92	0.00%
6210 - General Services	1,000.00	1,000.00	0.00	1,332.82	-332.82	133.28%
6212 - Contract Services	6,850.00	6,850.00	1,020.33	4,360.36	2,489.64	63.65%
6248 - Supplies	8,000.00	8,000.00	0.00	0.00	8,000.00	0.00%
6310 - Building and Improvements	0.00	0.00	0.00	2,926.58	-2,926.58	0.00%
6345 - Vandalism	1,000.00	1,000.00	0.00	7,213.89	-6,213.89	721.39%
6350 - Repairs & Maintenance	14,350.00	14,350.00	0.00	77.16	14,272.84	0.54%
6410 - Electric	6,600.00	6,600.00	0.00	5,497.48	1,102.52	83.30%
6430 - Refuse	0.00	0.00	0.00	958.16	-958.16	0.00%
6440 - Sewer	0.00	0.00	0.00	65.68	-65.68	0.00%
6450 - Water	2,000.00	2,000.00	0.00	809.55	1,190.45	40.48%
<b>Expense Total:</b>	<b>144,800.00</b>	<b>144,800.00</b>	<b>3,589.14</b>	<b>88,816.34</b>	<b>55,983.66</b>	<b>61.34%</b>
<b>Fund: 65 - Oak Way Park Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>9,207.78</b>	<b>-76,019.42</b>	<b>-76,019.42</b>	<b>0.00%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 02/29/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 67 - Peterson Park</b>						
<b>Revenue</b>						
5015 - Assessments	42,400.00	42,400.00	23,380.00	23,380.00	-19,020.00	55.14%
5150 - Investment Income	0.00	0.00	675.48	675.48	675.48	0.00%
5181 - Operating Transfer In	79,000.00	79,000.00	0.00	0.00	-79,000.00	0.00%
<b>Revenue Total:</b>	<b>121,400.00</b>	<b>121,400.00</b>	<b>24,055.48</b>	<b>24,055.48</b>	<b>-97,344.52</b>	<b>19.82%</b>
<b>Expense</b>						
6010 - Wages: Full-Time	90,500.00	90,500.00	2,054.09	43,211.01	47,288.99	47.75%
6015 - Wages: Part-Time	0.00	0.00	156.56	326.48	-326.48	0.00%
6110 - Health Insurance	0.00	0.00	358.16	715.92	-715.92	0.00%
6212 - Contract Services	4,182.00	4,182.00	1,020.34	4,360.37	-178.37	104.27%
6248 - Supplies	818.00	818.00	0.00	568.08	249.92	69.45%
6310 - Building and Improvements	0.00	0.00	0.00	736.20	-736.20	0.00%
6350 - Repairs & Maintenance	2,000.00	2,000.00	0.00	12,104.14	-10,104.14	605.21%
6410 - Electric	100.00	100.00	17.08	90.14	9.86	90.14%
6450 - Water	23,800.00	23,800.00	0.00	12,876.09	10,923.91	54.10%
<b>Expense Total:</b>	<b>121,400.00</b>	<b>121,400.00</b>	<b>3,606.23</b>	<b>74,988.43</b>	<b>46,411.57</b>	<b>61.77%</b>
<b>Fund: 67 - Peterson Park Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>20,449.25</b>	<b>-50,932.95</b>	<b>-50,932.95</b>	<b>0.00%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 02/29/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 70 - City Impact Fees</b>						
<b>Revenue</b>						
5020 - Park Impact Fees	2,000,000.00	2,000,000.00	0.00	0.00	-2,000,000.00	0.00%
5150 - Investment Income	0.00	0.00	6,204.40	6,204.40	6,204.40	0.00%
<b>Revenue Total:</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>6,204.40</b>	<b>6,204.40</b>	<b>-1,993,795.60</b>	<b>0.31%</b>
<b>Fund: 70 - City Impact Fees Total:</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>6,204.40</b>	<b>6,204.40</b>	<b>-1,993,795.60</b>	<b>0.31%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 02/29/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 80 - County Impact Fees</b>						
<b>Revenue</b>						
5020 - Park Impact Fees	60,000.00	60,000.00	4,750.00	30,875.00	-29,125.00	51.46%
5150 - Investment Income	0.00	0.00	82,960.47	82,960.47	82,960.47	0.00%
<b>Revenue Total:</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>87,710.47</b>	<b>113,835.47</b>	<b>53,835.47</b>	<b>189.73%</b>
<b>Fund: 80 - County Impact Fees Total:</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>87,710.47</b>	<b>113,835.47</b>	<b>53,835.47</b>	<b>189.73%</b>

**Budget Report**

**For Fiscal: FY 2024 Period Ending: 02/29/2024**

Objec...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 90 - General Funds</b>						
<b>Revenue</b>						
5021 - Current Secured	4,676,215.00	4,676,215.00	3,170,439.87	3,203,622.00	-1,472,593.00	68.51%
5027 - Other Taxes	0.00	0.00	76.98	2,912.71	2,912.71	0.00%
5029 - Homeowner	54,068.00	54,068.00	0.00	23,869.21	-30,198.79	44.15%
5030 - RDA Pass Through	1,600,000.00	1,600,000.00	22,548.27	1,690,893.10	90,893.10	105.68%
5035 - Rebates & Reimbursed Costs	38,500.00	38,500.00	0.00	2,807.19	-35,692.81	7.29%
5040 - Reimbursements-City Parks	290,000.00	290,000.00	944,400.00	1,303,873.34	1,013,873.34	449.61%
5045 - County Pass-Through	0.00	0.00	0.00	1,850.39	1,850.39	0.00%
5046 - Prior Years Unsecured	10,000.00	10,000.00	610.00	5,066.39	-4,933.61	50.66%
5047 - Current Supplemental	155,986.00	155,986.00	20,625.00	50,681.38	-105,304.62	32.49%
5048 - Prop Tax Backfill Pro Rata Share	0.00	0.00	0.00	1,550.00	1,550.00	0.00%
5049 - Current Unsecured	253,731.00	253,731.00	6,516.00	296,414.82	42,683.82	116.82%
5105 - Administrative Fees	0.00	0.00	0.00	853.00	853.00	0.00%
5110 - Program Income	4,452,500.00	4,452,500.00	243,455.99	2,907,184.75	-1,545,315.25	65.29%
5120 - Rental Income	475,000.00	475,000.00	21,314.00	294,573.12	-180,426.88	62.02%
5130 - Donations	0.00	0.00	510.00	12,717.21	12,717.21	0.00%
5140 - Endowments	10,000.00	10,000.00	0.00	4,606.32	-5,393.68	46.06%
5150 - Investment Income	100,000.00	100,000.00	167,341.75	410,301.53	310,301.53	410.30%
5160 - Grant Proceeds	0.00	0.00	2,372.33	9,675.49	9,675.49	0.00%
5170 - Other Income	5,000.00	5,000.00	1,784.60	37,804.61	32,804.61	756.09%
5180 - Scholarships	0.00	0.00	-667.86	-934.97	-934.97	0.00%
5210 - Event Tickets	0.00	0.00	0.00	301,475.68	301,475.68	0.00%
5230 - Silent Auction	0.00	0.00	0.00	12,511.07	12,511.07	0.00%
5240 - Sponsorship	0.00	0.00	2,000.00	48,000.00	48,000.00	0.00%
<b>Revenue Total:</b>	<b>12,121,000.00</b>	<b>12,121,000.00</b>	<b>4,603,326.93</b>	<b>10,622,308.34</b>	<b>-1,498,691.66</b>	<b>87.64%</b>
<b>Expense</b>						
2028 - FICA	537,075.00	537,075.00	0.00	204,552.34	332,522.66	38.09%
2038 - Medicare and Social Security - Employer	0.00	0.00	19,206.53	37,977.72	-37,977.72	0.00%
5180 - Scholarships	25,000.00	25,000.00	0.00	4,145.31	20,854.69	16.58%
6010 - Wages: Full-Time	3,500,000.00	3,500,000.00	136,891.26	2,426,473.29	1,073,526.71	69.33%
6015 - Wages: Part-Time	3,435,000.00	3,435,000.00	22,925.96	1,680,604.24	1,754,395.76	48.93%
6020 - Wages: Seasonal	0.00	0.00	92,269.30	234,954.03	-234,954.03	0.00%
6025 - Wages: Overtime	0.00	0.00	434.51	593.62	-593.62	0.00%
6050 - Accumulated Leave Buy Back	40,000.00	40,000.00	0.00	0.00	40,000.00	0.00%
6110 - Health Insurance	645,000.00	645,000.00	21,724.26	248,408.62	396,591.38	38.51%
6120 - Payroll Taxes	0.00	0.00	0.00	-54,097.78	54,097.78	0.00%
6125 - Retirement Contributions	625,000.00	625,000.00	0.00	258,632.98	366,367.02	41.38%
6130 - Unemployment Insurance	20,000.00	20,000.00	0.00	0.00	20,000.00	0.00%
6135 - Workers' Compensation Insurance	120,000.00	120,000.00	0.00	134,851.11	-14,851.11	112.38%
6150 - Allocation to Other Funds	-340,750.00	-340,750.00	0.00	0.00	-340,750.00	0.00%
6210 - General Services	506,000.00	506,000.00	14,909.92	276,778.38	229,221.62	54.70%
6212 - Contract Services	490,880.00	490,880.00	26,879.98	326,428.45	164,451.55	66.50%
6215 - Bank Fees & Credit Card Charges	0.00	0.00	0.00	10,851.03	-10,851.03	0.00%
6218 - Board Meeting Expense	10,000.00	10,000.00	450.00	3,300.00	6,700.00	33.00%
6220 - Communications	70,000.00	70,000.00	1,880.82	38,948.48	31,051.52	55.64%
6222 - Compensation - Instructors	0.00	0.00	13,282.63	171,822.57	-171,822.57	0.00%
6226 - Equipment	44,500.00	44,500.00	7,596.00	85,171.92	-40,671.92	191.40%
6228 - Fuel	60,000.00	60,000.00	3,535.64	49,520.11	10,479.89	82.53%
6230 - Hospitality	20,000.00	20,000.00	0.00	5,690.08	14,309.92	28.45%
6232 - Insurance	340,600.00	340,600.00	0.00	372,541.88	-31,941.88	109.38%
6234 - Miscellaneous	30,000.00	30,000.00	0.00	13,001.09	16,998.91	43.34%
6236 - Marketing	50,000.00	50,000.00	1,244.37	32,357.96	17,642.04	64.72%
6238 - Publications and Legal Notices	1,000.00	1,000.00	0.00	295.06	704.94	29.51%
6240 - Professional Development	40,000.00	40,000.00	100.00	10,370.14	29,629.86	25.93%
6242 - Recruitment	20,000.00	20,000.00	0.00	13,084.13	6,915.87	65.42%
6244 - Program Apparel	49,500.00	49,500.00	0.00	11,419.96	38,080.04	23.07%
6246 - Uniform Apparel	30,000.00	30,000.00	0.00	12,225.14	17,774.86	40.75%



**Budget Report**

**For Fiscal: FY 2024 Period Ending: 02/29/2024**

Objec...	Original	Current	Period	Fiscal	Variance	Percent
	Total Budget	Total Budget	Activity	Activity	Favorable (Unfavorable)	Used
6248 - Supplies	340,000.00	340,000.00	5,711.80	177,018.71	162,981.29	52.06%
6258 - Equipment Rental	0.00	0.00	1,000.00	1,956.78	-1,956.78	0.00%
6260 - Rent/Lease Structures	2,000.00	2,000.00	0.00	1,500.00	500.00	75.00%
6262 - Small Tools/Minor Equipment	25,000.00	25,000.00	410.21	23,143.69	1,856.31	92.57%
6263 - Furniture and Fixtures	0.00	0.00	0.00	5,425.82	-5,425.82	0.00%
6264 - Technology Hardware (under \$25K)	30,000.00	30,000.00	354.05	24,330.01	5,669.99	81.10%
6266 - Technology Software (under \$25K)	100,000.00	100,000.00	4,720.33	79,670.52	20,329.48	79.67%
6268 - Transportation	4,000.00	4,000.00	0.00	0.00	4,000.00	0.00%
6270 - Travel	10,000.00	10,000.00	0.00	764.46	9,235.54	7.64%
6272 - Use Tax	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00%
6281 - Operating Transfer Out	200,000.00	200,000.00	0.00	0.00	200,000.00	0.00%
6310 - Building and Improvements	0.00	0.00	-7,306.88	2,819.85	-2,819.85	0.00%
6315 - Equipment Maintenance	50,500.00	50,500.00	194.20	29,105.02	21,394.98	57.63%
6325 - Vehicle Maintenance	25,000.00	25,000.00	0.00	9,812.26	15,187.74	39.25%
6345 - Vandalism	5,000.00	5,000.00	0.00	2,186.97	2,813.03	43.74%
6350 - Repairs & Maintenance	250,000.00	250,000.00	-4,721.83	37,206.40	212,793.60	14.88%
6355 - Structures and Grounds	0.00	0.00	195.00	5,596.19	-5,596.19	0.00%
6365 - ADA Improvements	0.00	0.00	0.00	1,865.00	-1,865.00	0.00%
6375 - Deferred Maintenance	0.00	0.00	0.00	40,912.64	-40,912.64	0.00%
6410 - Electric	323,300.00	323,300.00	21,244.75	250,110.02	73,189.98	77.36%
6420 - Gas	75,000.00	75,000.00	7,598.29	24,717.65	50,282.35	32.96%
6430 - Refuse	0.00	0.00	0.00	12,874.64	-12,874.64	0.00%
6440 - Sewer	20,000.00	20,000.00	0.00	12,771.95	7,228.05	63.86%
6450 - Water	121,700.00	121,700.00	0.00	93,295.71	28,404.29	76.66%
6920 - Depreciation	0.00	0.00	0.00	406,196.22	-406,196.22	0.00%
6930 - Contribution to Other Agencies	15,000.00	15,000.00	0.00	12,865.49	2,134.51	85.77%
<b>Expense Total:</b>	<b>11,966,805.00</b>	<b>11,966,805.00</b>	<b>392,731.10</b>	<b>7,867,047.86</b>	<b>4,099,757.14</b>	<b>65.74%</b>
<b>Fund: 90 - General Funds Surplus (Deficit):</b>	<b>154,195.00</b>	<b>154,195.00</b>	<b>4,210,595.83</b>	<b>2,755,260.48</b>	<b>2,601,065.48</b>	<b>1,786.87%</b>
<b>Report Surplus (Deficit):</b>	<b>2,219,195.00</b>	<b>2,219,195.00</b>	<b>4,417,614.46</b>	<b>2,750,799.60</b>	<b>531,604.60</b>	<b>123.95%</b>

### Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
60 - Baroni Park	5,000.00	5,000.00	56,204.76	-11,388.23	-16,388.23
63 - Indigo Park	0.00	0.00	27,241.97	13,839.85	13,839.85
65 - Oak Way Park	0.00	0.00	9,207.78	-76,019.42	-76,019.42
67 - Peterson Park	0.00	0.00	20,449.25	-50,932.95	-50,932.95
70 - City Impact Fees	2,000,000.00	2,000,000.00	6,204.40	6,204.40	-1,993,795.60
80 - County Impact Fees	60,000.00	60,000.00	87,710.47	113,835.47	53,835.47
90 - General Funds	154,195.00	154,195.00	4,210,595.83	2,755,260.48	2,601,065.48
<b>Report Surplus (Deficit):</b>	<b>2,219,195.00</b>	<b>2,219,195.00</b>	<b>4,417,614.46</b>	<b>2,750,799.60</b>	<b>531,604.60</b>

**Finance Committee**

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Angie Carpenter  
**SUBJECT:** April Monthly Financials

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## BACKGROUND

District staff are pleased to provide financial reports from the new accounting system. The reporting functionality is robust and comprehensive. Staff welcome feedback from the Board to refine the reports or if they wish to see additional information.

## REPORT FORMAT & KEY TERMS

Sections in financial statements include the General Fund budget to actuals, Program revenue & expense, Assessment District revenue & expense, Impact Fee activity, and Balance Sheet.

The reports contain an original and current budget column to accommodate budget revisions. The **Original** column will contain the Board adopted budget amount. The **Current** column will reflect any subsequent Board approved budget changes.

**Period Activity** contains the financial transactions occurring in the month being reported. **Fiscal Activity** reflects year-to-date information. **Variance** is the amount of Fiscal Activity less the Current Budget. **Percent Used** refers to the percentage of Fiscal Activity from the Current Budget. Surplus is represented at a positive number while Deficit is shown as a negative (-) figure.

Beginning next month, report format and key terms will be listed in the financial reports.

## ANALYSIS

**April** represents **83%** of the budget for the year.

- **Revenue is 128%** of budget for the year.
- **Expense is 81.4%** of budget.
  - Operating expense appears to be higher than pace due to due to annual expenses that were paid in full and planned purchases of computers and equipment inflating the YTD percentage.
  - Utilities are trending higher than pace due to PG&E increases in January and again in April.
- The Program Summary has several programs that did not contain a budget or appear to report negative net income. With the implementation of the new accounting system, a new department and program structure was created to improve oversight and activity tracking. These issues will be corrected in July with the new budget year.



Chico Area Recreation and Park District

# Budget to Actuals Group Summary

For Fiscal: FY 2024 Period Ending: 04/30/2024

Class	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 90 - General Funds</b>						
<b>Revenue</b>						
50 - Taxes & Fees	7,078,500.00	7,078,500.00	3,346,211.86	9,832,380.53	2,753,880.53	138.90%
51 - Other Income	5,017,500.00	5,017,500.00	329,850.02	5,290,592.60	273,092.60	105.44%
52 - Special Event	0.00	0.00	1,530.00	365,437.33	365,437.33	0.00%
<b>Revenue Total:</b>	<b>12,096,000.00</b>	<b>12,096,000.00</b>	<b>3,677,591.88</b>	<b>15,488,410.46</b>	<b>3,392,410.46</b>	<b>128.05%</b>
<b>Expense</b>						
60 - Salaries and Wages	6,975,000.00	6,975,000.00	461,475.46	5,299,787.48	1,675,212.52	75.98%
61 - Employee Benefits	1,069,250.00	1,069,250.00	43,855.20	685,247.54	384,002.46	64.09%
62 - Operating Expenses	2,474,980.00	2,474,980.00	190,464.84	2,257,190.34	217,789.66	91.20%
63 - Repairs & Maintenance	330,500.00	330,500.00	27,855.03	140,324.02	190,175.98	42.46%
64 - Utilities	540,000.00	540,000.00	40,520.30	483,293.67	56,706.33	89.50%
68 - Depreciation Expense	0.00	0.00	0.00	406,196.22	-406,196.22	0.00%
69 - Other Expenses	15,000.00	15,000.00	0.00	12,865.49	2,134.51	85.77%
<b>Expense Total:</b>	<b>11,404,730.00</b>	<b>11,404,730.00</b>	<b>764,170.83</b>	<b>9,284,904.76</b>	<b>2,119,825.24</b>	<b>81.41%</b>
<b>Fund: 90 - General Funds Surplus (Deficit):</b>	<b>691,270.00</b>	<b>691,270.00</b>	<b>2,913,421.05</b>	<b>6,203,505.70</b>	<b>5,512,235.70</b>	<b>897.41%</b>
<b>Report Surplus (Deficit):</b>	<b>691,270.00</b>	<b>691,270.00</b>	<b>2,913,421.05</b>	<b>6,203,505.70</b>	<b>5,512,235.70</b>	<b>897.41%</b>

### Fund Summary

<b>Fund</b>	<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>Period Activity</b>	<b>Fiscal Activity</b>	<b>Variance Favorable (Unfavorable)</b>
90 - General Funds	691,270.00	691,270.00	2,913,421.05	6,203,505.70	5,512,235.70
<b>Report Surplus (Deficit):</b>	<b>691,270.00</b>	<b>691,270.00</b>	<b>2,913,421.05</b>	<b>6,203,505.70</b>	<b>5,512,235.70</b>



Account Type	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Program: 11000 - DST - General</b>						
Revenue	6,868,500.00	6,868,500.00	3,388,120.93	9,360,094.71	2,491,594.71	136.28%
Expense	6,458,755.00	6,458,755.00	216,089.78	3,631,618.62	2,827,136.38	56.23%
<b>Program: 11000 - DST - General Surplus (Deficit):</b>	<b>409,745.00</b>	<b>409,745.00</b>	<b>3,172,031.15</b>	<b>5,728,476.09</b>	<b>5,318,731.09</b>	<b>1,398.06%</b>
<b>Program: 11010 - Facility Rentals</b>						
Revenue	475,000.00	475,000.00	25,086.80	326,514.96	-148,485.04	68.74%
Expense	92,000.00	92,000.00	19,765.30	113,335.66	-21,335.66	123.19%
<b>Program: 11010 - Facility Rentals Surplus (Deficit):</b>	<b>383,000.00</b>	<b>383,000.00</b>	<b>5,321.50</b>	<b>213,179.30</b>	<b>-169,820.70</b>	<b>55.66%</b>
<b>Program: 11020 - Picnic Rentals</b>						
Revenue	0.00	0.00	3,790.00	4,243.00	4,243.00	0.00%
<b>Program: 11020 - Picnic Rentals Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>3,790.00</b>	<b>4,243.00</b>	<b>4,243.00</b>	<b>0.00%</b>
<b>Program: 11030 - Special Events</b>						
Revenue	50,000.00	50,000.00	30.00	75,309.17	25,309.17	150.62%
Expense	0.00	0.00	12,268.86	122,719.69	-122,719.69	0.00%
<b>Program: 11030 - Special Events Surplus (Deficit):</b>	<b>50,000.00</b>	<b>50,000.00</b>	<b>-12,238.86</b>	<b>-47,410.52</b>	<b>-97,410.52</b>	<b>-94.82%</b>
<b>Program: 22100 - Ice Rink Recreation</b>						
Revenue	0.00	0.00	0.00	315,131.58	315,131.58	0.00%
Expense	0.00	0.00	2,139.28	110,486.08	-110,486.08	0.00%
<b>Program: 22100 - Ice Rink Recreation Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>-2,139.28</b>	<b>204,645.50</b>	<b>204,645.50</b>	<b>0.00%</b>
<b>Program: 22200 - Contracted Camp</b>						
Revenue	0.00	0.00	-1,800.00	124,093.42	124,093.42	0.00%
Expense	0.00	0.00	0.00	11,241.12	-11,241.12	0.00%
<b>Program: 22200 - Contracted Camp Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>-1,800.00</b>	<b>112,852.30</b>	<b>112,852.30</b>	<b>0.00%</b>
<b>Program: 22210 - Camp Chi-Da-CA</b>						
Revenue	223,000.00	223,000.00	0.00	134,374.00	-88,626.00	60.26%
Expense	127,000.00	127,000.00	2,367.25	77,664.96	49,335.04	61.15%
<b>Program: 22210 - Camp Chi-Da-CA Surplus (Deficit):</b>	<b>96,000.00</b>	<b>96,000.00</b>	<b>-2,367.25</b>	<b>56,709.04</b>	<b>-39,290.96</b>	<b>59.07%</b>
<b>Program: 22220 - Summertime Delight</b>						
Revenue	183,200.00	183,200.00	0.00	125,257.00	-57,943.00	68.37%
Expense	138,000.00	138,000.00	3,791.36	73,769.84	64,230.16	53.46%
<b>Program: 22220 - Summertime Delight Surplus (Deficit):</b>	<b>45,200.00</b>	<b>45,200.00</b>	<b>-3,791.36</b>	<b>51,487.16</b>	<b>6,287.16</b>	<b>113.91%</b>
<b>Program: 22230 - School Year Camps</b>						
Revenue	33,700.00	33,700.00	0.00	4,275.00	-29,425.00	12.69%
Expense	0.00	0.00	912.10	2,712.61	-2,712.61	0.00%
<b>Program: 22230 - School Year Camps Surplus (Deficit):</b>	<b>33,700.00</b>	<b>33,700.00</b>	<b>-912.10</b>	<b>1,562.39</b>	<b>-32,137.61</b>	<b>4.64%</b>
<b>Program: 22240 - Camp Chico Creek</b>						
Expense	6,000.00	6,000.00	2,373.50	8,591.97	-2,591.97	143.20%
<b>Program: 22240 - Camp Chico Creek Total:</b>	<b>6,000.00</b>	<b>6,000.00</b>	<b>2,373.50</b>	<b>8,591.97</b>	<b>-2,591.97</b>	<b>143.20%</b>
<b>Program: 22300 - Field Reservations</b>						
Revenue	0.00	0.00	20,096.42	29,776.54	29,776.54	0.00%
Expense	0.00	0.00	2,768.87	8,188.64	-8,188.64	0.00%
<b>Program: 22300 - Field Reservations Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>17,327.55</b>	<b>21,587.90</b>	<b>21,587.90</b>	<b>0.00%</b>
<b>Program: 22310 - Youth Sports</b>						
Revenue	260,000.00	260,000.00	42,009.02	319,641.52	59,641.52	122.94%
Expense	192,000.00	192,000.00	25,294.90	192,788.34	-788.34	100.41%
<b>Program: 22310 - Youth Sports Surplus (Deficit):</b>	<b>68,000.00</b>	<b>68,000.00</b>	<b>16,714.12</b>	<b>126,853.18</b>	<b>58,853.18</b>	<b>186.55%</b>
<b>Program: 22320 - Adult Sports</b>						
Revenue	200,000.00	200,000.00	36,448.82	197,654.83	-2,345.17	98.83%

**Budget Report**

For Fiscal: FY 2024 Period Ending: 04/30/2024

Account Type	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
Expense	153,000.00	153,000.00	15,677.08	121,016.09	31,983.91	79.10%
<b>Program: 22320 - Adult Sports Surplus (Deficit):</b>	<b>47,000.00</b>	<b>47,000.00</b>	<b>20,771.74</b>	<b>76,638.74</b>	<b>29,638.74</b>	<b>163.06%</b>
<b>Program: 22330 - DFJ Admin</b>						
Revenue	50,000.00	50,000.00	893.96	9,261.00	-40,739.00	18.52%
Expense	0.00	0.00	3,377.36	13,791.84	-13,791.84	0.00%
<b>Program: 22330 - DFJ Admin Surplus (Deficit):</b>	<b>50,000.00</b>	<b>50,000.00</b>	<b>-2,483.40</b>	<b>-4,530.84</b>	<b>-54,530.84</b>	<b>-9.06%</b>
<b>Program: 22400 - Contract Programs</b>						
Revenue	149,500.00	149,500.00	22,798.28	166,386.31	16,886.31	111.30%
Expense	175,000.00	175,000.00	11,595.42	200,232.36	-25,232.36	114.42%
<b>Program: 22400 - Contract Programs Surplus (Deficit):</b>	<b>-25,500.00</b>	<b>-25,500.00</b>	<b>11,202.86</b>	<b>-33,846.05</b>	<b>-8,346.05</b>	<b>132.73%</b>
<b>Program: 22510 - Afterschool Program - CARD</b>						
Revenue	2,730,000.00	2,730,000.00	99,542.65	2,740,684.37	10,684.37	100.39%
Expense	1,653,000.00	1,653,000.00	121,204.40	1,127,645.69	525,354.31	68.22%
<b>Program: 22510 - Afterschool Program - CARD Surplus (Deficit):</b>	<b>1,077,000.00</b>	<b>1,077,000.00</b>	<b>-21,661.75</b>	<b>1,613,038.68</b>	<b>536,038.68</b>	<b>149.77%</b>
<b>Program: 22600 - Nature Pre-School</b>						
Revenue	0.00	0.00	8,450.69	208,030.96	208,030.96	0.00%
Expense	0.00	0.00	251.82	15,519.71	-15,519.71	0.00%
<b>Program: 22600 - Nature Pre-School Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>8,198.87</b>	<b>192,511.25</b>	<b>192,511.25</b>	<b>0.00%</b>
<b>Program: 22610 - Trips</b>						
Revenue	0.00	0.00	0.00	13,266.52	13,266.52	0.00%
Expense	0.00	0.00	0.00	2,800.00	-2,800.00	0.00%
<b>Program: 22610 - Trips Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10,466.52</b>	<b>10,466.52</b>	<b>0.00%</b>
<b>Program: 22620 - Seniors</b>						
Revenue	25,000.00	25,000.00	0.00	1,200.05	-23,799.95	4.80%
Expense	0.00	0.00	0.00	1,110.00	-1,110.00	0.00%
<b>Program: 22620 - Seniors Surplus (Deficit):</b>	<b>25,000.00</b>	<b>25,000.00</b>	<b>0.00</b>	<b>90.05</b>	<b>-24,909.95</b>	<b>0.36%</b>
<b>Program: 22630 - Nature ABC</b>						
Revenue	0.00	0.00	0.00	2,372.33	2,372.33	0.00%
Expense	0.00	0.00	215.66	1,045.31	-1,045.31	0.00%
<b>Program: 22630 - Nature ABC Surplus (Deficit):</b>	<b>0.00</b>	<b>0.00</b>	<b>-215.66</b>	<b>1,327.02</b>	<b>1,327.02</b>	<b>0.00%</b>
<b>Program: 22640 - NC Admin</b>						
Revenue	335,000.00	335,000.00	11,005.16	21,714.65	-313,285.35	6.48%
Expense	205,000.00	205,000.00	11,904.91	124,967.25	80,032.75	60.96%
<b>Program: 22640 - NC Admin Surplus (Deficit):</b>	<b>130,000.00</b>	<b>130,000.00</b>	<b>-899.75</b>	<b>-103,252.60</b>	<b>-233,252.60</b>	<b>-79.43%</b>
<b>Program: 22800 - Recreation Swim</b>						
Revenue	165,000.00	165,000.00	1,726.00	19,281.50	-145,718.50	11.69%
Expense	152,000.00	152,000.00	5,679.87	78,037.00	73,963.00	51.34%
<b>Program: 22800 - Recreation Swim Surplus (Deficit):</b>	<b>13,000.00</b>	<b>13,000.00</b>	<b>-3,953.87</b>	<b>-58,755.50</b>	<b>-71,755.50</b>	<b>-451.97%</b>
<b>Program: 22820 - Swim Lessons</b>						
Revenue	0.00	0.00	0.00	40,920.90	40,920.90	0.00%
<b>Program: 22820 - Swim Lessons Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>40,920.90</b>	<b>40,920.90</b>	<b>0.00%</b>
<b>Program: 22900 - Youth Leader</b>						
Revenue	8,100.00	8,100.00	0.00	-90.00	-8,190.00	1.11%
Expense	6,000.00	6,000.00	365.50	1,023.66	4,976.34	17.06%
<b>Program: 22900 - Youth Leader Surplus (Deficit):</b>	<b>2,100.00</b>	<b>2,100.00</b>	<b>-365.50</b>	<b>-1,113.66</b>	<b>-3,213.66</b>	<b>-53.03%</b>
<b>Program: 22910 - Inclusion</b>						
Revenue	50,000.00	50,000.00	11,459.97	31,109.62	-18,890.38	62.22%
Expense	28,500.00	28,500.00	6,608.99	19,700.19	8,799.81	69.12%
<b>Program: 22910 - Inclusion Surplus (Deficit):</b>	<b>21,500.00</b>	<b>21,500.00</b>	<b>4,850.98</b>	<b>11,409.43</b>	<b>-10,090.57</b>	<b>53.07%</b>
<b>Program: 33120 - Nature Center</b>						
Revenue	0.00	0.00	0.00	600.00	600.00	0.00%
<b>Program: 33120 - Nature Center Total:</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>600.00</b>	<b>600.00</b>	<b>0.00%</b>
<b>Report Surplus (Deficit):</b>	<b>2,419,745.00</b>	<b>2,419,745.00</b>	<b>3,205,006.49</b>	<b>8,211,097.31</b>	<b>5,791,352.31</b>	<b>339.34%</b>

### Fund Summary

<b>Fund</b>	<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>Period Activity</b>	<b>Fiscal Activity</b>	<b>Variance Favorable (Unfavorable)</b>
90 - General Funds	2,419,745.00	2,419,745.00	3,205,006.49	8,211,097.31	5,791,352.31
<b>Report Surplus (Deficit):</b>	<b>2,419,745.00</b>	<b>2,419,745.00</b>	<b>3,205,006.49</b>	<b>8,211,097.31</b>	<b>5,791,352.31</b>





Chico Area Recreation and Park District

# Budget Report

## Assessment Activity Summary

For Fiscal: FY 2024 Period Ending: 04/30/2024

Account Type	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 60 - Baroni Park</b>					
Revenue	162,300.00	46,046.68	107,147.59	-55,152.41	66.02%
Expense	157,300.00	4,820.90	81,121.08	76,178.92	51.57%
<b>Fund: 60 - Baroni Park Surplus (Deficit):</b>	<b>5,000.00</b>	<b>41,225.78</b>	<b>26,026.51</b>	<b>21,026.51</b>	<b>520.53%</b>
<b>Fund: 63 - Indigo Park</b>					
Revenue	30,000.00	21,851.40	51,669.31	21,669.31	172.23%
Expense	30,000.00	4,663.01	25,787.56	4,212.44	85.96%
<b>Fund: 63 - Indigo Park Surplus (Deficit):</b>	<b>0.00</b>	<b>17,188.39</b>	<b>25,881.75</b>	<b>25,881.75</b>	<b>0.00%</b>
<b>Fund: 65 - Oak Way Park</b>					
Revenue	144,800.00	11,016.20	23,957.71	-120,842.29	16.55%
Expense	144,800.00	6,021.82	102,523.06	42,276.94	70.80%
<b>Fund: 65 - Oak Way Park Surplus (Deficit):</b>	<b>0.00</b>	<b>4,994.38</b>	<b>-78,565.35</b>	<b>-78,565.35</b>	<b>0.00%</b>
<b>Fund: 67 - Peterson Park (Amber Grove)</b>					
Revenue	121,400.00	18,270.00	142,577.76	21,177.76	117.44%
Expense	121,400.00	5,771.71	87,459.66	33,940.34	72.04%
<b>Fund: 67 - Peterson Park (Amber Grove) Surplus (Deficit):</b>	<b>0.00</b>	<b>12,498.29</b>	<b>55,118.10</b>	<b>55,118.10</b>	<b>0.00%</b>
<b>Report Surplus (Deficit):</b>	<b>5,000.00</b>	<b>75,906.84</b>	<b>28,461.01</b>	<b>23,461.01</b>	<b>569.22%</b>

## Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
60 - Baroni Park	5,000.00	5,000.00	41,225.78	26,026.51	21,026.51
63 - Indigo Park	0.00	0.00	17,188.39	25,881.75	25,881.75
65 - Oak Way Park	0.00	0.00	4,994.38	-78,565.35	-78,565.35
67 - Peterson Park (Amber Grove)	0.00	0.00	12,498.29	55,118.10	55,118.10
<b>Report Surplus (Deficit):</b>	<b>5,000.00</b>	<b>5,000.00</b>	<b>75,906.84</b>	<b>28,461.01</b>	<b>23,461.01</b>



Chico Area Recreation and Park District

# Budget Report

## Impact Fees Summary

For Fiscal: FY 2024 Period Ending: 04/30/2024

Account Type	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
<b>Fund: 70 - City Impact Fees (Community Park)</b>						
Revenue	2,000,000.00	2,000,000.00	481,137.53	559,001.47	-1,440,998.53	27.95%
<b>Fund: 70 - City Impact Fees (Community Park) Total:</b>	<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>481,137.53</b>	<b>559,001.47</b>	<b>-1,440,998.53</b>	<b>27.95%</b>
<b>Fund: 80 - County Impact Fees</b>						
Revenue	60,000.00	60,000.00	4,750.00	130,020.60	70,020.60	216.70%
<b>Fund: 80 - County Impact Fees Total:</b>	<b>60,000.00</b>	<b>60,000.00</b>	<b>4,750.00</b>	<b>130,020.60</b>	<b>70,020.60</b>	<b>216.70%</b>
<b>Report Total:</b>	<b>2,060,000.00</b>	<b>2,060,000.00</b>	<b>485,887.53</b>	<b>689,022.07</b>	<b>-1,370,977.93</b>	<b>33.45%</b>

### Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Used
70 - City Impact Fees (Community	2,000,000.00	2,000,000.00	481,137.53	559,001.47	-1,440,998.53	27.95%
80 - County Impact Fees	60,000.00	60,000.00	4,750.00	130,020.60	70,020.60	216.70%
<b>Report Total:</b>	<b>2,060,000.00</b>	<b>2,060,000.00</b>	<b>485,887.53</b>	<b>689,022.07</b>	<b>-1,370,977.93</b>	<b>33.45%</b>



Chico Area Recreation and Park District

# Balance Sheet

Account Summary

As of 4/30/2024

**Fund: 90 - General Funds**

Account	Name	Balance
<b>Assets</b>		
<a href="#">90-1010</a>	Cash - US Bank - County Treasurer	-
<a href="#">90-1015</a>	Holding Account	-
<a href="#">90-1016</a>	Petty Cash	800.00
<a href="#">90-1020</a>	Cash - Golden Valley Bank - Operation	-
<a href="#">90-1021</a>	Claim On Cash - General	14,860,589.93
<a href="#">90-1122</a>	Cash - California CLASS	-
<a href="#">90-1124</a>	Cash - Golden Valley Bank CD	-
<a href="#">90-1210</a>	Land	11,634,790.52
<a href="#">90-1212</a>	Land Improvements	29,167,208.26
<a href="#">90-1215</a>	Leasehold Improvements	2,011,183.52
<a href="#">90-1220</a>	Buildings and Components	-
<a href="#">90-1230</a>	Construction in Progress	2,648,820.93
<a href="#">90-1235</a>	Equipment	1,136,727.63
<a href="#">90-1240</a>	Vehicles	616,518.61
<a href="#">90-1245</a>	Furniture and Fixtures	-
<a href="#">90-1250</a>	Technology Hardware	296,192.00
<a href="#">90-1255</a>	Intangible Assets	-
<a href="#">90-1260</a>	Technology Software	-
<a href="#">90-1265</a>	Other Capital Assets	-
<a href="#">90-1270</a>	Accumulated Depreciation	(17,678,831.71)
<a href="#">90-1275</a>	Accumulated Amortization	-
<a href="#">90-1280</a>	FMV Adjustment	-
<a href="#">90-1310</a>	Accounts Receivable	1,003,795.15
<a href="#">90-1320</a>	Due From Other Funds	4,858,396.91
<a href="#">90-1330</a>	Prepaid Expenses	-
<a href="#">90-1340</a>	Suspense - NEW	26,002.46
<a href="#">90-1350</a>	Allocation to Other Funds	(448,993.65)
<a href="#">90-1360</a>	Deferred Outflows of Resources	2,446,222.00
	<b>Total Assets:</b>	<b>58,980,225.13</b>
		<b><u>58,980,225.13</u></b>
<b>Liability</b>		
<a href="#">90-2004</a>	Deferred Inflows of Resources	82,007.00
<a href="#">90-2006</a>	Accounts Payable	8,970.00
<a href="#">90-2008</a>	Accrued Expenses	-
<a href="#">90-2010</a>	Vouchers Payable	138,646.93
<a href="#">90-2014</a>	Accrued Wages and Salaries Payable	115,789.38
<a href="#">90-2015</a>	Payroll Corrections	-
<a href="#">90-2016</a>	Compensated Absences Payable	225,688.24
<a href="#">90-2018</a>	457 Employee Contribution	4,168.60
<a href="#">90-2020</a>	457 ROTH Employee Contribution	2,325.00
<a href="#">90-2022</a>	CALPERS - Employee	45,336.48
<a href="#">90-2024</a>	CALPERS - Employer	23,435.00
<a href="#">90-2026</a>	Federal Withholding	142,122.28
<a href="#">90-2030</a>	Garnishments	2,797.35
<a href="#">90-2031</a>	HSA	(16,031.58)
<a href="#">90-2032</a>	Medical Insurance - Employee	2,734.02
<a href="#">90-2036</a>	Medicare and Social Security - Employee	111,877.15
<a href="#">90-2038</a>	Medicare and Social Security - Employer	27,924.09
<a href="#">90-2040</a>	State Withholding	29,891.20
<a href="#">90-2042</a>	SDI	9,507.64
<a href="#">90-2044</a>	Union Dues - Parks Staff	1,793.97
<a href="#">90-2046</a>	Union Dues - Supervisor	494.81
<a href="#">90-2048</a>	Voluntary Life/AD&D - Employee	2,643.59

**Fund: 90 - General Funds**

As of 4/30/2024

<b>Liability</b>	<b>Name</b>	<b>Balance</b>
<a href="#">90-2050</a>	Basic Life/AD&D - Employer	-
<a href="#">90-2052</a>	Deferred Revenue	627,609.51
<a href="#">90-2054</a>	Due To Other Funds	4,858,396.01
<a href="#">90-2056</a>	Other Liability - Class Clearing Acct	(8,670.33)
<a href="#">90-2058</a>	Net Pension Liability	3,116,897.00
<a href="#">90-2060</a>	Time Expired Holding Acct	8,403.11
<a href="#">90-2062</a>	Prepaid Facilities Transfer	(1,091.00)
<a href="#">90-2066</a>	Security Deposits	62,796.35
<a href="#">90-2068</a>	Unearned Revenue	-
<a href="#">90-2099</a>	Due To- General	102,116.51
	<b>Total Liability:</b>	<b>9,728,578.31</b>

**Equity**

<a href="#">90-3010</a>	Fund Balance - NonSpendable	28,984,509.00
<a href="#">90-3050</a>	Fund Balance - Unassigned	14,206,843.04
	<b>Total Beginning Equity:</b>	<b>43,191,352.04</b>
Total Revenue		15,488,410.46
Total Expense		9,428,115.68
<b>Revenues Over/Under Expenses</b>		<b>6,060,294.78</b>
	<b>Total Equity and Current Surplus (Deficit):</b>	<b>49,251,646.81</b>
	<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>	<b><u>58,980,225.13</u></b>

**Fund: 99 - POOLED CASH**

As of 4/30/2024

Assets	Name	Balance	
<a href="#">99-1010</a>	Cash In Bank-US Bank Treasurer	11,447,740.02	
<a href="#">99-1011</a>	Cash In Bank-Golden Valley Bank	6,405,301.92	
<a href="#">99-1012</a>	Cash In Bank-California Class	2,615,846.50	
<a href="#">99-1014</a>	Cash In Bank - GVB Money Market	7,244,795.57	
<a href="#">99-1018</a>	Cash In Bank - Tri Counties Bank - MM	0.00	
<a href="#">99-1020</a>	Cash In Bank	0.00	
<a href="#">99-1122</a>	Cash In Bank	0.00	
<a href="#">99-1124</a>	Cash In Bank	0.00	
<a href="#">99-1380</a>	Due From Other Fund-Enterprise	0.00	
<a href="#">99-1381</a>	Due From Other Funds-City Impact	0.00	
<a href="#">99-1382</a>	Due From Other Funds-Indigo Park	182.18	
<a href="#">99-1383</a>	Due From Other Funds-County Impact	0.00	
<a href="#">99-1384</a>	Due From Other Funds-General	102,116.51	
<a href="#">99-1385</a>	Due From Other Funds-Oak Way Park	597.25	
<a href="#">99-1386</a>	Due From Other Funds-Peterson Park	331.63	
<a href="#">99-1387</a>	Due From Other Funds-Baroni Park	400.95	
	<b>Total Assets:</b>	<b>27,817,312.53</b>	<b><u>27,817,312.53</u></b>
<b>Liability</b>			
<a href="#">99-2006</a>	Accounts Payable (Pooled Cash)	103,628.52	
<a href="#">99-2007</a>	Wages Payable	0.00	
<a href="#">99-2054</a>	Due To Other Funds (Pooled Cash)	27,713,684.01	
<a href="#">99-2098</a>	Purchasing Card Liability	0.00	
	<b>Total Liability:</b>	<b>27,817,312.53</b>	
	<b>Total Equity and Current Surplus (Deficit):</b>	<b>0.00</b>	
	<b>Total Liabilities, Equity and Current Surplus (Deficit):</b>	<b><u>27,817,312.53</u></b>	



## BOARD OF DIRECTORS

### Finance Committee

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** Irrigation Improvement Project

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### BACKGROUND

The 2023/24 Budget includes Irrigation Smart Controller Upgrades in the amount of \$115,000. These upgrades are planned over three consecutive years to improve the efficiency and cost effectiveness of the District's approach to irrigation ultimately saving the District money and conserving water. CARD contracted Brian Firth Landscape Architects (BFLA) to establish a scope of work and bid documents. The scoping of the project revealed additional upgrades necessary to ensure the installations achieve current standards such as new backflow preventers and grounding. The current scope includes smart controller upgrades and related improvements for the CARD Community Center and Rose Garden, Husa Ranch Park, Humboldt Skate Park, and Rotary Park.

An RFP was published on April 5<sup>th</sup>, a pre-bid walk on April 12<sup>th</sup> and bids were received by April 22<sup>nd</sup>, 2024. The RFP produced 3 interested bidders, 2 bidders attended the bid walk and ultimately submitted bids. One bidder was disqualified because their proposal did not meet the RFP requirements.

Dawson and Son Inc. submitted a competitive bid for the amount of \$156,018.75. With carryover funds from 2023/2024 and the allocation in 2024/2025 there is sufficient funding to cover the total project cost.

Over the next few months, the remaining scope of work for the rest of the District will be defined and put out for a singular comprehensive bid based on the specifications and clarifications developed from this RFP process.

### RECOMMENDATION

The Board of Directors award Dawson and Son Inc. with the irrigation smart Controller contract for \$156,018.75 plus a ~10% contingency for a total: \$175,000.





Dawson & Son Inc. dba  
Dawson Landscaping

April 19, 2024

To whom it may concern,

This letter is intended to support the bid pages for the project: Landscape Irrigation Improvements

The bid sheets did not contain enough lines, nor did they have room to make changes or adjustments. You will notice highlighted areas. These areas were either not bid (as I am doing the project a different way (in red), or the verbiage was changed (in yellow)).

We noticed there was no line item to install grounding for any of the flow sensor/master valve locations, however we did include these in the pricing. We doubled the conduit run at Community because we must get to the controller with (2) different conduits with the way we are doing the project. Community Center will need roof penetrations for rain/freeze (it's on the plans), antenna, valve wires from Rose Garden, and new (2-wire) cable for flow/master. That run is probably too long for the existing communication cable that is running the flow sensor.

We also added fans to all controllers in enclosures. (I am sure that was just missed in the design process).

We covered all grass repair, re-grading, existing irrigation repair from damage caused by our work and added additional costs for missing items in bid line items at all parks. We will not have any extra work unless something is uncovered in the ground or the Community Center Building which was not visible during the job walk.



## Dawson & Son Inc. dba Dawson Landscaping

We made every effort to make sure we included everything possible for the successful completion of the project. We used all our experience installing (7) Baseline retrofit projects for the City of Chico. As an example, we replaced a wall mounted Evolution at Fire Station 5 with a new 3200 in a top mount enclosure. We had to remove (1) backflow and re-install with a new enclosure next to an existing backflow. We had to install (2) master valve decoders, (2) flow sensor decoders, new 2-wire path to both master/flow with grounding for both. We installed new grounding for the controller and installed a RV sub at the memorial. The controller had cell, 5-year data, rain/freeze, fan, conditioner, and GFI/C. The labor rates there are based on maintenance prevailing wages which are below your project rates, and we billed out at \$75.00 per hour and the total came in at just over \$40,000 with no product mark-up.

The point is we do these a lot for the city and the numbers we have provided do not include product mark up but do contain a higher prevailing wage rate and will be categorized as laborers which is currently at \$59.91 per hour. We must charge \$95.00 per labor hour to cover costs and make a 12% profit.

We without a doubt have the most experience installing and operating these Baseline systems. Our pricing reflects the experience needed for a successful installation without the worry of 'change' orders or delayed times because of the lack of experience that other contractors may have in installing these controllers.

***The total sum for all (4) parks \$156,018.75***



**BOARD OF DIRECTORS**

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** Authorizing the Destruction of Records

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**BACKGROUND**

Per Government Code §§ 60201, the legislative body of a District may authorize the destruction of records that meet the requirements below. Resolution 24-008 reflects the records that are eligible for destruction.

**RECORD RETENTION SCHEDULE**

Type of Record	Years	Board Authz.	Conditions
Originals of records that were prepared or received in any manner other than under State or Federal statute.	2 years after its creation	Yes	All government records should adhere to a minimum two-year retention period.
Duplicate records.	-	No	Can destroy at any time.
Records where there is a continuing need for matters such as pending litigation, special projects, etc.	-	-	Keep indefinitely
Original/hardcopy records which are not expressly required by law to be filed with the District and preserved.	-	No	Hardcopy records can be destroyed before their retention period is met IF the records are properly digitized and there's not a specific requirement in law for the document to be filed with / retained by the agency.
Audited accounting records	5 years after the end of the audit	Yes	

Type of Record	Years	Board Authz.	Conditions
Any accounting record created for a specific event or action	5 years after the end of the specific event or action	Yes	
Volunteer paperwork	4 years following volunteer separation	Yes	If business need dictates keeping records longer, it's allowable.
Payroll and personnel records that are not needed for retirement benefit verification.	4 years following employee separation	Yes	A retention of 4 years after separation is the minimum required by law for personnel records not needed for retirement benefit verification
Payroll and personal records needed for retirement benefit verification	75 years following employee separation	Yes	
Incident reports related to participants	5 years after incident	Yes	
Records of proceedings for the authorization of long-term debt, bonds, warrants, loans, etc.	10 years following the final payment	Yes	Retained until final payment and thereafter may be destroyed in less than 10 years if electronically duplicated. (See section I for more information.)
Paid bonds, warrant certificates and interest coupons.	6 months	Yes	Retained for six months, if detailed payment records are kept for 10 years. (See section I for more information.)
Minutes of the meetings of the Board of Directors	-	-	Keep indefinitely.  Originals may be destroyed provided they have been electronically duplicated in accordance with established standards for quality and electronic record storage and access.

Type of Record	Years	Board Authz.	Conditions
Construction records, such as bids, correspondence, change orders, etc.	7 years following the end of the project	Yes	7 years following the end of the project or grant, whatever is applicable.
As-built plans for public facility	-	Yes	Keep as long as facility exists.
Contracts	7 years following the end of the contract	Yes	7 years following the end of the contract.
Unaccepted bid or proposal for contract	2 years following the end of the bid	Yes	
Property Records	-	-	Kept until the property is no longer owned by the District.



**CARD**  
Chico Area Recreation & Park District

**RESOLUTION 24-008 OF THE BOARD OF DIRECTORS OF THE  
CHICO AREA RECREATION AND PARK DISTRICT**

Authorizing Destruction Of Records As Provided By  
Government Code Sections 60200 Through 60204

**WHEREAS**, Government Code Sections 60200-60203 provide for guidelines for the destruction of records of Special Districts;

**NOW, THEREFORE BE IT RESOLVED** that the Board of Directors of CARD hereby authorize the destruction of the following outdated records in accordance with Government Code Sections 60200-60203:

- Terminated Employee Files from 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016.
- Records related to vehicles, tractors, trailers that the District no longer owns from 1969-2022.

**PASSED AND ADOPTED** at a Regular Meeting of the Board of Directors of the Chico Area Recreation and Park District on the 23<sup>rd</sup> day of May 2024 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

ATTEST:

\_\_\_\_\_  
Michael McGinnis, Chair  
Board of Directors

\_\_\_\_\_  
Holli Drobny  
Clerk of the Board of Directors



## BOARD OF DIRECTORS

### Finance Committee

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Angie Carpenter  
**SUBJECT:** Establishing Appropriations Limits for Fiscal Year 2024-2025

---

#### **DISCUSSION:**

In 1979, California voters approved Proposition 4 (Article XIII-B of the California State Constitution). Informally known as the "Gann Initiative", Article XIII-B provides limits to the amount of tax proceeds state and local governments can spend each year.

The annual limit is based on the amount of tax proceeds that were authorized to be spent in the fiscal year 1978-79, modified for changes in inflation and population. The inflationary and population factors are provided by the California Department of Finance annually.

For the fiscal year 2024-2025, the estimated tax proceeds appropriated by CARD in the budget are under the appropriation limit. The proposed appropriation limit for the fiscal year 2024-2025 is \$16,543,359. This is the maximum amount of tax proceeds the District can appropriate and spend in the fiscal year. The appropriations subject to the limit is \$6,953,613, leaving the District with an appropriations capacity of \$9,589,746.

Section 7910 of the State Government Code requires a governing body to annually adopt by resolution an appropriations limit. The limit is reviewed annually as part of the annual financial audit. A spreadsheet is attached reflecting the calculation of the appropriations limit. Correspondence from the California Department of Finance is also attached reflecting the current year's inflationary and population factors.

#### **RECOMMENDATION:**

It is recommended that the Board of Directors adopt Resolution 24-09 of the Board of Directors of the Chico Area Recreation and Park District establishing Appropriations Limits for the 2024-2025 Fiscal Year at \$16,543,359.

**CHICO AREA RECREATION AND PARK DISTRICT APPROPRIATION LIMIT 2023-2024**

PRIOR YEAR LIMIT	FACTOR	NEW LIMIT
15,680,909	<u>1.055</u>	16,543,359

**PROJECTED BUDGET REVENUE**

	TAX PROCEEDS	NON-TAX PROCEEDS	INTEREST	TOTAL
PRO RATA SHARE OF TAX RATE	4,944,804			4,944,804
CURRENT YEAR UNSECURED	253,294			253,294
CURRENT YEARS SUPPLEMENTAL				0
HOMEOWNERS SUBVENTION	51,869			51,869
PRIOR YEAR TAXES & MISC TAX				0
RDA PASS THROUGH	1,600,000			1,600,000
INTEREST INCOME			200,000	200,000
OTHER REVENUE		933,500		933,500
CHARGES FOR CURRENT SERVICE		5,374,550		5,374,550
DEVELOPER PARK FEE		60,000		60,000
STATE BOND FUNDS (Restricted)				
CAPITAL PROJECTS PAID BY CITY OF CHICO				
PROCEEDS & NON-PROCEEDS FROM BUDGETED REVENUE	6,849,967	6,368,050	200,000	13,418,017
TOTAL LESS INTEREST				13,218,017
PERCENTAGE OF TOTAL	51.82%	48.18%		1
INTEREST BASED ON PERCENTAGE	103,646	96,354		200,000
TOTAL PROCEEDS & NON-PROCEEDS	6,953,613	6,464,404		13,418,017
TOTAL APPROPRIATIONS SUBJECT TO LIMIT	6,953,613			6,953,613
APPROPRIATIONS LIMIT	16,543,359			
REMAINING APPROPRIATION CAPACITY	9,589,746			

**FACTOR CALCULATIONS**

Per Capita Cost of Living Change	3.62		
Population Change (Used Chico Change)	1.81		
Per Capita converted to ratio	100	1.0362	A
Population converted to a ratio	100	1.0181	B
Calculation of Factor (A x B)		<b>1.0550</b>	





April 30, 2024

Dear Fiscal Officer:

## Price Factor and Population Information

### Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2024, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2024-25. Attachment A provides the change in California's per capita personal income and an example for utilizing the factors to calculate the 2024-25 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

### Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

### Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2024.** Please note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

/s Richard Gillihan

RICHARD GILLIHAN  
Chief Operating Officer

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2024-25 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2024-25	3.62

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2024-25 appropriation limit.

**2024-25:**

Per Capita Cost of Living Change = 3.62 percent  
 Population Change = 0.17 percent

Per Capita Cost of Living converted to a ratio:  $\frac{3.62 + 100}{100} = 1.0362$

Population converted to a ratio:  $\frac{0.17 + 100}{100} = 1.0017$

Calculation of factor for FY 2024-25:  $1.0362 \times 1.0017 = 1.0379$

Fiscal Year 2024-25

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2023 to January 1, 2024 and Total Population, January 1, 2024**

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	23-24	1-1-23	1-1-24	1-1-24
Butte				
Biggs	-5.02	1,951	1,853	1,853
Chico	1.81	107,639	109,589	109,589
Gridley	-4.15	7,235	6,935	6,935
Oroville	-3.78	18,841	18,129	18,129
Paradise	16.14	9,205	10,691	10,691
Unincorporated	-4.82	61,708	58,731	58,731
County Total	-0.32	206,579	205,928	205,928

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Fiscal Year 2024-25

**Attachment C**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2023 to January 1, 2024**

<b>County</b>	<b><u>Percent Change</u></b> <b>23-24</b>	<b><u>--- Population Minus Exclusions ---</u></b>	
		<b>1-1-23</b>	<b>1-1-24</b>
<b>Alameda</b>			
Incorporated	-0.48	1,500,626	1,493,403
County Total	-0.54	1,648,369	1,639,409
<b>Alpine</b>			
Incorporated	0.00	0	0
County Total	-0.34	1,183	1,179
<b>Amador</b>			
Incorporated	-0.80	13,813	13,703
County Total	-0.89	36,091	35,770
<b>Butte</b>			
Incorporated	1.61	144,871	147,197
County Total	-0.32	206,579	205,928
<b>Calaveras</b>			
Incorporated	-0.47	3,604	3,587
County Total	-0.15	44,853	44,786
<b>Colusa</b>			
Incorporated	-0.18	11,997	11,975
County Total	-0.40	21,831	21,743
<b>Contra Costa</b>			
Incorporated	0.11	971,251	972,337
County Total	0.12	1,145,274	1,146,626
<b>Del Norte</b>			
Incorporated	0.52	4,019	4,040
County Total	-0.08	24,787	24,768
<b>El Dorado</b>			
Incorporated	0.32	31,220	31,320
County Total	0.26	187,974	188,463

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

**Finance Committee**

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** Final Review of the Budget for Fiscal Year 2024-2025

---

**DISCUSSION**

On April 25, 2024, the Board of Directors of the Chico Area Recreation and Park District conducted the Public Hearing for the budget for Fiscal Year 2024-2025. The following changes have been made to the budget since the public hearing:

- Revenue and expenses were adjusted for fee-based programs with no impact on net income.
- Utilities were increased ~\$50,000 to account for recent rate increases.
- Contract services of \$125,000 were added for Butte County Elections for the two seats due in the 2024 term.
- Capital improvement encumbrances from 23/24 for incomplete projects were carried forward to the 24/25 project list.

**RECOMMENDATION**

The Board of Directors approve Resolution 24-010 Adopting the Final Budget for the 2024-2025 Fiscal Year.



**RESOLUTION 24-010 OF THE BOARD OF DIRECTORS OF THE  
CHICO AREA RECREATION AND PARK DISTRICT**  
Adopting The Final Budget For The 2024-2025 Fiscal Year

**WHEREAS**, the Chico Area Recreation and Park District is a legally constituted public agency formed pursuant to the Public Resource Code of the State of California; and

**WHEREAS**, pursuant to §5784.1 of the Public Resource Code of the State of California, the Board of Directors of the Chico Area Recreation and Park District did publish a notice stating that the Preliminary Budget had been adopted and was available for inspection, and did hold and conduct a Public Hearing for the taxpayers of the District;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Chico Area Recreation and Park District adopts the Final Budget for the 2024-2025 Fiscal Year.

**BE IT FURTHER RESOLVED** that the General Manager is authorized and directed to adjust the Final Budget as necessary to accommodate changes resulting from decisions made by the California State Legislature and approved by the Governor and/or resulting from determinations made by the Butte County Board of Supervisors and/or others that dictate adjustments be made to the Final Budget during the 2024-2025 Fiscal Year.

**PASSED AND ADOPTED** at a Regular Meeting of the Board of Directors of the Chico Area Recreation and Park District on the 23<sup>rd</sup> day of May 2024 by the following vote:

Ayes:  
Noes:  
Abstain:  
Absent:

ATTEST:

\_\_\_\_\_  
Michael McGinnis, Chair  
Board of Directors

\_\_\_\_\_  
Holli Drobny  
Clerk of the Board of Directors

**Fiscal Year 2024-2025  
Final Budget - Draft**





May 23, 2024

Board of Directors  
Chico Area Recreation & Park District  
545 Vallombrosa Avenue  
Chico, CA 95926

Subj: 2024-2025 Budget Transmittal

Dear Directors,

Staff are pleased to present the Final 2024-2025 Budget for the Chico Area Recreation & Park District (District). The budget was developed through a collaborative process between staff and the Board. The following budget provides a framework for District operations for the coming fiscal year.

Highlights:

- Projected net income: \$ 250,950
- Capital Projects: \$28,753,880
  - o 2023/24 Carry Forward: \$4,070,320 – Which includes the expansion of the maintenance hub at Community Park, the aquatics center design, CARD Center repairs, and playground equipment.
  - o 2024/25 Allocation: \$24,797,000 – Most notably contains \$20M for the construction of the aquatics center and design and construction of Henshaw Park.
- Fund balance: \$5.6M
- General Fund reserve: \$2.5M
- CalPERS Unfunded Accrued Liability Payment: \$650,000

A sincere thank you to the staff and the Board for their contributions to this critical process and continued investment in the District to serve the Chico community.

With gratitude,

Annabel Grimm  
General Manager

May 23, 2024



# Budget Calendar



<i>Date</i>	<i>Action</i>
<i>January 23, 2025</i>	Adopt Budget Calendar
<i>January 24, 2025</i>	Budget templates to Staff
<i>February 24, 2025</i>	Preliminary Budget to Finance
<i>March 27, 2025</i>	Presentation & Adopt Preliminary Budget
<i>April 14, 2025</i>	Notice of Public Hearing (Newspaper)
<i>April 24, 2025</i>	Public Hearing on Preliminary Budget
<i>May 22, 2025</i>	Adopt Final Budget
<i>August 15, 2025</i>	Submit Final Budget to Auditor-Controller

**CHICO AREA RECREATION AND PARK DISTRICT  
BUDGET SUMMARY - ALL FUNDS  
BUDGET VERSION 3**

	<b>GENERAL FUND</b>	<b>COMMUNITY PARK FEES</b>	<b>PARK IMPACT FUND</b>	<b>OAK WAY PARK</b>	<b>PETERSON PARK</b>	<b>BARONI PARK</b>	<b>INDIGO PARK</b>
<b>Revenue</b>							
Fee Based Program Income	5,777,550	-	-	-	-	-	-
Other Income & Facility Rentals	990,800	-	-	-	-	-	-
Rda Passthrough	1,650,000	-	-	-	-	-	-
Investment Income	250,000	-	-	-	-	-	-
Tax Income / County	5,250,000	-	-	-	-	-	-
Park Impact Fees	-	1,000,000	60,000	-	-	-	-
Assessments	-	-	-	23,800	42,400	162,300	40,000
Operating Transfer In From General Fund	-	-	-	121,000	79,000	-	-
<b>Total Revenue</b>	<b>13,918,350</b>	<b>1,000,000</b>	<b>60,000</b>	<b>144,800</b>	<b>121,400</b>	<b>162,300</b>	<b>40,000</b>
<b>Operating Expenses</b>							
Salaries And Benefits	9,443,000	-	-	109,000	95,000	130,000	23,000
Services And Supplies	3,989,400	-	-	35,800	26,400	27,300	8,000
Contrib. To Other Agencies	15,000	-	-	-	-	-	-
Contingencies	20,000	-	-	-	-	-	-
Operating Transfer Out	200,000	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>13,667,400</b>		-	<b>144,800</b>	<b>121,400</b>	<b>157,300</b>	<b>31,000</b>
<b>Net Income (Loss) From Ongoing Operations</b>	<b>250,950</b>	<b>1,000,000</b>	<b>60,000</b>	-	-	<b>5,000</b>	<b>9,000</b>
<b>Capital Projects</b>							
Capital Projects	28,753,880						
Capital Projects' Reimbursements	23,775,000						
<b>Net Capital Projects Costs</b>	<b>4,978,880</b>						
<b>CAPITAL PROJECTS FUNDING</b>							
Allocation From General Fund Operations	(250,950)						
Allocation From General Fund Spendable Unassigned	(2,357,620)						
	-						
<b>Total Net Activity</b>	<b>(2,357,620)</b>	<b>1,000,000</b>	<b>60,000</b>	-	-	<b>5,000</b>	

**CHICO AREA RECREATION AND PARK DISTRICT  
EXECUTIVE SUMMARY OF REVENUE AND EXPENDITURES  
BUDGET VERSION 3**

	<b>2024-2025 BUDGET</b>	<b>INCREASE (DECREASE)</b>	<b>2023-2024 BUDGET</b>	<b>INCREASE (DECREASE)</b>
<b>Revenue</b>				
Fee Based Program Income	5,777,550	1,352,050	4,425,500	906,863
Other Income & Facility Rentals	990,800	172,300	818,500	153,635
Rda Passthrough	1,650,000	50,000	1,600,000	-
Investment Income	250,000	150,000	100,000	55,000
Tax Income / County	5,250,000	100,000	5,150,000	495,000
<b>Total Revenue</b>	<b>13,918,350</b>	<b>1,824,350</b>	<b>12,094,000</b>	<b>1,610,498</b>
<b>Operating Expenses</b>				
Salaries And Benefits	9,443,000	877,925	8,565,075	1,244,116
Services And Supplies	3,989,400	818,920	3,170,480	340,872
Contrib. To Other Agencies	15,000	-	15,000	-
Contingencies	20,000	-	20,000	-
Operating Transfer Out	200,000	-	200,000	(67,934)
<b>Total Operating Expenditures</b>	<b>13,667,400</b>	<b>1,696,845</b>	<b>11,970,555</b>	<b>1,517,054</b>
<b>Net Income (Loss) From Ongoing Operations</b>	<b>250,950</b>	<b>127,505</b>	<b>123,445</b>	<b>93,444</b>
<b>Capital Projects</b>				
Capital Projects	28,753,880	20,025,790	8,728,090	2,189,263
Reimbursements	23,775,000	17,077,750	6,697,250	2,747,842
<b>Net Capital Projects Costs</b>	<b>4,978,880</b>		<b>2,030,840</b>	(558,579)
<b>Capital Projects Funding</b>				
Allocation From General Fund				
Operations	(250,950)		(123,445)	(93,444)
Spendable Unassigned	(2,357,620)		(1,907,395)	652,023
			-	
<b>TOTAL GENERAL FUND ACTIVITY</b>	<b>(2,357,620)</b>		<b>(1,907,395)</b>	

**CHICO AREA RECREATION AND PARK DISTRICT  
REVENUE SUMMARY - GENERAL FUND  
BUDGET VERSION 3**

	<b>2024-2025 BUDGET</b>	<b>INCREASE (DECREASE)</b>	<b>2023-2024 BUDGET</b>	<b>INCREASE (DECREASE)</b>
<b>Fee Based Program Income</b>				
After School & Camp Programs				
Afterschool	2,662,550	(67,450)	2,730,000	677,775
Camps	715,000	267,000	448,000	146,700
Rec Admin	120,000	70,000	50,000	35,000
<b>Subtotal</b>	<b>3,497,550</b>	<b>269,550</b>	<b>3,228,000</b>	<b>824,475</b>
<b>Aquatics &amp; Ice Rink</b>				
Aquatics	200,000	35,000	165,000	181,700
Ice Rink	365,000			
<b>Subtotal</b>	<b>565,000</b>	<b>400,000</b>	<b>165,000</b>	<b>181,700</b>
<b>Classes</b>				
General Classes	190,000	42,500	147,500	240
Youth Classes	-	-	50,000	(15,000)
<b>Subtotal</b>	<b>190,000</b>	<b>42,500</b>	<b>197,500</b>	<b>(14,760)</b>
<b>Adult Sports</b>				
Program Fee Income	425,000	225,000	200,000	(32,942)
<b>Subtotal</b>			<b>200,000</b>	<b>(32,942)</b>
<b>Nature Programs</b>				
Nature Center	450,000	125,000	325,000	325,000
Observatory	75,000	-	-	-
Activities	30,000			
<b>Subtotal</b>	<b>555,000</b>	<b>125,000</b>	<b>325,000</b>	<b>325,000</b>
<b>Other Programs</b>				
Scholarships	(25,000)	-	(25,000)	-
Special Events	95,000	45,000	50,000	20,000
Senior Adult Programs	-	(25,000)	25,000	(7,500)
Youth Sports	475,000	215,000	260,000	10,000
<b>Subtotal</b>	<b>545,000</b>	<b>235,000</b>	<b>310,000</b>	<b>22,500</b>
<b>Total Fee Based Programs</b>	<b>5,777,550</b>	<b>1,297,050</b>	<b>4,425,500</b>	<b>906,863</b>
<b>Other Income</b>				
Facility Rental Income	505,000	30,000	475,000	30,135
Rebates & Reimb Costs	38,500	-	38,500	8,500
Reimbursements - City	337,300	47,300	290,000	110,000
Miscellaneous	5,000	-	5,000	5,000
Endowments	10,000	-	10,000	-
Donations	95,000	95,000	-	-
<b>Total Other Income</b>	<b>990,800</b>	<b>172,300</b>	<b>818,500</b>	<b>153,635</b>
<b>Revenue - Other Agencies</b>				
RDA Passthrough	1,650,000	50,000	1,600,000	-
Investment Income	250,000	150,000	100,000	55,000
Tax Income / County	5,250,000	100,000	5,150,000	495,000
<b>Total Revenue Other Agencies</b>	<b>7,150,000</b>	<b>300,000</b>	<b>6,850,000</b>	<b>550,000</b>
<b>Total Revenue</b>	<b>13,918,350</b>	<b>1,824,350</b>	<b>12,094,000</b>	<b>1,610,498</b>

**CHICO AREA RECREATION AND PARK DISTRICT  
SALARIES AND BENEFITS SUMMARY - GENERAL FUND  
BUDGET VERSION 3**

	<b>2024-2025 BUDGET</b>	<b>INCREASE (DECREASE)</b>	<b>2023-2024 BUDGET</b>	<b>INCREASE (DECREASE)</b>
<b>Salaries</b>				
Full-Time Salaries	3,950,000	450,000	3,500,000	445,000
Part-Time Salaries	770,000	(2,655,000)	3,425,000	673,000
Seasonal	3,000,000	345,000		
Accumulated Leave	40,000		40,000	(1,000)
Instructors	-		10,000	(22,000)
<b>Subtotal</b>	<b>7,760,000</b>	<b>785,000</b>	<b>6,975,000</b>	<b>1,095,000</b>
<b>Benefits</b>				
FICA	525,000	(12,075)	537,075	92,075
Retirement	500,000	(125,000)	625,000	(4,000)
UAL	150,000	150,000		
Health Insurance	675,000	30,000	645,000	79,600
Unemployment	20,000	-	20,000	(10,000)
Workers Comp Insurance	170,000	50,000	120,000	-
Allocation To Other Funds	(357,000)	16,250	(357,000)	-
<b>Subtotal</b>	<b>1,683,000</b>	<b>109,175</b>	<b>1,590,075</b>	<b>157,675</b>
<b>TOTAL Salaries &amp; Benefits</b>	<b>9,443,000</b>	<b>894,175</b>	<b>8,565,075</b>	<b>1,244,116</b>

**CHICO AREA RECREATION AND PARK DISTRICT  
SERVICES AND SUPPLIES SUMMARY - GENERAL FUND  
BUDGET VERSION 3**

	<b>2024-2025 BUDGET</b>	<b>INCREASE (DECREASE)</b>	<b>2023-2024 BUDGET</b>	<b>INCREASE (DECREASE)</b>
<b>Services &amp; Supplies</b>				
Marketing	50,000	-	50,000	6,000
Uniform Apparel	10,000	(15,000)	25,000	17,000
Program Apparel	62,000	7,500	54,500	54,500
Communications	65,000	(5,000)	70,000	17,642
Insurance	425,000	84,400	340,600	70,600
Technology Software	170,000	70,000	100,000	(5,000)
Technology Hardware	30,000	-	30,000	-
Equipment Maintenance	70,000	19,500	50,500	27,250
Equipment	65,000	20,500	44,500	35,300
Vehicle Maintenance	20,000	(5,000)	25,000	7,000
Structure & Grounds	325,000	75,000	250,000	59,050
Vandalism	10,000	5,000	5,000	(460)
Contract Services	528,700	37,820	490,880	(225,736)
Contract - Camps-Class Services	280,000	280,000		
	505,000	(1,000)	506,000	213,800
Legal Notices	1,000	-	1,000	-
Recruitment	20,000	-	20,000	(5,000)
Rent/Lease Structures	2,000	-	2,000	-
Small Tools	40,000	15,000	25,000	21,100
Professional Development	30,000	(10,000)	40,000	12,000
Miscellaneous	10,000	-	10,000	-
Supplies	425,000	85,000	340,000	(26,540)
Hospitality	20,000	-	20,000	15,000
Fuel	90,000	30,000	60,000	10,000
Transportation	2,000	(2,000)	4,000	300
Board Meeting	10,000	-	10,000	-
Use Tax	1,500	-	1,500	-
Travel	5,000	(5,000)	10,000	-
<b>Subtotal</b>	<b>3,272,200</b>	<b>686,720</b>	<b>2,585,480</b>	<b>303,806</b>
<b>Utilities</b>				
Water	179,200	19,200	160,000	8,479
Electricity	396,000	66,000	330,000	20,928
Gas	87,000	12,000	75,000	(4,992)
Sewer	55,000	35,000	20,000	12,651
<b>Subtotal</b>	<b>717,200</b>	<b>132,200</b>	<b>585,000</b>	<b>37,066</b>
<b>Total</b>	<b>3,989,400</b>	<b>818,920</b>	<b>3,170,480</b>	<b>340,872</b>

**CHICO AREA RECREATION AND PARK DISTRICT  
CAPITAL PROJECTS & FIXED ASSETS SUMMARY  
BUDGET VERSION 3**

<b>Ongoing District Wide - GF</b>	<b>Total</b>	<b>2024/25</b>	<b>Balance</b>	<b>2023/24</b>	<b>2022/23</b>
ADA	205,000	135,000	70,000	135,000	112,700
Deferred Maintenance	205,000	150,000	55,000	150,000	140,000
Irrigation Controllers	219,040	115,000	104,040	115,000	
<b>Subtotal</b>	<b>629,040</b>	<b>400,000</b>	<b>229,040</b>	<b>400,000</b>	<b>252,700</b>

<b>Carry Forward</b>	<b>Capital Projects</b>	<b>2024/25</b>	<b>2023/24</b>	<b>Fund Source</b>
Aquatics Center	Design	1,627,000	2,075,000	DIF
Community Park	New Maintenece Hub	1,300,000	1,300,000	DIF/GF
CARD Center	Roof & Exterior Repairs	187,300	200,000	GF
Rotary Park	Playground	174,280	174,280	GF
Centennial Park	Centennial Playground	92,000	92,000	Donation/GF
<b>Subtotal</b>		<b>3,380,580</b>	<b>3,841,280</b>	

<b>2024/25</b>	<b>Capital Projects</b>	<b>2024/25</b>	<b>Fund Source</b>
Lakeside	Kitchen Reno	45,000	GF
Baroni Park	Playground	200,000	LLD
Community Park	Court Repairs	200,000	GF
Lakeside	HVAC	200,000	GF
Henshaw	Design & Construction	3,500,000	NIF
Aquatics Center	Construction	20,000,000	DIF/LWCF
<b>Subtotal</b>		<b>24,145,000</b>	

<b>Fixed Assets - GF</b>		<b>2024/25</b>
Replacment	Leaf Sweeper	66,000
Replacment	Fleet Vehicle	70,000
Replacment	Fleet Vehicle	60,000
New	Landscape Tractor	36,000
New	Dump Trailer	20,000
<b>Subtotal</b>		<b>252,000</b>

<b>Total</b>	<b>28,406,620</b>
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<b>Fund Sources</b>	
General Funds (GF)	2,357,620
Dev Impact Fees (DIF)	16,277,000
Grant (LWCF)	6,000,000
Neighb.Park Fees (NIF)	3,500,000
Baroni LLD	200,000
Rotary Donation	75,000
<b>Total</b>	<b>28,409,620</b>

**CHICO AREA RECREATION AND PARK DISTRICT  
ADMINISTRATIVE CONTRACT SERVICES  
BUDGET VERSION 3**

	<b>2024-2025</b>	<b>CHANGE</b>	<b>2023-2024</b>
<b>Administrative Services</b>			
Actuarial Evaluation Software	-	(7,105.00)	7,105
District ERP	45,000	(500)	45,500
Capital Campaigning Study	-	(25,000)	25,000
Registration Support Fees	150,000	-	150,000
ERP Implementation	50,000	(55,000)	105,000
IT Support	95,000	5,000	90,000
Computer Software	125,000	25,000	100,000
	<b>465,000</b>	<b>(57,605)</b>	<b>522,605</b>
<b>Office Equipment Service Contracts</b>			
Copy Machine	20,000	2,000	18,000
Postage Machine	6,000	-	6,000
	<b>26,000</b>	<b>2,000</b>	<b>24,000</b>
<b>Miscellaneous Services</b>			
Audit	20,000	2,500	17,500
GASB 68 Reports	700	-	700
Legal Services	40,000	15,000	25,000
Employee Background Check	20,000	-	20,000
Fraud Hotline	2,000	925	1,075
Election	125,000	125,000	
	<b>207,700</b>	<b>143,425</b>	<b>64,275</b>
<b>Total Contract Services</b>	<b>698,700</b>	<b>87,820</b>	<b>610,880</b>



**CHICO AREA RECREATION AND PARK DISTRICT  
GENERAL FUND - SUMMARY OF FUND BALANCE  
BUDGET VERSION 3**

<b>CATEGORY</b>	<b>DESCRIPTION</b>	<b>BEGINNING</b>	<b>PROJECTED ACTIVITY</b>	<b>ENDING</b>
Spendable	Committed			
	Petty Cash	1,500	-	1,500
	General Reserve	2,500,000		2,500,000
	<b>Committed Balance</b>	<u>2,501,500</u>	<u>-</u>	<u>2,501,500</u>
	Unassigned			
	Working Capital	<u>8,000,000</u>	<u>(2,357,620)</u>	<u>5,642,380</u>
	<b>Spendable Balance</b>	<u>10,501,500</u>	<u>(2,357,620)</u>	<u>8,143,880</u>
Non-Spendable				
	Investment Cap Assets (Net Of Related Debt)	<u>26,714,068</u>	<u>(252,000)</u>	<u>26,966,068</u>
	<b>Total Fund Balance</b>	<u>37,215,568</u>	<u>(2,609,620)</u>	<u>35,109,948</u>

**Finance Committee**

**STAFF REPORT**

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** Neighborhood Parks Levy Administration

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**BACKGROUND**

In accordance with the Landscaping and Lighting Act of 1972, which mandates the preparation of an annual Engineer's Report by a licensed professional engineer, the Board, on February 22, 2024, directed SCI Consulting Group to develop the Engineer's Report for the Oak Way, Amber Grove/Greenfield, and Baroni Neighborhood Park and Open Space (No. LLD 001-05) Landscape and Lighting Assessment Districts ('the Districts'). This directive aligns with the legislative requirements for levying the annual assessments for the fiscal year 2024-25.

The Engineer's Report under discussion today incorporates updates on budgets, scopes of services, current legal justifications, rate adjustments, and a preliminary assessment roll detailing specific assessment amount for each parcel within the Districts. The Report's findings and recommendations are important for justifying the continuation of these assessments, ensuring they comply with Proposition 218's requirements, which require an explanation of the special and general benefits derived from the assessments. This presentation to the Board constitutes the third phase in a three-part process to continue levying the assessments for the upcoming fiscal year.

As we proceed with this process, the final stage, includes the public hearing scheduled for May 23, 2024, which provides an opportunity for the community to discuss the proposed budgets, services, and assessments.

Amber Grove/Greenfield Landscape and Lighting Assessment District

The Amber Grove/Greenfield Landscape and Lighting Assessment District was approved by property owners in 1994 to fund the maintenance and operations of the Amber Grove/Greenfield Park.

Oak Way Landscape and Lighting Assessment District

The Oak Way Landscape and Lighting Assessment District was approved by property owners in 1997 to continue to fund the maintenance and operations of Oak Way Park.

Baroni Neighborhood Park and Open Space (No. LLD 001-05) Landscape and Lighting Assessment District

In 2006, property owners approved the Baroni Neighborhood Park and Open Space (No. LLD 001-05) Landscape and Lighting Assessment District to provide funding for the maintenance and operations for the Baroni Neighborhood Park, adjacent open space areas and related trails system within the District.

**ANALYSIS**

The Board will conduct a public hearing on the continuation of the assessments. In order to place the assessments on the annual property tax bill, the Board will need adopt the resolution to approve the Engineer’s Report, confirm the diagram and assessments and continue to levy the assessments for fiscal year 2024-25. The Engineer’s Report is required by Proposition 218 and includes the special and general benefit findings to support the assessments, the updated proposed assessments for each parcel in the Districts, the proposed budget for the assessments, and the proposed assessments per single-family equivalent for fiscal year 2024-25. This is the final step in the annual administration process for the landscape and lighting districts.

**RECOMMENDATION**

It is recommended that the Board hold a public hearing, consider all public comments, and subsequently approve Resolution 24-011 that would approve the Engineer’s Reports, confirm the diagrams and assessments, and order the continuation of the levy of assessments for fiscal year 2024-25 for the Oak Way, Amber Grove/Greenfield, and Baroni Neighborhood Park and Open Space (No. LLD 001-005) Landscaping and Lighting Assessment Districts as the final step in levying the assessments.



**RESOLUTION 24-011 OF THE BOARD OF DIRECTORS OF THE  
CHICO AREA RECREATION AND PARK DISTRICT**

A RESOLUTION APPROVING ENGINEER'S REPORT, CONFIRMING DIAGRAM AND ASSESSMENT AND ORDERING CONTINUATION OF THE LEVY OF ASSESSMENT FOR FISCAL YEAR 2023-24 FOR THE OAK WAY, AMBER GROVE/GREENFIELD, AND BARONI NEIGHBORHOOD PARK AND OPEN SPACE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICTS

**RESOLVED**, by the Governing Board (the "Board") of the Chico Area Recreation and Park District (the "District"), County of Butte, State of California, that

**WHEREAS**, the Chico Area Recreation and Park District is authorized, pursuant to the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500 thereof) and Article XIII D of the California Constitution (Proposition 218), to levy assessments for park and recreation improvements; and

**WHEREAS**, the Oak Way and the Baroni Neighborhood Park and Open Space Landscaping and Lighting Assessment Districts were approved by property owners pursuant to Proposition 218; the Amber Grove/Greenfield Landscaping and Lighting Assessment District was approved in 1994 after not receiving majority protest.

**WHEREAS**, the purpose of the Assessment Districts is for the installation, maintenance, and servicing of improvements within the Chico Area Recreation and Park District, as described in the annual Engineer's Report; and

**WHEREAS**, on February 18, 2021, A Resolution Directing Preparation of Annual Report for the Oak Way, Amber Grove/Greenfield, and Baroni Neighborhood Park and Open Space Landscaping and Lighting Assessment Districts (the "Assessment Districts"), this Board designated SCI Consulting Group as Engineer of Work and ordered said Engineer to make and file a report in writing in accordance with and pursuant to the Landscaping and Lighting Act of 1972;

**WHEREAS**, notice of the hearing was given as required by law and was held before the Board on May 23, 2024, at approximately 4:00 p.m., at Chico Area Recreation and Park District office located at 545 Vallombrosa Ave, Chico, CA, on the question of the levy of the assessments; and

**WHEREAS**, at the hearing all persons interested and desiring to be heard were given an opportunity to be heard, and all oral statements and all written protests pertaining to the levy were fully heard and considered by this Board; and

**WHEREAS**, the Engineer's Report was also duly considered by the Board and found to be sufficient; and

**NOW, THEREFORE BE IT RESOLVED** that the Board of Directors of CARD hereby proclaim

SECTION 1. The public interest, convenience and necessity require that the levy continues to be made.

SECTION 2. The Engineer's Report, including the plans and specifications, estimate of the costs and expenses, the diagram, and the assessment, including any modifications or revisions, which is attached as an exhibit is finally approved and confirmed.

SECTION 3. The assessment is levied without regard to property valuation.

SECTION 4. Based on the oral and documentary evidence, including the Engineer's Reports, offered and received at the hearing, this Board expressly finds and determines (a) that each of the several lots and parcels of land will be specially benefited by the maintenance of the improvements at least in the amount if not more than the amount, of the assessment apportioned against the lots and parcels of land, respectively, and (b) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefits.

SECTION 5. The diagram of the Assessment District as contained in the Engineer's Report for fiscal year 2023-24 is hereby approved and confirmed.

SECTION 6. The assessment as established in the Engineer's Report for fiscal year 2023-24 is hereby approved, confirmed, and levied.

SECTION 7. The assessments continue to pay the costs and expenses of the maintenance of the improvements for fiscal year 2023-24 is hereby levied. For further particulars pursuant to the provisions of the Landscaping and Lighting Act of 1972, reference is hereby made to the Resolution Directing Preparation of Engineer's Reports.

SECTION 8. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Chico Area Recreation and Park District.

SECTION 9. The funds representing assessments collected by the County shall be deposited in the District Treasury to the credit of the improvement fund previously established under the distinctive designation of the Assessment Districts. Funds in the improvement fund shall be expended only for bond expenses, maintenance, servicing, construction or installation of the improvements.

**PASSED AND ADOPTED** at a Regular Meeting of the Board of Directors of the Chico Area Recreation and Park District on the 23<sup>rd</sup> day of May 2024 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

ATTEST:

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Michael McGinnis, Chair  
Board of Directors

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Holli Drobny  
Clerk of the Board of Directors

# Chico Area Recreation and Park District



Amber Grove Landscaping and Lighting District

Fiscal Year 2024-25  
Engineer's Report

Pursuant to the Landscaping and Lighting Act of 1972 and  
Article XIID of the California Constitution

Engineer of Work:



4745 Mangels Boulevard  
Fairfield, California 94534  
707.430.4300  
[www.sci-cg.com](http://www.sci-cg.com)

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## **CHICO AREA RECREATION & PARK DISTRICT**

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### **Board of Directors**

Michael McGinnis, Chair  
Dave Donnan, Vice Chair  
Tom Lando, Director  
Chris Norden, Director  
Michael Worley, Director

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### **General Manager**

Annabel Grimm

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### **Finance Manager**

Angela Carpenter

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### **Engineer of Work**

SCI Consulting Group

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# Introduction

## Overview

The Chico Area Recreation and Park District (“CARD”) formed the Amber Grove/Greenfield Park Landscaping and Lighting Assessment District (the “Assessment District”) in order to comply with the District’s Master Park and Recreation Plan that was developed in September 1988. The Master Plan outlined three major findings:

1. There exist inadequate neighborhood parks to service the park and recreational needs of the community,
2. Additional large neighborhood parks should be developed within the service area of the District, preferably in conjunction with the development of adjacent school sites and in connection with development of new housing subdivisions, and
3. Emphasize the need to develop a long-range financing program to ensure adequate financial resources to support the development and maintenance of the park and recreational improvements recommended by the Master Plan, including financial alternatives such as park fees, state recreation bonds, and assessments levied pursuant to the Landscaping and Lighting Act of 1972.

In 1992, Webb Homes contacted CARD to develop a neighborhood park on approximately five acres of land. Webb Homes offered to construct the park in exchange for CARD assuming responsibility for continued maintenance of the Amber Grove/Greenfield Park once the park was completed. CARD agreed provided that the costs incurred by the District for continuing maintenance and servicing of the park would be paid by levying assessments on property owners with the Amber Grove/Greenfield subdivision areas. On November 11, 1993, the Board approved the Engineer’s Report and passed its Resolution of Intent to Form the Amber Grove/Greenfield Landscaping and Lighting Assessment District and to Levy and Collect Assessments for Fiscal Year 1994-1995. On January 13, 1994, a public protest hearing was held to hear all written and oral protests of the formation of the proposed assessment district. After no written or oral protests, the CARD Board of Directors passed its Resolution Ordering the Formation of the Amber Grove/Greenfield Landscaping and Lighting Assessment District and Confirming a Diagram and Assessment for Fiscal Year 1994-1995.

## Introduction to Engineer's Report

This Engineer's Report ("Report") was prepared to establish the budget for the capital improvement and services expenditures that would be funded by the proposed 2024-25 assessment, determine the benefits received from the lighting and landscaping maintenance and improvements by property within CARD and the method of assessment apportionment to lots and parcels within CARD. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIII D of the California Constitution (the "Article").

This Report describes the Assessment District, any new annexations, changes to the Assessment District, and the proposed assessments for fiscal year 2024-25. The proposed assessments are based on the estimated cost to operate, maintain and service the improvements that provide a direct and special benefit to properties within the Assessment District.

In each year for which the assessments will be levied, the CARD Board must direct the preparation of an Engineer's Report, annual budget and proposed assessments for the upcoming fiscal year. After the Report is completed, the Board may preliminarily approve the Report and proposed assessments and establish the date for a public hearing on the continuation of the assessments. This Report was prepared pursuant to the direction of the Board adopted on February 22, 2024.

Once the Board preliminarily approves the Engineer's Report and the continuation of the assessments by resolution, a notice of the proposed assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing will be used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing is held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for May 23, 2024.

Following consideration of public comments at a public hearing, and review of the Final Annual Engineer's Report, the Board of Directors ("the Board") of CARD, may order amendments to the Report or confirm the Report as submitted.

At this hearing, the Board would consider approval of a resolution confirming the assessments for fiscal year 2024-25. If so confirmed and approved, the assessments

would be submitted to the County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2024-25.

## Legislative Analysis

### Proposition 218

Many of these Assessment Districts were formed prior to the passage of Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIII C and XIII D of the California Constitution. (Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.) Although these assessments are consistent with Proposition 218, the California judiciary has generally referred to pre-Proposition 218 assessments as “grandfathered assessments” and held them to a lower standard than post Proposition 218 assessments.

Other Assessment Districts that were formed after Proposition 218 are consistent with the approval procedures and requirements imposed by Proposition 218.

### Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA vs. SCCOSA”). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment District

---

**Dahms v. Downtown Pomona Property**

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the Assessment District. The Court also upheld discounts and exemptions from the assessment for certain properties.

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**Bonander v. Town of Tiburon**

In the December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based on in part on relative costs within sub-areas of the Assessment District instead of proportional special benefits.

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**Beutz v. County of Riverside**

On May 26, 2010 the 4th District Court of Appeals issued a decision on the Steven Beutz v. County of Riverside (“Beutz”) appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services was not explicitly calculated, quantified and separated from the special benefits.

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**Golden Hill Neighborhood Association v. City of San Diego**

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in Beutz, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

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**Compliance with Current Law**

This Engineer's Report is consistent with the requirements of Article XIII C and XIII D of the California Constitution and with the SVTA decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with Buetz, Greater Golden Hill, and Dahms because similar Improvements will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with Bonander because the Assessments have been apportioned based on the overall cost of the Improvements and proportional special benefit to each property.



## Plans and Specifications

The improvements to be undertaken by the Amber Grove/Greenfield Landscaping and Lighting Assessment District (the "Assessment District") and the cost thereof paid from the levy of the annual assessments, provide special benefit to parcels within the Assessment District as defined in the Method of Assessment herein. In addition to the definitions provided by the Landscaping and Lighting Act of 1972, (the "Act") the work and improvements are generally described as follows:

Installation, maintenance and servicing of public recreational facilities and improvements, property owned or property rights, easements and/or rights of entry, leases or dedications including, but not limited to, parks, recreation facilities, open space lands, greenbelts, playground equipment, trails, utility right-of-ways, signage, fencing, picnic areas, restrooms, lighting and other improvements and land preparation (such as grading, leveling, cutting, and filling) sod landscaping, irrigation systems, sidewalks and drainage on (1) real property owned by, or encumbered by property rights held by, or maintained by, the Assessment District; or (2) on real property owned by, or encumbered by property rights held by, or maintained by any local agency or non-profit entity within the jurisdictional area of the Assessment District in any of the installations, maintenance and servicing described herein.

"Installation" means the construction of public improvements, including, but not limited to, land preparation, (such as grading, leveling, cutting and filling), sod, landscaping, irrigation systems, sidewalks and drainage, and lights.

"Maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any Improvement, including (a) repair, removal, or replacement of all or part of any Improvement; (b) providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; (c) the removal of trimmings, rubbish, debris, and other solid waste; and (d) the cleaning, sandblasting and painting of walls and other Improvements to remove or cover graffiti. (Streets & Highways Code §22531)

"Servicing" means the furnishing of (a) electric current or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other Improvements; and (b) water for irrigation of any landscaping, the operation of any fountains, or the maintenance of any other Improvements. (Streets & Highways Code §22538)

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment. (Streets & Highways Code §22526)

The assessment proceeds will be exclusively used for Improvements within the Assessment District plus incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with CARD.

## Estimate of Costs And Budget- Fiscal Year 2024-25

The annual assessment for the Amber Grove/Greenfield Landscaping and Lighting Assessment District is shown in the figure below:

**Figure 1- Amber Grove/Greenfield Park Estimate of Costs Fiscal Year 2024-25**

Estimate of Costs		Preliminary Budget
Maintenance and Servicing Expenditures:		
Salary and Benefits		\$95,000
<b>Total Maintenance and Servicing</b>		<b>\$95,000</b>
Service and Supply		
Agriculture		\$3,150
Maintenance Structure & Grounds		\$5,000
District Vandalism		\$0
Utilities		\$19,500
Contract Services <sup>1</sup>		\$4,182
<b>Total Service and Supply</b>		<b>\$31,832</b>
<b>Installation, Maintenance, Servicing and Incidental Costs Total</b>		<b>\$126,832</b>
Contributions from General Fund		<b>(\$84,342)</b>
<b>Net Costs for Maintenance and Servicing</b>		<b>\$42,490</b>
<b>Budget Allocation to Property<sup>2</sup></b>		
	<u>Assessment Units</u>	<u>RATE</u>
	607	\$70.00
		<u>BUDGET<sup>3</sup></u>
		\$42,490

Notes:

1. Incidental cost includes county collection charges and project management.
2. The Act stipulates that proceeds from the assessments must be deposited into a special fund that has been set up for the revenues and expenditures of the Assessment District. Moreover, funds raised by the assessment shall be used only for the purposes stated within this Report. Any balance remaining at the end of the fiscal year, June 30, must be carried over to the next fiscal year.
3. The assessment amounts are rounded down to the even penny for purposes of complying with the collection requirements from the County Auditor-Controller. Therefore, the total assessment amount for all parcels subject to the assessments may vary slightly from the net amount to assessment.

## Method of Apportionment

### Method of Apportionment

This section of the Engineer's Report explains the benefits to be derived from the Improvements and the methodology used to apportion the total assessment to properties within the Assessment District.

The method used for apportioning the assessment is based upon the relative special benefits to be derived by the properties in the Assessment District over and above general benefits conferred on real property or to the public at large. The assessment is apportioned to lots and parcels in proportion to the relative special benefit from the improvements. The apportionment of special benefit is a two-step process: the first step has been to identify the types of special benefit arising from the improvements and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

This section of the Report includes a discussion of the benefits to be provided by the proposed improvements and the method of apportionment of assessments within the Assessment District.

### Discussion of Benefit

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

*“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”*

Proposition 218, as codified in Article XIIIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must exceed the cost of the assessment:

*“No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”*

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the Improvements to be provided with the assessment proceeds. These types of special benefit are summarized as follows:

- Proximity to Improved Landscaped Areas and Other Public Improvements within the Assessment District.
- Access to Improved landscaped areas and Other Public Improvements within the Assessment District.
- Improved Views within the Assessment District.
- Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements.

In this case, the recent the SVTA v. SCCOSA decision provides enhanced clarity to the definitions of special benefits to properties from similar park improvements in three distinct areas:

- Proximity
- Expanded or improved access
- Views

The SVTA v. SCCOSA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA v. SCCOSA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

*The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Proximity, improved access and views, in addition to the other special benefits listed herein further strengthen the basis of these assessments.

Moreover, the Dahms decision further clarified that certain services and improvements funded by assessments, that are over and above what otherwise would be provided and that other property in general and the public do not share or receive are 100% special benefit. The assessment funded services upheld by Dahms included streetscape maintenance and security services.

## Benefit Factors

The special benefits from the Improvements are further detailed below:

---

### **Proximity to improved landscaped and park areas within the Assessment District**

Only the specific properties within close proximity to the Improvements are included in the Assessment District. Each of the Assessment District has been narrowly drawn to only include the properties that receive special benefits from the Improvements. Therefore, property in the Assessment District enjoys unique and valuable proximity and access to the Improvements that the public at large and property outside the Assessment District do not share.

In absence of the assessments, the Improvements would not be provided and the public improvements funded in the Assessment District would be degraded due to insufficient funding for maintenance, upkeep and repair. Therefore, the assessments provide Improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the Assessment District, they provide a direct advantage and special benefit to property in the Assessment District.

---

### **Access to improved landscaped and park areas within the Assessment District**

Since the parcels in the Assessment District are nearly the only parcels that enjoy close access to the Improvements, they directly benefit from the unique close access to improved landscaped and park areas and other public improvements that are provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

---

### **Improved views within the Assessment District**

CARD, by maintaining permanent public improvements funded by the assessments in each Assessment District, provides improved views to properties in the Assessment District. The properties in the Assessment District enjoy close and unique proximity, access and views of the specific Improvements funded in their Assessment District; therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.

---

### **Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements**

In large part because it is cost prohibitive to provide large open land areas on property in the Assessment District, the residential, commercial and other benefiting properties in the Assessment District do not have large outdoor areas and green spaces. The landscaped areas within the Assessment District provide additional outdoor areas that serve as an effective extension of the land area for proximate properties because the Improvements are uniquely proximate and accessible to property in close proximity to the Improvements. The Improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties in the Assessment District because such properties have uniquely good and close proximity to the Improvements.

### **General versus Special Benefit**

In absence of the assessments, the Improvements in each Assessment District would not be provided, so the Improvements are “over and above” what otherwise would be provided. Many of the parcels would not even exist if the assessments were not established because an assessment for the specific Improvements within the Assessment District was a condition of development approval.

All of the Assessment proceeds derived from each Assessment District will be utilized to fund the cost of providing a level of tangible “special benefits” in the form of proximate landscaping, lighting, and other permanent public improvements. The Assessments are also structured to provide specific Improvements within each Assessment District, further ensuring that the Improvements funded by the Assessments are of specific and special benefit to property within each Assessment District.

Although these Improvements may be available to the general public at large, the public landscaping and other public improvements in each Assessment District were specifically designed, located and created to provide additional and improved public resources for the direct advantage of property inside the Assessment District, and not the public at large. Other properties that are either outside an Assessment District or within an Assessment District and not assessed, do not enjoy the unique proximity, access, views and other special benefit factors described previously. Moreover, many of the homes and other improvements on parcels in the Assessment District would not have been built if the Assessments were not established because an assessment for public landscaping and lighting was a condition of development approval.

It is also important to note that the improvements and services funded by the assessments in Pomona (“Dahms”) are similar to the improvements and services funded by the Assessments described in this Engineer’s Report and the Court found these improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer’s Report fund improvements and services directly provided within the Assessment District and every benefiting property in the Assessment District enjoys proximity and access to the Improvements. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Improvements, particularly setback landscaping improvements.

### **Benefit Finding**

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from closer proximity, access and views of Improvements funded by the Assessments, the creation of developable parcels and from the extension of usable land area provided by the assessments. The Improvements are specifically designed to serve local properties in each Assessment District, not other properties or the public at large. The Assessment District have been narrowly drawn to include those parcels that receive a direct advantage from the Improvements. The public at large and other properties outside the Assessment District receive only limited benefits from the Improvements because they do not have proximity, good access or views of the Improvements. These are special benefits to property in the Improvement District in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

### **Method of Assessment**

The step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single-family home.

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#### **Amber Gove/Greenfield Land Use Classification**

On the following page, the Land Use Classes for the Amber Grove/Greenfield Landscaping and Lighting Assessment District are defined in the original Engineer’s Report:



Land Use Classes:

*Three classes of land usage were established. These are as follows:*

1. *Class A: Includes all single-family residential lots, single family agricultural parcels, condominium residential parcels and all multi-residential and apartment residential parcels.*
2. *Class B: Includes all retail, commercial and non-residential land use parcels.*
3. *Class C: Includes all parcels classified as exempt from assessment by the County Assessor. Vacant properties, small irregular shaped parcels and property owned by any government entity or utility fall into this class.*

---

**Assessment Factors**

The Assessment District calculate the Assessment per parcel based on Land Use Classes and the Assessment Factor Index. The Assessment Factor Index and Assessment per Parcel are defined in the previous Amber Grove/Greenfield Landscaping and Lighting Assessment District Engineer's Reports:

Assessment Factor Index:

*The Assessment Matrix also shows the Assessment Factor Index for each land use category. Since a single-family residential parcel is the "benchmark property", the relative scores of all other land use classes were related to the benchmark by indexing. A single-family residential parcel was assigned a relative Assessment Factor Index of 1.00. The Assessment Factor Index for other land use classes were determined by dividing the point total for each particular land use class by the point total for the single family/ condominium residential class.*

Assessment Per Parcel:

*The total number of dwelling units for each land use class was multiplied by its respective Assessment Factor Index to determine the number of Assessment Units for each land class. The sum of the Assessment Units for all land use classes was then divided into the annual assessment amount to determine a Base Unit per unit.*

*The final assessment per parcel is determined by multiplying the Base Assessment by the Assessment Factor Index and the number of units for that particular parcel.*

## Appeals of Assessments Levied to Property

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the District Engineer or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the District Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the General Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the Assessment Roll. If any such changes are approved after the Assessment Roll has been filed with the County for collection, the District Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District Engineer or his or her designee shall be referred to the Board of Directors of the Chico Area Recreation and Park District, and the decision of the Board shall be final.

## Assessments

**WHEREAS**, said the Board directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Improvements upon all assessable parcels within the Assessment District, to which Resolution and the description of the Improvements therein contained, reference is hereby made for further particulars;

**NOW, THEREFORE**, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of the Chico Area Recreation and Park District hereby make the following assessment to cover the portion of the estimated cost of the Improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for the improvements and the expense incidental thereto, to be paid by the District for the fiscal year 2024-25 is generally as follows:

**Figure 2- Summary Estimate of Costs Fiscal Year 2024-25**

SUMMARY COST ESTIMATE

Installation, Maintenance, Servicing and Incidental Costs Total	\$126,832
Contributions from General Fund	(\$84,342)
<b>Total Amber Grove/Greenfield LLAD Budget</b>	<b>\$42,490</b>

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Landscaping and Lighting Assessment District. The distinctive number of each parcel or lot of land in the said Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The maximum authorized assessment rate of \$70.00 per single-family residential unit for fiscal year 2024-25 is based on the estimate of cost and budget in this Engineer's Report.

The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said Improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Butte for the fiscal year 2024-25. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County. I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2024-25 for each parcel or lot of land within the Assessment District.

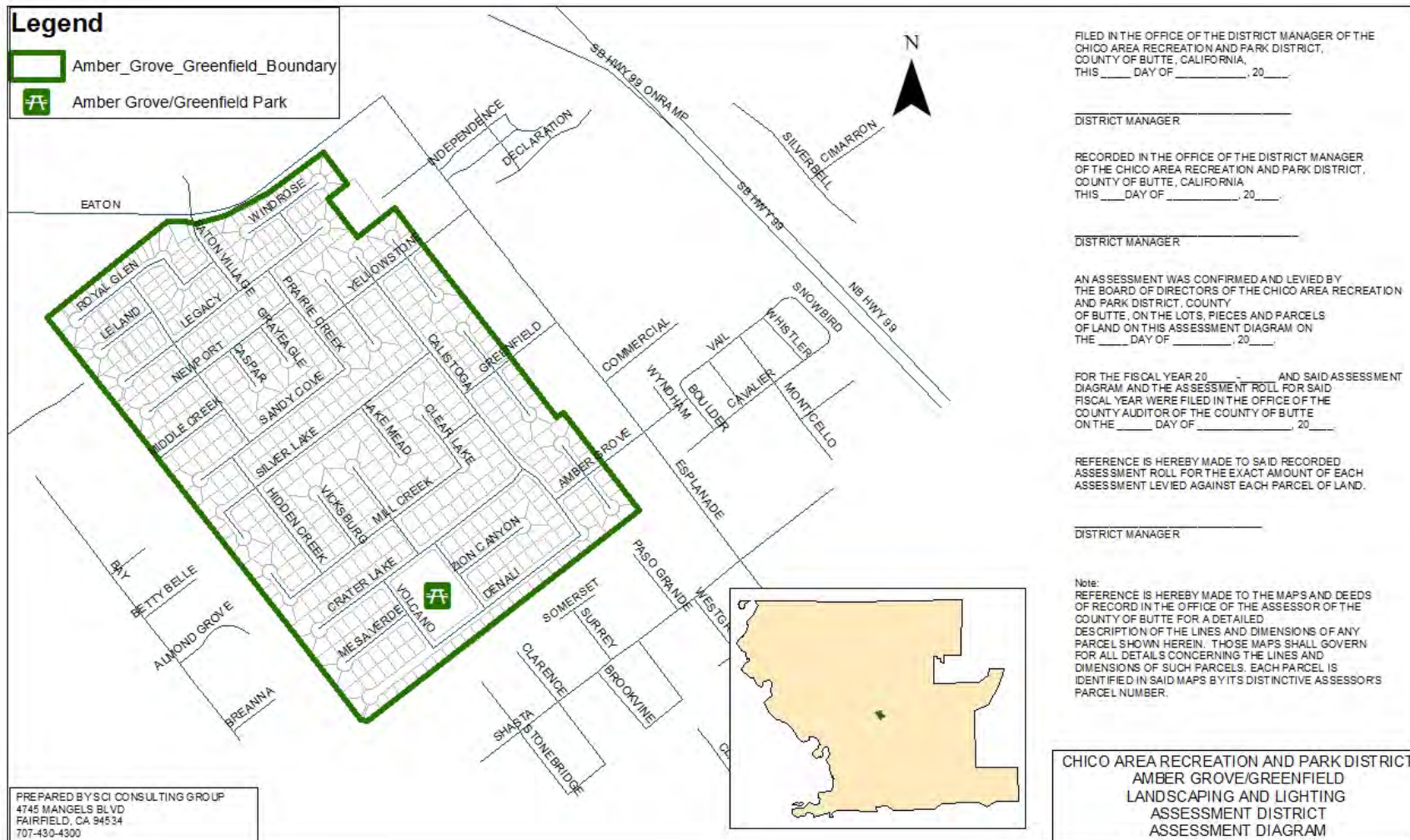
Dated: April XX, 2024

Engineer of Work

By \_\_\_\_\_  
John Bliss, License No. C52091

## Assessment Diagrams

The boundaries of the Assessment District are displayed on the following Assessment Diagrams. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Butte, for fiscal year 2024-25, and are incorporated herein by reference, and made a part of this Diagram and this Report.



## Assessment Roll

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the Secretary to the Board of Directors and is, by reference, made part of this report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor's records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

Non-assessable lots or parcels include government owned land and public utility owned property.

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# Chico Area Recreation and Park District



Oak Way Park Landscaping and Lighting District

Fiscal Year 2024-25  
Engineer's Report

Pursuant to the Landscaping and Lighting Act of 1972 and  
Article XIID of the California Constitution

Engineer of Work:



4745 Mangels Boulevard  
Fairfield, California 94534  
707.430.4300  
[www.sci-cg.com](http://www.sci-cg.com)

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## **CHICO AREA RECREATION & PARK DISTRICT**

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### **Board of Directors**

Michael McGinnis, Chair

Dave Donnan, Vice Chair

Tom Lando, Director

Chris Norden, Director

Michael Worley, Director

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### **General Manager**

Annabel Grimm

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### **Finance Manager**

Angela Carpenter

---

### **Engineer of Work**

SCI Consulting Group

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## Introduction

### Overview

The Chico Area Recreation and Park District (“CARD”) formed the Oak Way Park Landscaping and Lighting Assessment District (the “Assessment District”) in order to comply with the District’s Master Park and Recreation Plan that was developed in September 1988. The Master Plan outlined three major findings:

1. There exist inadequate neighborhood parks to service the park and recreational needs of the community,
2. Additional large neighborhood parks should be developed within the service area of the District, preferably in conjunction with the development of adjacent school sites and in connection with development of new housing subdivisions, and
3. Emphasize the need to develop a long-range financing program to ensure adequate financial resources to support the development and maintenance of the park and recreational improvements recommended by the Master Plan, including financial alternatives such as park fees, state recreation bonds, and assessments levied pursuant to the Landscaping and Lighting Act of 1972.

In 1992, CARD began the planning process for the Oak Way neighborhood park. On February 25, 1993, the Board approved the Engineer’s Report and passed its Resolution of Intent to Form the Oak Way Landscaping and Lighting Assessment District and to Levy and Collect Assessments for Fiscal Year 1993-1994. On April 22, 1993, a public protest hearing was held to hear all written and oral protests of the formation of the proposed assessment district. After a few written protests and no oral protests, the Chico Area Recreation and Park District Board of Directors passed its Resolution Ordering the Formation of the Oak Way Landscaping and Lighting Assessment District and Confirming a Diagram and Assessment for Fiscal Year 1993-94. In 1997, the Park District conducted an assessment balloting proceeding for the Assessment District to comply with Proposition 218 requirements which reduced the rate from \$12.00 to \$4.00.

## Introduction to Engineer's Report

This Engineer's Report ("Report") was prepared to establish the budget for the capital improvement and services expenditures that would be funded by the proposed 2024-25 assessment, determine the benefits received from the lighting and landscaping maintenance and improvements by property within CARD and the method of assessment apportionment to lots and parcels within CARD. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIII D of the California Constitution (the "Article").

This Report describes the Assessment District, any new annexations, changes to the Assessment District, and the proposed assessments for fiscal year 2024-25. The proposed assessments are based on the estimated cost to operate, maintain and service the improvements that provide a direct and special benefit to properties within the Assessment District.

In each year for which the assessments will be levied, the CARD Board must direct the preparation of an Engineer's Report, budgets and proposed assessments for the upcoming fiscal year. After the Report is completed, the Board may preliminarily approve the Report and proposed assessments and establish the date for a public hearing on the continuation of the assessments. This Report was prepared pursuant to the direction of the Board adopted on February 22, 2024.

Once the Board preliminarily approves this Engineer's Report and the continuation of the assessments by resolution, a notice of the proposed assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing will be used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing is held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for May 23, 2024.

Following consideration of public comments at a public hearing, and review of the Final Annual Engineer's Report, the Board of Directors ("the Board") of CARD, may order amendments to the Report or confirm the Report as submitted.

At this hearing, the Board would consider approval of a resolution confirming the assessments for fiscal year 2024-25. If so confirmed and approved, the assessments would be submitted to the County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2024-25.

## Legislative Analysis

### Proposition 218

Many of these Assessment Districts were formed prior to the passage of Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIIC and XIID of the California Constitution. (Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.) Although these assessments are consistent with Proposition 218, the California judiciary has generally referred to pre-Proposition 218 assessments as “grandfathered assessments” and held them to a lower standard than post Proposition 218 assessments.

Other Assessment Districts that were formed after Proposition 218 are consistent with the approval procedures and requirements imposed by Proposition 218.

### Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA vs. SCCOSA”). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment District



---

**Dahms v. Downtown Pomona Property**

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the Assessment District. The Court also upheld discounts and exemptions from the assessment for certain properties.

---

**Bonander v. Town of Tiburon**

In the December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based on in part on relative costs within sub-areas of the Assessment District instead of proportional special benefits.

---

**Beutz v. County of Riverside**

On May 26, 2010, the 4th District Court of Appeals issued a decision on the Steven Beutz v. County of Riverside (“Beutz”) appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services was not explicitly calculated, quantified and separated from the special benefits.

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**Golden Hill Neighborhood Association v. City of San Diego**

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in Beutz, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

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### **Compliance with Current Law**

This Engineer's Report is consistent with the requirements of Article XIII C and XIII D of the California Constitution and with the SVTA decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with Buetz, Greater Golden Hill, and Dahms because similar Improvements will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with Bonander because the Assessments have been apportioned based on the overall cost of the Improvements and proportional special benefit to each property.

## Plans and Specifications

The improvements to be undertaken by the Oak Way Park Landscaping and Lighting Assessment District (the “Assessment District”) and the cost thereof paid from the levy of the annual assessments, provide special benefit to parcels within the Assessment District as defined in the Method of Assessment herein. In addition to the definitions provided by the Landscaping and Lighting Act of 1972, (the “Act”) the work and improvements are generally described as follows:

Installation, maintenance and servicing of public recreational facilities and improvements, property owned or property rights, easements and/or rights of entry, leases or dedications including, but not limited to, parks, recreation facilities, open space lands, greenbelts, playground equipment, trails, utility right-of-ways, signage, fencing, picnic areas, restrooms, lighting and other improvements and land preparation (such as grading, leveling, cutting, and filling) sod landscaping, irrigation systems, sidewalks and drainage on (1) real property owned by, or encumbered by property rights held by, or maintained by, the Assessment District; or (2) on real property owned by, or encumbered by property rights held by, or maintained by any local agency or non-profit entity within the jurisdictional area of the Assessment District in any of the installations, maintenance and servicing described herein.

“Installation” means the construction of public improvements, including, but not limited to, land preparation, (such as grading, leveling, cutting and filling), sod, landscaping, irrigation systems, sidewalks and drainage, and lights.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any Improvement, including (a) repair, removal, or replacement of all or part of any Improvement; (b) providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; (c) the removal of trimmings, rubbish, debris, and other solid waste; and (d) the cleaning, sandblasting and painting of walls and other Improvements to remove or cover graffiti. (Streets & Highways Code §22531)

“Servicing” means the furnishing of (a) electric current or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other Improvements; and (b) water for irrigation of any landscaping, the operation of any fountains, or the maintenance of any other Improvements. (Streets & Highways Code §22538)

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment. (Streets & Highways Code §22526)

The assessment proceeds will be exclusively used for Improvements within the Assessment District plus incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with Chico Area Recreation and Park District.

## Estimate of Costs And Budget

The annual assessment for the Oak Way Park Landscaping and Lighting Assessment District is shown in the figure below:

**Figure 1- Oak Way Park LLAD Estimate of Costs Fiscal Year 2024-25**

Chico Area Recreation and Park District - Oak Way Park Estimate of Costs			
			Preliminary Budget
Maintenance and Servicing Expenditures:			\$147,000
Incidental Expenses <sup>1</sup>			\$4,851
<b>Installation, Maintenance, Servicing and Incidental Costs Total</b>			<b>\$151,851</b>
Contributions from General Fund			(\$127,887)
<b>Net Costs for Maintenance and Servicing</b>			<b>\$23,964</b>
<b>Budget Allocation to Property <sup>2</sup></b>			
	<u>Assessment Units</u>	<u>RATE</u>	<u>BUDGET <sup>3</sup></u>
	5,991	\$4.00	\$23,964

Notes:

1. Incidental cost includes county collection charges and project management.
2. The Act stipulates that proceeds from the assessments must be deposited into a special fund that has been set up for the revenues and expenditures of the Assessment District. Moreover, funds raised by the assessment shall be used only for the purposes stated within this Report. Any balance remaining at the end of the fiscal year, June 30, must be carried over to the next fiscal year.
3. The assessment amounts are rounded down to the even penny for purposes of complying with the collection requirements from the County Auditor-Controller. Therefore, the total assessment amount for all parcels subject to the assessments may vary slightly from the net amount to assessment.

## Method of Apportionment

### Method of Apportionment

This section of the Engineer's Report explains the benefits to be derived from the Improvements and the methodology used to apportion the total assessment to properties within the Assessment District.

The method used for apportioning the assessment is based upon the relative special benefits to be derived by the properties in the Assessment District over and above general benefits conferred on real property or to the public at large. The assessment is apportioned to lots and parcels in proportion to the relative special benefit from the improvements. The apportionment of special benefit is a two-step process: the first step has been to identify the types of special benefit arising from the improvements and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

This section of the Report includes a discussion of the benefits to be provided by the proposed improvements and the method of apportionment of assessments within the Assessment District.

### Discussion of Benefit

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

*“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”*

Proposition 218, as codified in Article XIII D of the California Constitution, has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must exceed the cost of the assessment:

*“No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”*

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the Improvements to be provided with the assessment proceeds. These types of special benefit are summarized as follows:

- Proximity to Improved Landscaped Areas and Other Public Improvements within the Assessment District.
- Access to Improved landscaped areas and Other Public Improvements within the Assessment District.
- Improved Views within the Assessment District.
- Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements.

In this case, the recent the SVTA v. SCCOSA decision provides enhanced clarity to the definitions of special benefits to properties from similar park improvements in three distinct areas:

- Proximity
- Expanded or improved access
- Views

The SVTA v. SCCOSA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA v. SCCOSA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

*The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Proximity, improved access and views, in addition to the other special benefits listed herein further strengthen the basis of these assessments.

Moreover, the Dahms decision further clarified that certain services and improvements funded by assessments, that are over and above what otherwise would be provided and that other property in general and the public do not share or receive are 100% special benefit. The assessment funded services upheld by Dahms included streetscape maintenance and security services.

## Benefit Factors

The special benefits from the Improvements are further detailed below:

---

### **Proximity to improved landscaped and park areas within the Assessment District**

Only the specific properties within close proximity to the Improvements are included in the Assessment District. Each of the Assessment District has been narrowly drawn to only include the properties that receive special benefits from the Improvements. Therefore, property in the Assessment District enjoys unique and valuable proximity and access to the Improvements that the public at large and property outside the Assessment District do not share.

In absence of the assessments, the Improvements would not be provided and the public improvements funded in the Assessment District would be degraded due to insufficient funding for maintenance, upkeep and repair. Therefore, the assessments provide Improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the Assessment District, they provide a direct advantage and special benefit to property in the Assessment District.

---

### **Access to improved landscaped and park areas within the Assessment District**

Since the parcels in the Assessment District are nearly the only parcels that enjoy close access to the Improvements, they directly benefit from the unique close access to improved landscaped and park areas and other public improvements that are provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

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### **Improved views within the Assessment District**

CARD, by maintaining permanent public improvements funded by the assessments in each Assessment District, provides improved views to properties in the Assessment District. The properties in the Assessment District enjoy close and unique proximity, access and views of the specific Improvements funded in their Assessment District; therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.



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### **Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements**

In large part because it is cost prohibitive to provide large open land areas on property in the Assessment District, the residential, commercial and other benefiting properties in the Assessment District do not have large outdoor areas and green spaces. The landscaped areas within the Assessment District provide additional outdoor areas that serve as an effective extension of the land area for proximate properties because the Improvements are uniquely proximate and accessible to property in close proximity to the Improvements. The Improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties in the Assessment District because such properties have uniquely good and close proximity to the Improvements.

### **General versus Special Benefit**

In absence of the assessments, the Improvements in each Assessment District would not be provided, so the Improvements are “over and above” what otherwise would be provided. Many of the parcels would not even exist if the assessments were not established because an assessment for the specific Improvements within the Assessment District was a condition of development approval.

All of the Assessment proceeds derived from each Assessment District will be utilized to fund the cost of providing a level of tangible “special benefits” in the form of proximate landscaping, lighting, and other permanent public improvements. The Assessments are also structured to provide specific Improvements within each Assessment District, further ensuring that the Improvements funded by the Assessments are of specific and special benefit to property within each Assessment District.

Although these Improvements may be available to the general public at large, the public landscaping and other public improvements in each Assessment District were specifically designed, located and created to provide additional and improved public resources for the direct advantage of property inside the Assessment District, and not the public at large. Other properties that are either outside an Assessment District or within an Assessment District and not assessed, do not enjoy the unique proximity, access, views and other special benefit factors described previously. Moreover, many of the homes and other improvements on parcels in the Assessment District would not have been built if the Assessments were not established because an assessment for public landscaping and lighting was a condition of development approval.

It is also important to note that the improvements and services funded by the assessments in Pomona (“Dahms”) are similar to the improvements and services funded by the Assessments described in this Engineer’s Report and the Court found these improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer’s Report fund improvements and services directly provided within the Assessment District and every benefiting property in the Assessment District enjoys proximity and access to the Improvements. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Improvements, particularly setback landscaping improvements.

### **Benefit Finding**

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from closer proximity, access and views of Improvements funded by the Assessments, the creation of developable parcels and from the extension of usable land area provided by the assessments. The Improvements are specifically designed to serve local properties in each Assessment District, not other properties or the public at large. The Assessment District have been narrowly drawn to include those parcels that receive a direct advantage from the Improvements. The public at large and other properties outside the Assessment District receive only limited benefits from the Improvements because they do not have proximity, good access or views of the Improvements. These are special benefits to property in the Improvement District in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

### **Method of Assessment**

The step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single-family home.

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## Oak Way Park Land Use Classification

The Land Use Classes for the Oak Park Landscaping and Lighting Assessment District is defined in the original Engineer's Report:

*Land Use Classes: Six classes of land usage were established. These are as follows:*

*Class A: Includes all single family residential lots, single family agricultural parcels and condominium residential parcels.*

*Class B: Includes all multi-residential and apartment residential parcels.*

*Class C: Includes all mobile home residential parcels.*

*Class D: Includes all retail, commercial and non-residential land use parcels.*

*Class E: Includes all industrial and mini-storage parcels.*

*Class F: Includes all parcels classified as exempt from assessment by the County Assessor. Vacant properties, small irregular shaped parcels and property owned by any government entity or utility fall into this class.*

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## Assessment Factors

The Assessment District calculate the Assessment per parcel based on Land Use Classes and the Assessment Factor Index. The Assessment Factor Index and Assessment per Parcel are defined in the original Oak Way Park Landscaping and Lighting Assessment District Engineer's Reports:

*Assessment Factor Index:*

*The Assessment Matrix also shows the Assessment Factor Index for each land use category. Since a single family residential parcel is the "benchmark property", the relative scores of all other land use classes were related to the benchmark by indexing. A single family residential parcel was assigned a relative Assessment Factor Index of 1.00. The Assessment Factor Index for other land use classes were determined by dividing the point total for each particular land use class by the point total for the single family/ condominium residential class.*

*Assessment Per Parcel:*

*The total number of dwelling units for each land use class was multiplied by its respective Assessment Factor Index to determine*

*the number of Assessment Units for each land class. The sum of the Assessment Units for all land use classes was then divided into the annual assessment amount to determine a Base Unit per unit.*

The final assessment per parcel is determined by multiplying the Base Assessment by the Assessment Factor Index and the number of units for that particular parcel.

**Figure 2 -The Benefit Assessment Matrix**

<u>Use of Property</u>	<u>Assessment Factor Index</u>	<u>Rate</u>
Single and Multi-Family Residential, Apartment Unit, or Condominium	1.00	\$4.00
Mobile Homes on a Separate Parcel	0.90	\$3.60
Commercial/Industrial	0.00	\$0.00

### Appeals of Assessments Levied to Property

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the District Engineer or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the District Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the General Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the Assessment Roll. If any such changes are approved after the Assessment Roll has been filed with the County for collection, the District Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District Engineer or his or her designee shall be referred to the Board of Directors of the Chico Area Recreation and Park District, and the decision of the Board shall be final.

## Assessments

**WHEREAS**, said the Board directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Improvements upon all assessable parcels within the Assessment District, to which Resolution and the description of the Improvements therein contained, reference is hereby made for further particulars;

**NOW, THEREFORE**, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of the Chico Area Recreation and Park District hereby make the following assessment to cover the portion of the estimated cost of the Improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for the improvements and the expense incidental thereto, to be paid by the District for the fiscal year 2024-25 is generally as follows:

**Figure 3- Summary Estimate of Costs Fiscal Year 2024-25**

SUMMARY COST ESTIMATE

Installation, Maintenance, Servicing and Incidental Costs Total	\$151,851
Contributions from General Fund	<u>(\$127,887)</u>
Total Oak Way Park LLAD Budget	\$23,964

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Landscaping and Lighting Assessment District. The distinctive number of each parcel or lot of land in the said Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The maximum authorized assessment rate of \$4.00 per single-family residential unit for fiscal year 2024-25 is based on the estimate of cost and budget in this Engineer's Report.

The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said Improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Butte for the fiscal year 2024-25. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County. I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2024-25 for each parcel or lot of land within the Assessment District.

Dated: April XX, 2024

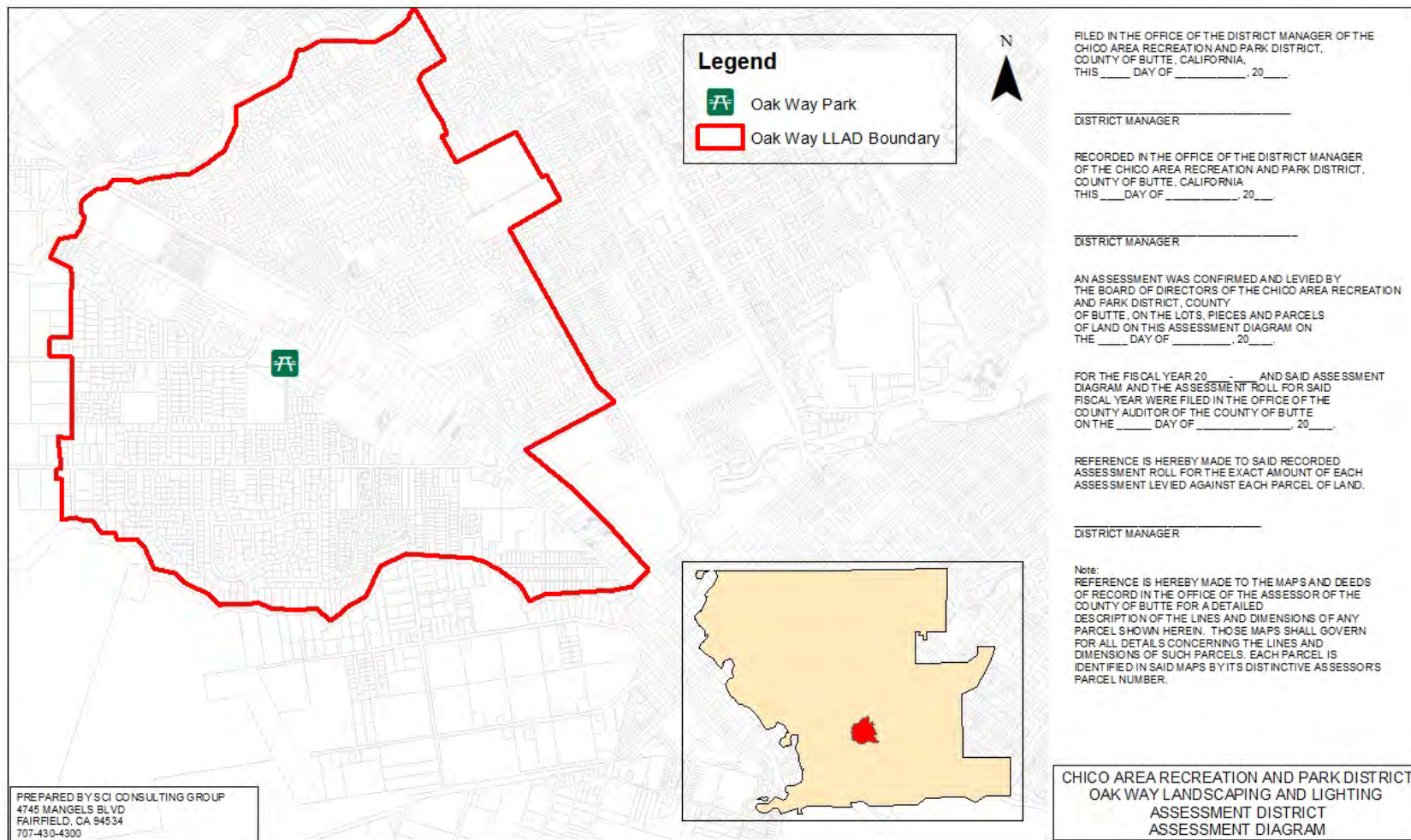
Engineer of Work

By \_\_\_\_\_  
John Bliss, License No. C52091

## Assessment Diagrams

The boundaries of the Assessment District are displayed on the following Assessment Diagrams. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Butte, for fiscal year 2024-25, and are incorporated herein by reference, and made a part of this Diagram and this Report.







## Assessment Roll

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the Secretary to the Board of Directors and is, by reference, made part of this report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor's records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

Non-assessable lots or parcels include government owned land and public utility owned property.

# Chico Area Recreation and Park District



Baroni Neighborhood Park and Open Space (No. LLD 001-05)  
Landscape and Lighting Assessment District

Fiscal Year 2024-25  
Engineer's Report

Pursuant to the Landscaping and Lighting Act of 1972 and  
Article XIIIID of the California Constitution

**Engineer of Work:**



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## Chico Area Recreation & Park District

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### **Board of Directors**

Michael McGinnis, Chair  
Dave Donnan, Vice Chair  
Tom Lando, Director  
Chris Norden, Director  
Michael Worley, Director

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### **General Manager**

Annabel Grimm

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### **Finance Manager**

Angela Carpenter

---

### **Engineer of Work**

SCI Consulting Group

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## Introduction

### Overview

The Chico Area Recreation and Park District ("CARD") was formed in 1948 and covers approximately 255 square miles within Butte County. The District provides parks, park maintenance, and recreational programs and facilities to the residents of the City of Chico, the unincorporated community of Nord and other rural areas of unincorporated Butte County.

Baroni Park is a multi-use neighborhood park and open space that occupies 7.285 acres. It was completed in 2007 and is located in Southeast Chico along Baroni Drive. On April 18, 2006, the City Council of the City of Chico ("City") passed its Resolution of Intent to Form the Baroni Neighborhood Park and Open Space Landscaping and Lighting Assessment District No LLD 001-05 ("Assessment District") pursuant to the provisions of the City's Maintenance District Ordinance of 1997, being Chapter 3.81 of Title 3 of the Chico Municipal Code.

Effective July 1, 2010, the City transferred ownership and maintenance and operational responsibility of Baroni Park to CARD. CARD was also tasked to maintain the assessments from the Assessment District which is to provide funding for the operation and maintenance of the park.

### Assessment Formation

On June 20, 2006, the City Council of the City of Chico ordered by Resolution No. 70-06, the formation of, and levied the first assessment within, the Baroni Neighborhood Park and Open Space Landscaping and Lighting Assessment District No LLD 001-05 pursuant to the provisions of the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500 thereof).

### Assessment Continuation

In each subsequent year for which the assessments will be continued, the Board must direct the preparation of an Engineer's Report ("Report"), budgets and continued assessments for the upcoming fiscal year. After the Engineer's Report is completed, the Board may preliminarily approve the Engineer's Report and proposed assessments, and establish the date for a public hearing on the continuation of the assessments. This Engineer's Report was prepared pursuant to the direction of the Board on February 22, 2024.

This Report was prepared to establish the budget for the continued services that would be funded by the proposed 2024-25 continued assessments and to define the benefits received from the improvements by property within the District and the method of assessment apportionment to lots and parcels. This Report and the continued assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code and Article XIID of the California Constitution (the "Article").

Once the Board preliminarily approves this Engineer's Report and the continuation of the assessments by resolution, a notice of the proposed assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. The resolution preliminarily approving the Engineer's Report and establishing the date for a public hearing will be used for this notice.

Following the minimum 10-day time period after publishing the notice, a public hearing is held for the purpose of allowing public testimony about the proposed continuation of the assessments. This hearing is currently scheduled for May 23, 2024. At this hearing, the Board will consider approval of a resolution confirming the continuation of the assessments for fiscal year 2024-25. If so confirmed and approved, the assessments will be submitted to the County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2024-25.

## Legislative Analysis

### Proposition 218

This assessment is formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now codified as Articles XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including property-owner balloting, for the imposition, increase and extension of assessments, and these requirements are satisfied by the process used to establish this assessment.



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### **Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority**

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA”). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Improvement District
- The assessment paid by property should be proportional to the special benefits it receives from the Improvements

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### **Dahms v. Downtown Pomona Property**

On June 8, 2009, the 4th Court of Appeals amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona in Dahms v. Downtown Pomona Property (“Dahms”). On July 22, 2009, the California Supreme Court denied review. In *Dahms* the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

---

### **Bonander v. Town of Tiburon**

On December 31, 2009, in *Bonander v. Town of Tiburon* (“*Bonander*”), the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments primarily on the grounds that the assessments had been apportioned to assessed property based on the costs within sub-areas of the assessment district instead of the overall cost of the improvements and the overall proportional special benefits.

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### **Beutz v. County of Riverside**

On May 26, 2010 the 4th District Court of Appeals issued a decision in *Steven Beutz v. County of Riverside* (“*Beutz*”). This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

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### **Golden Hill Neighborhood Association v. City of San Diego**

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal (commonly known as “*Greater Golden Hill*”). This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

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### **Compliance with Current Law**

This Engineer’s Report is consistent with the *SVTA* decision and with the requirements of Article XIIC and XIID of the California Constitution because the Improvements to be funded are clearly defined; the benefiting property in the Improvement District enjoys close and unique proximity, access and views to the Improvements; the Improvements serve as an extension of usable land area for benefiting properties in the Improvement District and such special benefits provide a direct advantage to property in the Improvement District that is not enjoyed by the public at large or other property.

This Engineer’s Report is consistent with *Beutz*, *Dahms* and *Greater Golden Hill* because, the improvements will directly benefit property in the Improvement District and the general benefits have been excluded from the Assessments, and the special and general benefits have been separated and quantified. The Engineer’s Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Improvements and proportional special benefit to each property.

## Plans and Specifications

The proposed improvements associated with the Basic Park Design provides for the development of the western portion of the 7.285 acre park (west of the drainage swale) to be developed as a more traditional active park site; and the remaining portion (east of the drainage swale) to be more representative of a passive park (natural or native) site. This Basic Park Design incorporates, but is not limited to the following improvements:

- Approximately 201,977 square feet of irrigated park area (active park area located west of the drainage swale) that includes approximately 90,400 square feet of turf area, 14,377 square feet of trees, shrubs, and groundcover (plant areas), and 97,200 square feet of swale area;
- Approximately 120,000 square feet of non-irrigated area (passive park area east of the drainage swale) that includes trees and natural vegetation; and a decomposed granite trail that connects the park's concrete paths to the open space trails; and
- Public lighting facilities including all safety lighting and ornamental lighting installed as part of the approved Master Plan for the Baroni Neighborhood Park;
- Miscellaneous park facilities including but not limited to: park signage, fencing; playground equipment; concrete pathway surrounding the turf area; a picnic area including tables and barbeque facilities; and bench/seating at various locations.
- All appurtenant facilities, equipment, materials and utilities related to the aforementioned improvements.

In addition to the definitions provided by the Landscaping and Lighting Act of 1972, (the "Act") the work and improvements (the "Improvements") are generally described as follows:

Installation, maintenance and servicing of public facilities and improvements, including, but not limited to, turf and play areas, landscaping, ground cover, shrubs and trees, irrigation systems, drainage systems, lighting, street lighting, public lighting facilities, fencing, picnic areas, entry signs and associated appurtenances and labor, materials, supplies, utilities and equipment, as applicable, at each of the locations owned, operated or maintained by CARD. Any plans and specifications for these improvements will be filed with the District Manager of CARD and are incorporated herein by reference.

As applied herein, "Installation" means the construction of recreational improvements, including, but not limited to, land preparation (such as grading, leveling, cutting and filling), sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, benches, and public restrooms.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health and beauty of landscaping; including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste, and the cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti.

“Servicing” means the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; or water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the Improvements; (f) any expenses incidental to the issuance of bonds or notes if any pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment (Streets & Highways Code §22526).

The assessment proceeds will be exclusively used for Improvements within the Assessment District plus Incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with the Chico Area Recreation and Park District.

## Estimate of Cost

**Figure 1 – Baroni Park LLAD Estimate of Cost 2024-25**

Estimate of Costs			
			Preliminary Budget
Maintenance and Servicing Expenditures:			
Salaries and Benefits			\$125,000
<b>Total Salaries and Benefits</b>			<b>\$125,000</b>
Services and Supplies			
Maintenance Structure & Grounds			\$10,000
District Vandalism			\$1,000
Contract Services <sup>1</sup>			\$4,241
Utilities			\$25,300
<b>Total Services and Supplies</b>			<b>\$40,541</b>
Capital Equipment Replacement Reserves <sup>2</sup>			\$5,000
<b>Total for Installation, Maintenance, Servicing and Incidental Costs</b>			<b>\$170,541</b>
Contributions from General Fund			<b>(\$63,128)</b>
<b>Net Costs for Maintenance and Servicing</b>			<b>\$107,413</b>
<b>Budget Allocation to Property<sup>3</sup></b>			
	<u>Assessment Units</u>	<u>RATE</u>	<u>BUDGET<sup>4</sup></u>
Maximum Assessment Allowed	963.00	\$111.54	\$107,413

Notes:

- Incidental cost includes county collection charges and project management.
- Funds from the Capital Equipment Replacement Reserves will be used for ADA upgrades to the park.
- The Act stipulates that proceeds from the assessments must be deposited into a special fund that has been set up for the revenues and expenditures of the Assessment District. Moreover, funds raised by the assessment shall be used only for the purposes stated within this Report. Any balance remaining at the end of the fiscal year, June 30, must be carried over to the next fiscal year.
- The assessment amounts are rounded down to the even penny for purposes of complying with the collection requirements from the County Auditor-Controller. Therefore, the total assessment amount for all parcels subject to the assessments may vary slightly from the net amount to assessment.

## Method of Apportionment

### Method of Apportionment

This section of the Engineer's Report includes an explanation of the benefits to be derived from the maintenance, operation, and servicing of improvements throughout the Assessment District, and the methodology used to apportion the total assessment to land uses within the Assessment District.

The Assessment District consists of all Assessor Parcels within the boundaries of the Baroni Neighborhood Park and Open Space Landscaping and Lighting Assessment District No LLD 001-05 as defined by the Assessment Diagram shown in this report and the Assessor Parcel Numbers listed within the included levy roll. The parcels include all privately or publicly owned parcels within the boundaries. The method used for apportioning the total assessment is based upon the proportional special benefits to be derived by the properties in the Assessment District over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

### Discussion of Benefit

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the District's facilities or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

*"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must reasonably exceed the cost of the assessment:

*"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."*

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the installation, maintenance and servicing of landscaping improvements to be provided with the assessment proceeds.

These categories of special benefit are summarized as follows:

- Proximity and access to improved parks and recreational facilities.
- Improved views.
- Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements.

In this case, the recent the *SVTA* decision provides enhanced clarity to the definitions of special benefits to properties in three distinct areas:

- Proximity
- Expanded or improved access
- Views

The *SVTA* decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The *SVTA* decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).

Proximity, improved access and views, in addition to the other special benefits listed above further strengthen the basis of these assessments.

## Benefit Factors

The special benefits from the Improvements are further detailed below:

---

### **Proximity to improved public landscaping, lighting, parks and other permanent public facilities**

Only the specific properties within close proximity to the Improvements are included in the Assessment District. Therefore, property in the Assessment District enjoys unique and valuable proximity and access to the Improvements that the public at large and property outside the Assessment District do not share.

In absence of the assessments, the Improvements would not be provided and the Baroni Park and recreation areas in the Assessment District would be degraded due to insufficient funding for maintenance, upkeep and repair. Therefore, the assessments provide Improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the Assessment District, they provide a direct advantage and special benefit to property in the Assessment District.

Since the parcels in the Assessment District enjoy close access to the Improvements, they directly benefit from this unique close access to improved park and recreation areas that are provided by the Assessments. This is a direct advantage and special benefit to property in the Assessment District.

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### **Improved Views**

CARD, by maintaining the landscaping areas provides improved views to properties in the Assessment District. The properties in the Assessment District enjoy close and unique proximity, access and views of the Improvements; therefore, the improved and protected views provided by the Assessments are another direct and tangible advantage that is uniquely conferred upon property in the Assessment District.

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### **Extension of a property's outdoor areas and green spaces for properties within close proximity to the Improvements**

The public parks and landscaped areas within certain Districts provide additional outdoor areas that serve as an effective extension of the land area for proximate properties. The park improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties with good and close proximity to the Improvements.



According to the industry-standard guidelines established by the National Park and Recreation Association (the “NPRA”), neighborhood parks in urban areas have a service area radius of generally one-half mile and community parks have a service area radius of approximately two miles. The service radii for neighborhood parks and neighborhood green spaces were specifically established to give all properties within this service radius close proximity and easy walking access to such public land areas. Since proximate and accessible parks serve as an extension of the usable land area for property in the service radii and since the service radii was specifically designed to provide close proximity and access, the parcels within this service area clearly receive a direct advantage and special benefit from the Improvements - and this advantage is not received by other properties or the public at large.

Moreover, Baroni Park does not provide a restroom or parking lot. Such public amenities were specifically excluded from neighborhood parks because neighborhood parks are designed to be an extension of usable land area specifically for properties in close proximity, and not the public at large or other non-proximate property. The occupants of proximate property do not need to drive to their local park and do not need restroom facilities because they can easily reach their local neighborhood park and can use their own restroom facilities as needed. This is further tangible evidence of the effective extension of land area provided by the Improvements to proximate parcels in the Assessment District and the unique direct advantage the proximate parcels receive from the Improvements.

### General versus Special Benefit

The Chico Area Recreation and Park District is a special district created pursuant to the laws of the State of California. There are many types of special districts that provide a variety of urban services. Special districts, like the Chico Area Recreation and Park District, are created to provide a higher level of service within their boundaries than what would be provided in their service area in absence of the special district. The Baroni Neighborhood Park and Open Space (No. LLD 001-05) Landscape and Lighting Assessments allow the District to provide its park and recreation Improvements to the Baroni Park at a much higher level than what otherwise would be provided in absence of the Assessments. Moreover, in absence of the Assessments, no other agency would provide the Improvements nor would the District, because it does not have alternative available funds to provide the Improvements.

All of the Assessment proceeds derived from the Assessment District will be utilized to fund the cost of providing a level of tangible “special benefits” in the form of proximate parks, recreation facilities, landscaped corridors, project entrances, signs, walkways, parks, and other improvements and costs incidental to providing the Improvements and collecting the Assessments.

Although these Improvements may be available to the general public at large, the Baroni Park and trail system/open space in the Assessment District was specifically designed, located and created to provide additional and improved public resources for the direct advantage of property inside the Assessment District, and not the public at large. Other properties that are outside the Assessment District do not enjoy the unique proximity, access, views and other special benefit factors described previously.

These Improvements are of special benefit to properties located within the Assessment District because they provide a direct advantage to properties in the Assessment District that would not be provided in absence of the Assessments. Without the Assessments, the Baroni Park and recreation facilities within the Assessment District would be closed and would turn into brown, unmaintained and unusable lands. If this happened, it would create a significant and material negative impact on the desirability, utility and value of property in the Assessment District. In fact, it is reasonable to assume that if Assessments were not collected and the Baroni Park and recreation facilities were closed as a result, properties in the Assessment District would decline in desirability, utility and value by significantly more than the amount of the Assessment. We therefore conclude that all the park and recreation Improvements funded by this Assessment are of special benefit to certain benefiting properties located within the Assessment District and that the value of the special benefits from the Improvements to property in the Assessment District

reasonably exceeds amount of the Assessments for every assessed parcel in the Assessment District. (In other words, as required by Proposition 218: the reasonable cost of the proportional special benefit conferred on each parcel reasonably exceeds the cost of the assessments.)

Special Note Regarding General Benefit and the SVTA Decision:

*There is no widely-accepted or statutory formula for calculating general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. SVTA decision provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.*

## Quantification of General Benefit

Although the analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits are general. General benefits cannot be funded by these assessments - the funding must come from other sources.

The maintenance and servicing of these improvements is also partially funded, directly and indirectly from other sources including Chico Area Recreation and Park District, the County of Butte, and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds. This funding from other sources more than compensates for general benefits, if any, received by the properties within the assessments district.

In the 2009 *Dahms* case, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided within the assessment district. It is also important to note that the improvements and services funded by the assessments in Pomona (*Dahms*) are similar to the improvements and services funded by the Assessments described in this Engineer's Report, and the Court found those improvements and services to be 100% special benefit. Also similar to the assessments in Pomona, the Assessments described in this Engineer's Report fund improvements and services directly provided within the Assessment District and every benefiting property in the Assessment District enjoys proximity and access to the Improvements. Therefore, *Dahms* establishes a basis for minimal or zero general benefits from the Assessments.

The General Benefits from this assessment may be quantified as illustrated in the following table:

**Figure 2 – General Benefit Calculation**

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Extension of recreation area	40	10%	4
Proximity to improved public landscaping, lighting, parks and other permanent public facilities	30	10%	3
Improved views	30	10%	3
	100		10
	Total Calculated General Benefit =		10.0%

The costs of this 10% General Benefit cannot be funded by the assessments. Non-assessment funding does contribute to the overall maintenance of Baroni Park in the following components:

The City of Chico owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment District improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation and replacement of the curb and gutter is conservatively estimated to be 1%.

The City maintains a storm drainage system along the border of the Assessment District improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

The City maintains local public streets along the border of the Assessment District improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance local public streets is conservatively estimated to be 1%.

The value of the initial construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this “annuity” can be used to offset general benefit costs, and is conservatively estimated to contribute 25%.

The total non-assessment funding contribution sums to 28%. Therefore the total General Benefit is conservatively quantified at 10% which is more than offset by the total non-assessment contribution towards general benefit of 28%.

## Method of Assessment

The step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single family home. The Land Use Classes for the Assessment District is defined in the original Engineer’s Report:

### ***Single-Family Residential***

*This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.00 EBU per lot or parcel. This is the base value that all other properties are compared and weighted against (i.e. Equivalent Benefit Unit EBU).*

**Planned Development**

*This land use is defined as any property for which a tentative or final map has been filed and approved (a specific number of residential lots and units or non-residential use has been identified) and the property is expected to be developed or subdivided in the near future or is part of the overall improvement and development plan for the District (Planned Subdivision). This land use classification often times involves more than a single parcel (e.g. the approved map encompasses more than a single APN). Each parcel that is part of the approved map shall be assessed proportionately for the proposed or estimated residential units or non-residential use to be developed on that parcel as part of the approved map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single-family, condominium, multi-family units or non-residential use associated with the development).*

**Non-Residential Property**

*This land use is defined as property developed for non-residential use. One acre of non-residential property is equivalent to four (4) single-family residential lots per acre within the District. Therefore, 4.0 EBU per gross acre will be assigned to parcels classified as non-residential property. Parcels less than 1.0 acres are assigned a minimum of 4.0 EBU.*

**Vacant Property**

*This land use is defined as property currently zoned for residential or non-residential development, but a tentative or final map for the property has not yet been approved. Vacant Property will be assigned 1.00 EBU per acre rounded to the nearest acre. Properties less than one acre are assigned 1.00 EBU.*

**Exempt Parcels**

*This land use identifies properties that are not assessed and are assigned 0.00 EBU. This land use classification may include but is not limited to:*

*Lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County);*

*Dedicated public easements including open space areas, utility rights-of-way, greenbelts, parkways, detention or retention basins, parks or other publicly owned properties that are part of the District improvements or may provide other benefits to private properties within the District;*

*Private properties that cannot be developed independently from an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use;*

*These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment, but shall be reviewed*

annually by the assessment engineer to confirm the parcels current development status.

Government owned properties or public properties are not necessarily exempt properties and shall be subject to special benefit assessment unless it qualifies for an exempt status.

### **Special Cases**

In many districts where multiple land use classifications are involved, there may be one or more properties that the standard land use classifications does not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a Vacant Property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel.

The following table provides a summary of land use classifications and the Equivalent Benefit Unit calculations previously outlined.

**Figure 3: Land Uses and Equivalent Benefit Units**

<b>Property Type</b>	<b>Benefit Units Multiplier</b>
Single Family Residential	1.000 per Unit/Lot/Parcel
Single Family Residential	1.000 per Planned SF-Residential Lot
Planned Development	0.750 per Planned Condominium
	0.750 per Unit for the First 50 Units
	0.500 per Unit for Units 51-100
	0.250 per Unit for all remaining Units
Vacant Land	1.000 per acre (1.0 Minimum)
Non-Residential 4.000 per acre (1.0 Minimum)	4.000 per acre (1.0 Minimum)
Exempt Parcels	0.000 per Parcel

The following formula is used to calculate each parcel's EBU (proportional benefit).

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of Equivalent Benefit Units (EBU's) is the sum of all individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (Assessment Rate) for the improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBU's of all parcels benefiting from the improvements. This Rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for each zone.

$$\text{Total Balance to Levy (Budget) / Total EBUs} = \text{Assessment Rate per EBU}$$

$$\text{Assessment Rate per EBU} \times \text{Parcel's EBU} = \text{Levy per Parcel}$$

### Duration of Assessment

It is proposed that the Assessment be levied for fiscal year 2006-07 and continued every year thereafter, so long as the Baroni Park and recreational areas need to be maintained and serviced, and the Chico Area Recreation and Park District requires funding from the Assessments for its continued Improvements in the Assessment District. As noted previously, the Assessment can continue to be levied annually after the Chico Area Recreation and Park District Board of Directors approves an annually updated Engineer's Report, budget for the Assessment, Improvements to be provided, and other specifics of the Assessment. In addition, the District Board of Directors must hold an annual public hearing to continue the Assessment.

### Appeals and Interpretation

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the District Administrator or her or his designee. Any such appeal is limited to correction of an assessment during the then current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the District Administrator or his or her designee will promptly review the appeal and any information provided by the property owner. If the District Administrator or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the District Administrator or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District Administrator, or her or his designee, shall be referred to the Board of Directors of the Chico Area Recreation and Park District and the decision of the Board of Directors of the Chico Area Recreation and Park District shall be final.

## Assessment Statement

**WHEREAS**, said the Board directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Improvements upon all assessable parcels within the Assessment District, to which Resolution and the description of the Improvements therein contained, reference is hereby made for further particulars;

**NOW, THEREFORE**, the undersigned, by virtue of the power vested in me under said Act and the order of the Board of the Chico Area Recreation and Park District hereby make the following assessment to cover the portion of the estimated cost of the Improvements, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for the improvements and the expense incidental thereto, to be paid by the District for the fiscal year 2024-25 is generally as follows:

**Figure 4- Summary Estimate of Costs Fiscal Year 2024-25**

<b>Total for Installation, Maintenance, Servicing and Incidental Costs</b>	\$170,541
Contributions from General Fund	<u>(\$63,128)</u>
<b>Net Costs for Maintenance and Servicing</b>	<b>\$107,413</b>

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Landscaping and Lighting Assessment District. The distinctive number of each parcel or lot of land in the said Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The Maximum Assessment Rate is equal to the Maximum Assessment Rate established for the previous fiscal year adjusted annually by the greater of, three percent (3%) or the annual percentage change in the Consumer Price Index (CPI) for the San Francisco Bay Area as of December of each succeeding year.



The change in the CPI from December 2022 to December 2023 is 2.6245%. Therefore, the maximum authorized assessment rate for fiscal year 2024-25 is increased by 4.8818%, which equates to \$108.29 per single-family equivalent benefit unit.

The assessment is made upon the parcels or lots of land within the Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said Improvements.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Butte for the fiscal year 2024-25. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County. I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2024-25 for each parcel or lot of land within the Assessment District.

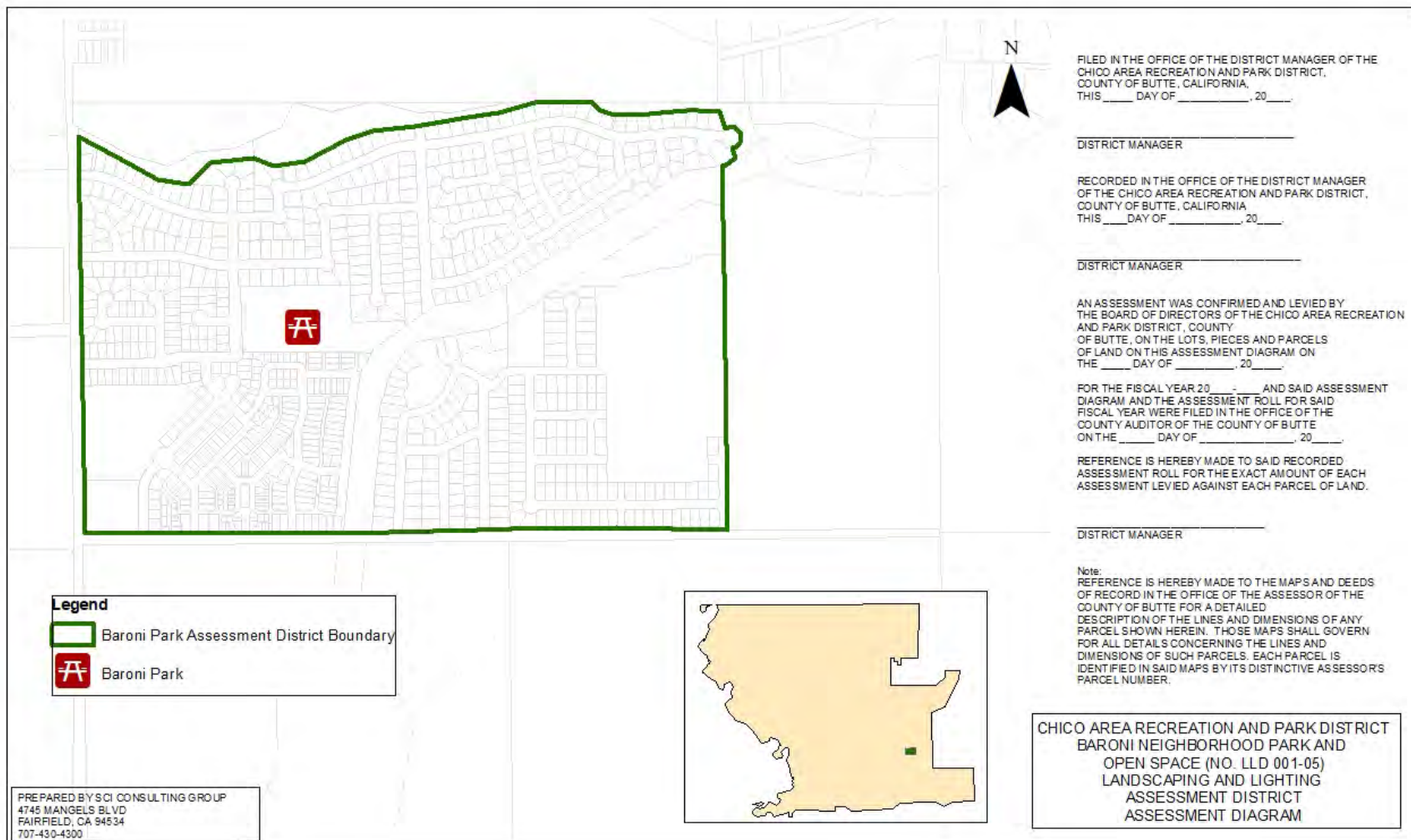
Dated: April XX, 2024

Engineer of Work

By \_\_\_\_\_  
John Bliss, License No. C52091

## Assessment Diagram

The following page displays the Assessment Diagram of the Baroni Neighborhood Park and Open Space Landscaping and Lighting Assessment District No LLD 001-05. The diagram shows all of the parcels of real property within this Assessment District. Reference is hereby made to the maps and deeds of record in the office of the Assessor of the County of Butte for a detailed description of the lines and dimensions of any parcels shown herein. Those maps shall govern for all details concerning the lines and dimensions of such parcels. Each parcel is identified in the maps by its distinctive Assessor's Parcel Number.



## Assessment Roll

The Assessment Roll follows in this Report and is on file in the office of the Chico Area Recreation and Parks District at 545 Vallombrosa Avenue, Chico, CA 95926. The final Assessment Roll is based upon the land use information in the fiscal year 2024-25 Butte County Assessor's Roll.



## BOARD OF DIRECTORS

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** DeGarmo Golf Lease

---

### BACKGROUND

Grant Hornbeak from Butte County Youth Sports and Education Foundation (BCYSEF) and 3CORE seek a public-private partnership to build a golf course complex. DeGarmo was identified as the location for the project. At the May 2022 meeting, the Board of Directors voted to support the project subject to BCYSEF financing. At the December 2023 meeting, the Board of Directors approved moving the project forward with Phase One.

### Lease Term Highlights

- Initial Term of this Lease shall commence on the date all permits have been obtained by the Tenant and all funding is available to pay for the Tenant Improvements to be constructed under Phase One.
- The Initial Term shall consist of five (5) years commencing on the Commencement Date.
- The Term of this Lease may be extended for an additional five (5) years with permits and full funding of Phase Two.
- Lease may be extended for an additional fifteen (15) years with permits and full funding for under Phase Three.
- Minimum Rent shall be \$5,000 and adjusted 5% every 5 years.
- In addition to minimum rent, District will receive 1.5% of gross profit. To be renegotiated upon completion of the entire project.
- District has the right to audit financials.

### RECOMMENDATION

The Board of Directors approves the lease of DeGarmo Community Park to Beyond Golf.



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## GROUND LEASE

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## **GROUND LEASE**

THIS GROUND LEASE (this "Lease") is made as of the \_\_\_\_ day of \_\_\_\_\_, 2024, by and between, CHICO AREA RECREATION DISTRICT, a Parks and Recreation District formed and existing under authority of the California Public Resources Code (Section 5780, et seq.) ("Landlord") and BUTTE COUNTY YOUTH SPORTS & EDUCATION FOUNDATION, a California Non-Profit Corporation ("Tenant").

- A. Landlord is the owner of record of all of that certain real property situated in Butte County, California, commonly known as DeGarmo Park. This lease concerns an undeveloped portion of DeGarmo Park consisting of 7.9 acres, more particularly described in Exhibit A (the "Property").
- B. Tenant operates a service organization focused on youth development through junior golf programs similar to the national First-Tee program with the plan to build and create a sports and education facility that exposes and educates elementary and high school age children and guides them to future career opportunities with an emphasis on core values and lifestyle skills; and
- C. Landlord wishes to lease the Property to Tenant, together with all rights, privileges, and easements appurtenant to the Property, including all buildings, structures, and other improvements thereon. The Property, such appurtenant rights, privileges and easements and such buildings and improvements are collectively referred to as the "Premises."

## **AGREEMENT**

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

### **Section 1. Lease of Premises**

Landlord hereby leases, transfers and demises to Tenant, and Tenant hereby leases and takes from Landlord, the Premises for the terms and upon the agreements, covenants and conditions set forth in this Lease.

### **Section 2. Term**

The term of this lease will be structured according to the phasing of the construction of improvements on the Premises and the Tenant opening for business as described below and in Exhibit B. Collectively, the terms described below shall be herein described as the lease "Term".

#### **(a) Initial Term.**

The Initial Term of this Lease shall commence on the date all permits (e.g., offsite, grading and building construction permits) have been obtained by the Tenant and all funding is available to pay for the Tenant Improvements to be constructed under Phase One of the overall project as defined in Exhibit B (the "Commencement Date"). The Initial Term shall consist of five (5) years commencing on the Commencement Date.

**(b) First Extended Term.**

The Term of this Lease may be extended for an additional five (5) years at the Tenant's option provided all permits (e.g., offsite, grading and building construction permits) have been obtained by the Tenant and all funding is available to pay for the Tenant Improvements to be constructed under Phase Two of the overall project as defined in Exhibit B.

**(c) Second Extended Term.**

The Term of this Lease may be extended for an additional fifteen (15) years beyond the Initial Term and First Extended Term, at the Tenant's option, provided: (1) Tenant has exercised its option for the First Extended Term above, and (2) all permits (e.g., offsite, grading and building construction permits) have been obtained by the Tenant and all funding is available to pay for the Tenant Improvements to be constructed under Phase Three of the overall project as defined in Exhibit B.

**Section 3. Minimum Rent and Percentage Rent**

Tenant shall pay to Landlord as rental for the use and occupancy of the Premises, at the times and in the manner hereinafter provided, the following sums of money:

**(a) Minimum Rent.**

Tenant shall pay to Landlord annual minimum rent (the "Minimum Rent") in the following amounts:

- i. During the period from the execution of this lease through to the day prior to Phase One Completion (as hereinafter defined), the annual Minimum Rent shall be ONE HUNDRED and 00/100 DOLLARS (\$100.00). As used herein the "Phase One Completion" shall mean the first day of the month following Tenant's completion of the construction of Phase One as described in Exhibit B and the issuance of a Temporary Certificate of Occupancy from the City of Chico with respect to such structures included in Phase One (if required);
- ii. During the period commencing on the day prior to Phase One Completion and continuing each Lease Year through to the end of the Term, the annual Minimum Rent shall be FIVE THOUSAND and 00/100 DOLLARS (\$5,000.00). As used herein, "Project Completion" shall mean the first day of the month following Tenant's completion of all phases of construction of Tenant Improvements described in Exhibit B and the issuance of a Temporary Certificate of Occupancy from the City of Chico with respect to such Tenant Improvements.
- iii. The Minimum Rent described in Section 3(a)(ii) above shall be adjusted every five Lease Years of the remaining Term of the Lease. Each such adjustment date is hereunder referred to as an "Adjustment Date." The Minimum Rent shall be adjusted as of each Adjustment Date to an amount equal to FIVE PERCENT (5%) of the Minimum Rent payable for the Lease Year immediately preceding such Adjustment Date;

**(b) Percentage Rent.**

Tenant, in addition to the minimum rent mentioned hereinabove, shall pay to Landlord percentage rent (the "Percentage Rent") equal to ONE POINT FIVE PERCENT (1.5%) of the amount of Tenant's gross revenue earned from activities on the Premises. Percentage rent is calculated by reference to the Gross Income determined for the preceding Lease Year. After completion of all phases of construction described in Exhibit B, or the tenth Lease Year of the Term, whichever occurs first, the Percentage Rent shall be adjusted by the Parties. The Parties agree to act reasonably in negotiating a fair percentage rent based on the performance of the facilities located on the Premises.

**(c) Payment.**

Minimum and Percentage Rent shall be computed and paid on an annual basis, as follows:

- i. During the period from the execution of this lease through to the day prior to Phase One Completion, tenant shall pay the Minimum Rent in advance on the date of the execution of this lease.
- ii. Beginning on Phase One Completion and continuing each anniversary of Phase One Completion thereafter, Tenant shall pay to Landlord the Minimum Rent described in Section 3(a)(ii) (or as adjusted under Section 3(a)(iii)).
- iii. Beginning on the first anniversary of Phase One Completion, and continuing on an annual basis thereafter, Tenant shall pay to Landlord the Percentage Rent described in Section 3(b).
- iv. Within ninety (90) days following the close of each Lease Year during the Term and within ninety (90) days following the expiration or termination of this Lease, Tenant shall furnish to Landlord a statement setting forth in reasonable detail the amount of Gross Income for the preceding Lease Year together with supporting figures, and the Minimum Rent and Percentage Rent, if any, previously paid for such Lease Year. If the amount of either Minimum Rent or Percentage Rent paid for such Lease Year is greater than the amount due for such Lease Year, Landlord shall promptly refund such excess to Tenant. If the amount is less, Tenant shall forthwith pay the difference to Landlord.

**(d) Operating Statements.**

Each statement of Gross Income furnished by Tenant shall be certified as correct by Tenant's duly authorized financial officer. Tenant shall keep complete, accurate and appropriate books and records of Gross Income in accordance with sound accounting practice. Such books and records, as well as all other relevant documents as Landlord shall reasonably require, shall, upon reasonable written notice, be open for inspection by Landlord, its auditors or other authorized representatives. If, at any time during the Term, such books and records prove inadequate in the reasonable judgment of Landlord to record Gross Income as herein required, Tenant, shall, upon the written request of Landlord, procure and maintain such books and records as shall be of a character and form adequate for such purpose. Landlord shall have the right, at Landlord's expense, to audit and examine such books, records and documents and other relevant items in the possession of Tenant, but only to the extent necessary for a proper determination of Gross Income, and all such books, records, documents and other items shall be held available for such audit and examination. Unless objection is made by Landlord to a statement of Gross Income furnished by Tenant hereunder within three years after Landlord's receipt of such statement, Landlord shall be forever barred from making any objection to such statement; provided that there shall be no limitation to the timing of an objection based on any intentional misstatement of Gross Income. Tenant shall preserve such books, records,

documents, and other items for a period of three calendar years after such statement is rendered. Landlord shall keep strictly confidential all statements of Gross Income furnished by Tenant and all other information concerning Tenant's operation of the Premises obtained by Landlord as a result of the inspection, audit and examination privileges of Landlord hereunder. Within three years after the receipt of any statement of Gross Income under this Section, Landlord at any time shall be entitled to carry out an audit of such Gross Income either by Landlord or by an independent certified public accountant to be designated by Landlord. If it shall be determined as a result of such audit that there has been a deficiency in the payment of Minimum or Percentage Rent made on the basis of such statement, then such deficiency shall become immediately due and payable. If such statement of Gross Income for the relevant year shall be found to have understated Gross Income by more than five percent (5%) and Landlord is entitled to any additional rental as a result of said understatement, then Tenant shall, in addition, pay all of Landlord's reasonable costs and expenses connected with such audit, including the expense incurred in retaining such certified public accountant; otherwise Landlord shall bear the cost and expense of such audit.

**(e) Location for Payment.**

All Minimum Rent and Percentage Rent (and all other moneys and charges payable by Tenant to Landlord hereunder) shall be paid by Tenant to Landlord in lawful money of the United States of America at Landlord's address for notices hereunder, or to such other person or at such other place as Landlord may from time-to-time designate by notice in writing to Tenant.

**(f) Lease Year.**

As used herein the term "Lease Year" shall mean each successive twelve calendar month period during the Term, with the first Lease Year commencing on Phase One Completion; provided, however, that the last Lease Year shall be the fractional year that ends upon the date of the expiration of the Term.

**(g) Determination of Gross Income.**

- i. As used herein, "Improvements" shall mean any and all buildings, structures or other improvements constructed in whole or in part on the Property.
- ii. As used herein, "Gross Income" shall be determined on the cash basis and shall include all rental or other income received from the operations of the Premises or the Improvements (exclusive of the proceeds of any sale, refinancing or similar capital transaction and inclusive of the proceeds of any business interruption insurance or similar compensation for lost items of income).

**Section 4. Taxes and Assessment**

**(a)** Tenant covenants and agrees to pay and discharge, during the entire Term, before delinquency, all taxes, assessments, water charges, sewer charges, utility rates and fees, levies or other charges, general, special, ordinary, extraordinary and otherwise, of every kind and character which are or may during the Term be levied, charged, assessed or imposed upon or against the Premises or any buildings or improvements which are now or hereafter located thereon, or against any of Tenant's personal property now or hereafter located thereon, or which may be levied, charged, assessed or imposed upon or against the leasehold estate created hereby. In addition, Tenant shall pay any tax

assessed exclusively on rental income of Landlord to the extent such income is allocable to this Lease, if and only if such tax is assessed by State or local authorities upon the elimination and in lieu of taxation based on the ownership of real property. At the commencement and at the end of the Term, such taxes, assessments and other charges to be paid by Tenant shall be prorated on the basis of the fiscal year of the taxing authority in question so that, at the commencement and at the end of the Term, as to any such taxes, assessments and other charges levied or assessed for a fiscal year preceding the commencement or extending beyond the end of the Term, Tenant will pay only such proportion of such taxes, assessments and other charges as the portion of such fiscal year following the commencement and preceding the end of the Term bears to the entire fiscal year.

**(b)** Notwithstanding anything herein to the contrary, Tenant shall not be required to pay any franchise, capital levy, or transfer tax of Landlord, or any net income tax measured by the income of Landlord from all sources, or any tax which may, at any time during the Term, be required to be paid on any gift, or demise, deed, mortgage, descent or other alienation of any part or all of the estate of Landlord in and to the Premises or any buildings or improvements which are now or hereafter located thereon, except as hereinafter provided. If Tenant shall be required by law to pay, and pursuant thereto does pay, any tax, assessment or charge specified in this subsection (b), Landlord shall, immediately upon request, reimburse Tenant for any such payments. If such immediate reimbursements are not forthcoming, Tenant shall receive a credit against the rental payment next due hereunder for the full amount of such delinquent reimbursements. Any documentary transfer tax assessed upon the creation of a leasehold interest in the Premises under this Lease shall be paid by Tenant.

## **Section 5. Quiet Enjoyment**

Landlord covenants that upon payment by Tenant of the rent herein reserved and upon performance and observance by Tenant of all of the agreements, covenants and conditions herein contained on the part of Tenant to be performed and observed, and subject to exceptions to title set forth in Exhibit B to this Lease, Tenant shall peaceably hold and quietly enjoy the Premises during the entire Term without hindrance, molestation or interruption by Landlord.

## **Section 6. [*Intentionally Omitted*]**

## **Section 7. Use**

Tenant agrees that the Leased Property shall be used and occupied only for the purpose of operating a public golf course, driving range, golf practice facilities, general offices, the education and tutoring of minors, and a restaurant and beer and wine bar and any other incidental uses, and for special events if approved by Landlord after providing thirty (30) days written notice to Landlord, and for no other purpose or purposes without Landlord's written consent which shall not be unreasonably withheld. The Tenant shall provide to junior golfers and significant donors free and/or low-cost access and use of the facility and the profits and donations to the Tenant shall be used to fund these purposes. The Landlord may also hold events on the Premises on dates and times that do not materially interfere with Tenant's operations on the Premises.

## **Section 8. Title to Buildings and Improvements**

**(a)** Title to all buildings, structures and improvements that now, or may from time-to-time constitute a part of the Premises, all carpets, draperies, partitions, machinery, equipment and fixtures that are

now, or may from time-to-time be, used, or intended to be used in connection with the Premises, shall be and remain in Tenant until the termination of this Lease. Upon the termination of this Lease, title to all such property, buildings, structures, and improvements and all such carpets, draperies, partitions, machinery, equipment and fixtures shall pass to and vest in Landlord without cost or charge to it with the exception of the screens and equipment associated with the golf simulators which shall remain the property of the Tenant

(b) Tenant, on termination of this Lease, shall execute and deliver any and all deeds, bills of sale, assignments, and other documents which in Landlord's sole judgment may be necessary or appropriate to transfer, to evidence or to vest in Landlord clear title to any of the property described in the foregoing subsection (a) located on the Premises at the time of such termination.

(c) Tenant, in addition, shall deliver to Landlord on termination of this Lease originals or certified copies of any plans, reports, contracts or other items relating to the ownership or operation of the Premises.

### **Section 9. Permits, Licenses, Etc.**

Landlord will from time-to-time during the Term execute and deliver all applications for permits, licenses or other authorizations relating to the Premises required by any municipal, county, state, or Federal authorities, or required in connection with the construction, reconstruction, repair or alteration of any buildings or improvements now or hereafter constituting a part of the Premises. Landlord will from time-to-time during the Term execute, acknowledge and deliver any and all instruments required to grant rights-of-way and easements in favor of municipal and other governmental authorities or public utility companies incident to the installation of water lines, fire hydrants, sewers, electricity, telephone, gas, steam, and other facilities and utilities reasonably required for the use and occupancy of the Premises. Tenant shall reimburse Landlord for any sum paid by Landlord in respect of the matters specified in this Section 9, including reasonable attorney's fees.

### **Section 10. Repairs, Governmental Regulations and Waste**

(a) Tenant shall, during the Term, at its own cost and expense and without any cost or expense to Landlord:

- i. Keep and maintain all buildings and improvements now or hereafter located on the Property (subject to Tenant's right to demolish) and all appurtenances thereto in good and neat order and repair and shall allow no nuisances to exist or be maintained therein. Tenant shall likewise keep and maintain the grounds, sidewalks, roads and parking, and landscaped areas in good and neat order and repair. Landlord shall not be obligated to make any repairs, replacements or renewals of any kind, nature or description whatsoever to the Premises or any buildings or improvements now or hereafter located thereon, and Tenant hereby expressly waives all right to make repairs at Landlord's expense under [sections 1941 and 1942 of the California Civ. Code](#), or any amendments thereof; and
- ii. Comply with and abide by all federal, state, county, municipal and other governmental statutes, ordinances, laws and regulations affecting the Premises, all buildings and improvements now or hereafter located thereon, or any activity or condition on or in the Premises.

(b) Tenant agrees that it will not commit or permit waste upon the Premises other than to the extent necessary for the removal of any buildings or improvements upon the Premises or for the purpose of constructing and erecting thereon other buildings and improvements in accordance with the rights set forth in Section 11, below.

### **Section 11. Improvements, Changes, Alterations, Demolition and Replacement**

(a) Tenant shall have the right at any time and from time-to-time during the Term to make such improvements to the Premises and such changes and alterations, structural or otherwise, to any buildings, improvements, fixtures and equipment now or hereafter located on the Property as Tenant shall deem necessary or desirable provided however that any demolition of any or all buildings and improvements now or hereafter located on the Property and any replacement thereof requires the prior authorization and approval by Landlord.

(b) Following the Commencement Date, Tenant shall proceed with due diligence and dispatch to complete the construction on the Premises for Phase One of construction described in Exhibit B. Tenant shall complete construction of such Phase One by not later than the first anniversary of the Commencement Date. Tenant shall complete construction of all phases of construction described in

(c) Any demolition activity and all improvements, changes and alterations (other than changes or alterations of movable trade fixtures and equipment or improvements, changes or alterations involving costs less than Twenty-five Thousand Dollars (\$25,000) pursuant to subsection (a) above shall be undertaken in all cases subject to the following additional conditions which Tenant covenants to observe and perform:

- i. No improvement, change or alteration, and no demolition and replacements shall be undertaken until Tenant shall have procured and paid for, so far as the same may be required from time-to-time, all municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction
- ii. All work done in connection with any improvement, change, alteration or demolition and replacement shall be done promptly and in a good and workmanlike manner and in compliance with all laws, ordinances, orders, rules, regulations and requirements of all Federal, state and municipal governments and the appropriate departments, commissions, boards and officers thereof. All such work shall be at the sole cost and expense of Tenant.
- iii. In addition to the insurance coverage referred to in Section 16 below, Workers' Compensation Insurance covering all persons employed in connection with the work and with respect to whom death or injury claims could be asserted against Landlord, Tenant or the Premises, and a general liability policy coverage, naming Landlord with limits of not less than Five Million Dollars (\$5,000,000), shall be maintained by Tenant, at Tenant's sole cost and expense, at all times when any work is in process in connection with any improvement, change, alteration or demolition and replacement. All such insurance shall be obtained and kept in force as otherwise provided in Section 16 below.

(d) In the event Tenant seeks to demolish and replace the improvements hereafter located on the Property for any reason other than casualty, eminent domain, governmental regulation or similar independent cause and Landlord approves such demolition and replacement, the Minimum and Percentage Rent payable for the period commencing with the date such demolition commences and ending on the date of the issuance of governmental authorization of the occupancy of the replacement improvements shall be based upon the Gross Income in the fully operational Lease Year preceding such commencement of demolition.

## **Section 12. Damage or Destruction**

No loss or damage by fire or other cause required to be insured against hereunder resulting in either partial or total destruction of any building, structure, or other improvement on the Property, shall operate to terminate this Lease, or to relieve or discharge Tenant from the payment of rents or amounts payable as rent as they become due and payable, or from the performance and observance of any of the agreements, covenants and conditions herein contained on the part of Tenant to be performed and observed. Tenant hereby waives the provisions of [subsection 2 of section 1932](#) and [subsection 4 of section 1933 of the California Civil Code](#), as amended from time-to-time.

## **Section 13. Assignment and Subletting**

(a) Tenant will not assign, mortgage or hypothecate this Lease, or any interest therein, directly or indirectly, or permit the use of the Premises by any person or persons other than the Tenant, or sublet the Premises, or any part thereof, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. For purposes of this Section 13, an assignment shall not include an assignment for security purposes, which shall only be permitted with the prior consent of Landlord in its sole and absolute discretion or the operation of Tenant's business by a management company hired by Tenant to operate Tenant's business on the Premises. Consent to any such assignment or sublease shall not operate, as a waiver of the necessity for consent to any subsequent assignment or sublease, and the terms of such consent shall be binding upon any person holding by, under or through Tenant.

(b) If Tenant desires to assign all or any part of its interest in this Lease or to sublease all or any part of the Premises, Tenant shall notify Landlord in writing at least thirty (30) days in advance of the proposed transaction. This notice shall be accompanied by: (i) a statement setting forth the name and business of the proposed assignee or subtenant; (ii) a copy of the proposed form of assignment or sublease (and any collateral agreements) setting forth all of the material terms and the financial details of the sublease or assignment; (iii) financial statements and any other information concerning the proposed assignment or sublease which Landlord may reasonably request.

(c) Each permitted assignee, transferee or subtenant, other than Landlord, shall assume and be deemed to have assumed this Lease and shall be and remain liable jointly and severally with Tenant for the payment of the rent and for the due performance or satisfaction of all of the provision, covenants, conditions and agreements herein contained on Tenant's part to be performed or satisfied (and, as to any subtenant, solely as to the portion of the Premises subject to the sublease). Regardless of Landlord's consent, no subletting or assignment shall release or alter Tenant's obligation or primary liability to pay the rent and perform all other obligations under this Lease. No permitted assignment or sublease shall be binding on Landlord unless such assignee, subtenant or Tenant shall deliver to Landlord a counterpart of such assignment or sublease which contains a covenant of assumption by the assignee or subtenant, but the failure or refusal of the assignee or subtenant to execute such instrument of assumption shall not release or discharge the assignee or subtenant from its liability as set forth above.



(d) Unless Tenant is a publicly held company, that is to say, a company whose stock or other voting membership interests is regularly traded on a national stock exchange, or is regularly traded in the over-the-counter market and quoted on NASDAQ, any merger, consolidation or other reorganization (including, without limitation, liquidation or the sale of substantially all of the unencumbered assets) or the sale or other transfer of any of the voting stock, or membership interests, of Tenant or any direct or indirect parent company that owns a controlling interest in Tenant, whether in one or more transactions, that, in the aggregate, results in a change in control of Tenant or in said parent company, or the dissolution of Tenant or any such parent company, shall be deemed to be an assignment and transfer of this Lease. The term "control" as used in this Section 13 shall mean the right to exercise, directly or indirectly, more than forty-five percent (45%) of the voting or equity rights attributable to the interest of the controlled entity or the right or power to direct or cause the direction of the management or policies of the controlled person, if the controlling party exercises less than such amount of voting or equity rights. If Tenant is a partnership, a transfer of the interest of any general partner, a withdrawal of one or more general partner(s) from the partnership, or the dissolution of the partnership, shall be deemed to be an assignment of this Lease. If Tenant is currently a partnership (either general or limited), joint venture, cotenancy, joint tenancy or an individual, the conversion of the Tenant entity or person into any type of entity which possesses the characteristics of limited liability such as, by way of example only, a corporation, a limited liability company, limited liability partnership, or limited liability limited partnership, shall be deemed an assignment for purposes of this Lease.

(e) Any notice by Tenant to Landlord pursuant to this Section 13 of a proposed assignment or sublease shall be accompanied by a payment of \$1,000 as a nonrefundable fee for the processing of Tenant's request for Landlord's consent. In addition to said fee, Tenant shall reimburse Landlord for reasonable attorneys' fees incurred by Landlord in connection with such review and the preparation of documents in connection therewith. Tenant shall furnish Landlord with a true signed copy of such assignment(s) or sublease(s) and any supplementary agreements or amendments thereto, within five (5) days after their respective execution.

#### **Section 14. Noncompetition**

Neither Tenant nor any affiliate of Tenant shall own, operate, maintain, or control, directly or indirectly, or in any way participate in the ownership, management, control, operation, or profits of any restaurant similar to that operated in the Premises located within a Ten mile radius of the Premises during the period including the Term and five (5) years beyond the expiration of the Term. "Affiliate" shall mean any person or entity directly or indirectly holding any beneficial interest in Tenant or any person or entity directly or indirectly controlling, controlled by, or under common control with Tenant.

#### **Section 15. [Intentionally Omitted]**

#### **Section 16. Fire and Extended Coverage and Liability Insurance**

(a) During the period of the construction of any improvements upon the Property, Tenant shall at its sole expense obtain and keep in force builder's risk insurance, insuring Tenant, Landlord, and such other parties as Tenant may designate as an additional insured hereunder, against all risks of physical loss and/or damage from any cause (exclusive of earthquake and subject to usual policy exclusions) to all buildings, structures, materials and real property to be improved, located on or forming a part of the Premises under improvement.

(b) Tenant shall, at its sole expense, obtain and keep in force during the Term, after substantial completion of any improvements upon the Premises fire and extended coverage insurance

(excluding earthquake insurance) naming Landlord, Lender, and such other parties as Tenant may designate, as additional insureds thereunder, in the customary form in the City of Chico for buildings and improvements of similar character, on all buildings and improvements located on the Premises, and on all machinery, furniture, fixtures and equipment located therein. The amount of such insurance at all times during the Term shall not be less than ninety percent (90%) of the actual replacement cost of such buildings and improvements, machinery, furniture, fixtures and equipment. The actual replacement cost of such buildings and improvements shall be determined by mutual agreement of Landlord and Tenant at the time the fire and extended coverage insurance is initially taken out and periodically over time as to increases in value, and in the event the parties cannot agree as to such actual replacement cost, such disagreement shall be submitted to arbitration in the manner provided by Section 30 hereof.

**(c)** Tenant shall, at its sole expense, obtain and keep in force during the Initial Term general liability insurance with limits of not less than Two Million Dollars (\$2,000,000) for injury to or death of any number of persons in one occurrence, and not less than One Million Dollars (\$1,000,000) for damage to property, insuring against any and all liability of Landlord and Tenant including, without limitation, coverage for contractual liability, broad form property damage, host liquor law liability, personal injury, and nonowned automobile liability, with respect to the Premises or arising out of the maintenance, use or occupancy thereof, and insurance on all boilers and other pressure vessels, whether fired or unfired, located in, on, or about the Premises, without exclusion for explosion, collapse and underground damage, in an amount not less than One Million Dollars (\$1,000,000). All of such insurance shall insure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and damage to property set forth in Section 18(b) hereof. All of such insurance shall be noncontributing with any insurance which may be carried by Landlord and shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury or damage to Landlord, its agents and employees, or the property of such persons.

**(d)** After the Initial Term is complete, during the First and Second Extended Term, the limit on the general liability insurance described in Section 16(c) above shall be increased to Five Million Dollars (\$5,000,000.00).

**(e)** Tenant shall obtain and keep in force during the Term business interruption insurance covering the parties against business loss from the casualties embraced in the extended coverage policy (excluding earthquake insurance). The proceeds of such insurance shall be allocated among Lender, Landlord and Tenant as their interests appear; provided that it is the intention of the parties that Landlord share in such proceeds to the extent that they represent monies otherwise payable to Landlord under this Lease.

**(f)** Tenant agrees that each such policy of fire and extended coverage insurance and all other policies of insurance on the Premises obtained by Tenant, whether required by the provisions of this Lease or not, shall be made expressly subject to the provisions of Section 18(b) and all Tenant's insurers hereunder shall waive any right of subrogation against Landlord to the extent such insurers permit.

**(g)** All insurance provided for in this Section 16 and Section 11(b)(iii), and all renewals thereof, shall be issued by companies rated at least A-15 by Best's the Insurance Reports (Property Liability) or approved by Landlord and any Lender. All insurance policies shall be subject to approval by Landlord and Lender as to form and substance and shall expressly provide that such policies, except for the boiler insurance specified in subsection (c) above, shall not be cancelled or altered without thirty

days' prior written notice to Landlord and Lender. The limits and coverage of all such insurance shall be adjusted by agreement of Landlord and Tenant during every fifth Lease Year during the Term in conformity with the then prevailing custom of insuring property similar to the Premises in the City of Chico, and any disagreement regarding such adjustment shall be settled by arbitration in the manner provided in Section 30 hereof. Upon the issuance thereof, each insurance policy or a duplicate or certificate thereof shall be delivered to Landlord and Lender. Nothing herein shall be construed to limit the right of Lender to cause Tenant to carry or procure other insurance covering the same or other risks in addition to the insurance specified in this Lease.

**(h)** All amounts that shall be received under any insurance policy specified in subsections (a) and (b) above shall be first applied to the payment of the cost of repair, reconstruction or replacement of any buildings or improvements, or furniture, fixtures, equipment and machinery, that is damaged or destroyed. Any amount remaining from the proceeds of any such insurance funds, after the repairing, reconstructing and replacing of any buildings or improvements, or furniture, fixtures, equipment and machinery, as herein required, shall be immediately paid to and be the sole property of Tenant; provided that, if any governmental law or regulation governing land use prohibits the restoration or reconstruction of the buildings or improvements damaged or destroyed to their pre-casualty state, any excess insurance proceeds over restoration or reconstruction costs that are the consequence of such prohibition shall be allocated pursuant to the priorities set forth in Section 19(a)(i) and (ii) below. If said insurance proceeds shall be insufficient in amount to cover the cost of repairing, reconstructing or replacing any buildings or improvements, or furniture, fixtures, equipment and machinery, as herein required, Tenant shall promptly pay any deficiency.

### **Section 17. Mechanics' and Other Liens**

Tenant shall promptly discharge or remove by bond or otherwise prior to foreclosure thereof, any and all mechanics', materialmen's and other liens for work or labor done, services performed, materials, appliances, teams or power contributed, used or furnished to be used in or about the Premises for or in connection with any operations of Tenant, any alterations, improvements, repairs or additions which Tenant may make or permit or cause to be made, or any work or construction by, for or permitted by Tenant on or about the Premises, and to save and hold Landlord and all of the Premises and all buildings and improvements thereon free and harmless of and from any and all such liens and claims of liens and suits or other proceedings pertaining thereto. Tenant covenants and agrees to give Landlord written notice not less than twenty (20) days in advance of the commencement of any construction, alteration, addition, improvement or repair costing in excess of Twenty Five Thousand Dollars (\$25,000) in order that Landlord may post appropriate notices of Landlord's nonresponsibility.

### **Section 18. Indemnity**

(a) Tenant shall have the right to contest the amount or validity of any lien of the nature set forth in Section 17 hereof or the amount or validity of any tax, assessment, charge, or other item to be paid by Tenant under Section 4 hereof by giving Landlord written notice of Tenant's intention to do so within twenty (20) days after the recording of such lien or at least ten (10) days prior to the delinquency of such tax, assessment, charge, or other item, as the case may be. In any such case, Tenant shall not be in default hereunder, and Landlord shall not satisfy and discharge such lien nor pay such tax, assessment, charge or other item, as the case may be, until ten (10) days after the final determination of the amount or validity thereof, within which time Tenant shall satisfy and discharge such lien or pay such tax, assessment, charge or other item to the extent held valid and

all penalties, interest, and costs in connection therewith; provided, however, that the satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had upon any judgment rendered thereon, nor shall the payment of any such tax, assessment, charge or other item, together with penalties interest, and costs, in any case be delayed until sale is made or threatened to be made of the whole or any part of the Premises on account thereof, and any such delay shall be a default of Tenant hereunder. In the event of any such contest, Tenant shall protect and indemnify Landlord against all loss, cost, expense, and damage resulting therefrom, and upon notice from Landlord so to do, shall furnish Landlord a corporate surety bond payable to Landlord, in one hundred and twenty percent (120%) of the amount of the lien, tax, assessment, charge, or item contested, as the case may be, conditioned upon the satisfaction and discharge of such lien or the payment of such tax, assessment, charge, or other item, and all penalties, interest, and costs in connection therewith.

(b) To the fullest extent allowed by law, Tenant covenants and agrees that Landlord shall not at any time or to any extent whatsoever be liable, responsible or in anywise accountable for any loss, injury, death, or damage to persons or property which, at any time may be suffered or sustained by Tenant or by any person who may at any time be using, occupying, or visiting the Premises or be in, on or about the Premises, from any cause whatsoever, except when whether such loss, injury, death, or damage shall be caused by or in anywise result from or arise out of the negligent or intentional acts or omissions of Landlord. Furthermore, Tenant shall forever indemnify, defend, hold, and save Landlord free and harmless of, from and against any and all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death or damage occasioned by any cause other than Landlord's intentional or negligent acts or omissions. Tenant hereby waives all claims against Landlord for damages to the buildings and improvements now or hereafter located on the Property and to the property of Tenant in, upon or about the Premises, and for injuries to persons or property in, on or about the Premises, from any cause arising at any time, except for any such claims arising from negligent or intentional acts or omissions committed by Landlord. Tenant's indemnity obligation set forth in this Section shall survive the termination or expiration of this Lease with respect to any claims or liabilities arising out of injury or damage to person or property which occurs during the Term.

## **Section 19. Eminent Domain**

(a) If the whole of the Premises should be taken by any public or quasi-public authority under the power or threat of eminent domain during the Term, or if a substantial portion of the Premises should be taken so as to materially impair the use of the Premises contemplated by Tenant, and thereby frustrate Tenant's purpose in entering into this Lease, then, in either of such events, this Lease shall terminate at the time of such taking. In such event, of the compensation and damages payable for or on account of the Property, exclusive of the buildings and improvements thereon, Tenant and Lender, as their interests may appear, shall receive a sum equal to the worth at the time of the compensation award of the amount by which the fair rental value of the Premises exceeds the rental payable pursuant to the terms of this Lease for the balance of the Term; the balance of such compensation and damages shall be payable to and be the sole property of Landlord. All compensation and damages payable for or on account of the buildings and improvements located on the Property and constituting a part of the Premises shall be divided among Landlord, Tenant, and Lender as follows:

- i. All compensation and damages payable for or on account of buildings and improvements having a remaining useful life less than the remaining Term as of the date of such taking shall be payable to and be the sole property of Tenant and Lender, as their interests may appear; and

- ii. A proportionate share of all compensation and damages payable for or on account of buildings and improvements having a remaining useful life greater than the remaining Term as of the date of such taking, determined by the ratio that the then remaining Term bears to the then remaining useful life of such buildings and improvements, shall be payable to and be the sole property of Tenant and Lender, as their interests may appear, and the remaining share thereof shall be payable to and be the sole property of Landlord.
- (b) If less than the whole of the Premises should be taken by any public or quasi-public authority under the power or threat of eminent domain during the Term and this Lease is not terminated as provided in subsection (a) above, Tenant shall promptly reconstruct and restore the Premises, with respect to the portion of the Premises not so taken, as an integral unit of the same quality and character as existed prior to such taking. The Minimum Rent payable by Tenant following such taking shall be equitably reduced by agreement of Landlord and Tenant in accordance with the reduced economic return to Tenant, if any, which will occur by reason of such taking. The compensation and damages payable for, or on account of, such taking shall be applied to the reconstruction and restoration of the Premises by Tenant pursuant to this subsection (b) by application, first, of any sums payable for or on account of the buildings and improvements situated on the Property, and second, of any sums payable for or on account of the Property exclusive of such buildings and improvements. The remainder, if any, after reconstruction and restoration shall be divided among Landlord, Tenant and Lender in the manner provided in subsection (a) above.
- (c) No taking of any leasehold interest in the Premises or any part thereof shall terminate or give Tenant the right to surrender this Lease, nor excuse Tenant from full performance of its covenants for the payment of rent and other charges or any other obligations hereunder capable of performance by Tenant after any such taking, but in such case all compensation and damages payable for or on account of such taking shall be payable to and be the sole property of Tenant and Lender.
- (d) Should Landlord and Tenant for any reason disagree (i) as to whether any portion of the Premises taken is so substantial as to impair materially the use of the Premises contemplated by Tenant, (ii) on the division of any compensation or damages paid for or on account of any taking of all or any portion of the Premises, or (iii) on the amount by which the rent payable by Tenant hereunder is to be equitably reduced in the event of a partial taking, then, and in any of such events, the matter shall be determined by arbitration in the manner provided in Section 30 hereof

## **Section 20. Landlord's Right of Inspection**

Landlord may, at any reasonable time and from time-to-time during the Term, upon at least forty-eight hours' notice enter upon the Property for the purpose of inspecting the buildings or improvements now or hereafter located thereon and for such other purposes as may be necessary or proper for the reasonable protection of its interests.

## **Section 21. Tenant's Defaults and Landlord's Remedies**

It shall be an event of default hereunder (each an "Event of Default") if (i) default shall be made by Tenant in the punctual payment of any rent or other moneys due hereunder and shall continue for a period of ten (10) days after written notice thereof to Tenant; (ii) default shall be made by Tenant in the performance or observance of any of the other agreements, covenants or conditions of this Lease on the part of Tenant to be performed and observed and such default shall continue for a period of

thirty (30) days after written notice thereof to Tenant, or, in the case of a default which cannot be cured by the payment of money and cannot be cured within thirty (30) days, shall continue for an unreasonable period after such written notice; (iii) Tenant shall abandon the Premises; (iv) Tenant shall admit in writing its inability to pay its debts generally as they become due, file a petition in bankruptcy, insolvency, reorganization, readjustment of debt, dissolution or liquidation under any law or statute of the federal government or any state government or any subdivision of either now or hereafter in effect, make an assignment for the benefit of its creditors, consent to, or acquiesce in the appointment of a receiver of itself or of the whole or any substantial part of the Premises; (v) a court of competent jurisdiction shall enter an order, judgment or decree appointing a receiver of Tenant or of the whole or any substantial part of the Premises, and such order, judgment or decree shall not be vacated, set aside or stayed within sixty (60) days from the date of entry of such order, judgment or decree, or a stay thereof be thereafter set aside; (vi) a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Tenant under any bankruptcy, insolvency, reorganization, readjustment of debt, dissolution or liquidation law or statute of the Federal government or any state government or any subdivision of either now or hereafter in effect, and such order judgment or decree shall not be vacated, set aside or stayed within sixty (60) days from the date of entry of such order, judgment or decree, or a stay thereof be thereafter set aside; or (vii) under the provisions of any other law for the relief or aid of debtors, a court of competent jurisdiction shall assume custody or control of Tenant or of the whole or any substantial part of the Premises, and such custody or control shall not be terminated within sixty (60) days from the date of assumption of such custody or control. Upon the occurrence of any Event of Default by Tenant hereunder, Landlord shall have the following rights and remedies, in addition to all other rights and remedies of Landlord provided hereunder or by law:

(a) The right to terminate this Lease, in which event Tenant shall immediately surrender possession of the Premises, and pay to Landlord all rent and all other amounts payable by Tenant hereunder to the date of such termination;

(b) The remedies described in [Civil Code Section 1951.2](#), including, without limitation, the right to recover the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided, as computed pursuant to [subdivision \(b\) of section 1951.2 of the California Civil Code](#);

(c) The remedies described in [Civil Code section 1951.4](#), including, without limitation, the right to collect, by suit or otherwise, each installment of rent or other sums that become due hereunder, or to enforce, by suit or otherwise, performance or observance of any agreement, covenant or condition hereof on the part of Tenant to be performed or observed; or

(d) The right to cause a receiver to be appointed in any action against Tenant to take possession of the Premises or to collect the rents or profits therefrom. Neither appointment of such receiver nor any other action taken by Landlord shall constitute an election on the part of Landlord to terminate this Lease unless written notice of termination is given to Tenant.

## **Section 22. Nonwaiver**

If any action or proceeding is instituted or if any other steps are taken by Landlord or Tenant, and a compromise part payment or settlement thereof shall be made, either before or after judgment, the same shall not constitute or operate as a waiver by Landlord or Tenant of any agreement, covenant or condition of this Lease or of any subsequent breach thereof. No waiver of any default under this

Lease shall constitute or operate as a waiver of any subsequent default hereunder, and no delay, failure or omission in exercising or enforcing any right, privilege, or option under this Lease shall constitute a waiver, abandonment or relinquishment thereof or prohibit or prevent any election under or enforcement or exercise of any right, privilege, or option hereunder. No waiver of any provision hereof by Landlord or Tenant shall be deemed to have been made unless and until such waiver shall have been reduced to writing and signed by Landlord or Tenant, as the case may be. The receipt by Landlord of rent with knowledge of any default under this Lease shall not constitute or operate as a waiver of such default. Payment by Tenant or receipt by Landlord of a lesser amount than the stipulated rent or other sums due Landlord shall operate only as a payment on account of such rent or other sums. No endorsement or statement on any check or other remittance or in any communication accompanying or relating to such payment shall operate as a compromise or accord and satisfaction unless the same is approved in writing by Landlord, and Landlord may accept such check, remittance or payment without prejudice to its right to recover the balance of any rent or other sums due by Tenant and pursue any remedy provided under this Lease or by law.

### **Section 23. No Merger**

(a) There shall be no merger of the leasehold estate created by this Lease with any other estate in the Premises, including the fee estate, by reason of the fact that the same person may own or hold the leasehold estate created by this Lease, or an interest in such leasehold estate, and such other estate in the Premises, including the fee estate, or any interest in such other estate; and no merger shall occur unless and until Landlord, Tenant and any Lender shall join in a written instrument effecting such merger and shall duly record the same.

(b) No termination of this Lease shall cause a merger of the estates of Landlord and Tenant, unless Landlord so elects and any such termination shall, at the option of Landlord, either work a termination of any sublease in effect or act as an assignment to Landlord of Tenant's interest in any such sublease. Notwithstanding the foregoing, in the event of the termination of this Lease and the execution of a new lease with Lender or its nominee pursuant to Section 15(i) above, the termination of this Lease shall neither work a merger of estates nor a termination of any subleases in effect unless Lender so elects.

### **Section 24. No Partnership**

It is expressly understood and agreed that Landlord does not, in any way or for any purpose by executing this Lease, become a partner of Tenant in the conduct of Tenant's business, or otherwise, or a joint venturer or a member of a joint enterprise with Tenant.

### **Section 25. Covenants Run With Land**

(a) The agreements, covenants and conditions in this Lease contained are and shall be deemed to be covenants running with the land and the reversion and shall be binding upon and shall inure to the benefit of Landlord and Tenant and their respective successors and assigns and all subsequent Landlords and Tenants respectively hereunder.

(b) All references in this Lease to "Tenant" or "Landlord" shall be deemed to refer to and include successors and assigns of Tenant or Landlord, respectively, without specific mention of such successors or assigns.

## **Section 26. Notices**

Except as otherwise provided hereunder; any notice or communication to Landlord, Tenant or Lender shall be in writing and be mailed by certified mail, postage prepaid. Notices or communications shall be addressed to Landlord at:

Attn. General Manager,  
Chico Area Recreation District,  
545 Vallombrosa Avenue, Chico, CA 95926

Notices or communications shall be addressed to Tenant at:

Attn. President,  
Butte County Youth Sports & Education Foundation,  
481 Windham Way, Chico CA 95973,

or such other address or addresses as Landlord or Tenant shall from time-to-time designate, or to such agent of Landlord or Tenant as it may from time-to-time designate, by notice in writing to the other party. Any notice mailed in the manner above set forth shall be deemed to have been received unless returned to the sender by the post office.

## **Section 27. Limitation of Landlord's Liability**

In the event of any transfer of Landlord's interest in this Lease, the Landlord herein named (and in case of any subsequent transfer, the then transferor) shall be automatically freed and relieved from and after the date of such transfer of all personal liability for the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter to be performed; provided, however, that any funds in the hands of Landlord or the then transferor at the time of such transfer, in which Tenant has an interest shall be turned over to the transferee and any amount then due and payable to Tenant by Landlord or the then transferor under any provision of this Lease shall be paid to Tenant; and provided, further, that upon any such transfer, the transferee shall expressly assume, subject to the limitations of this Section 27, all of the agreements, covenants and conditions in this Lease to be performed on the part of Landlord, it being intended hereby that the covenants and obligations contained in this Lease on the part of Landlord shall, subject as aforesaid, be binding on each Landlord, its successors and assigns, only during its period of ownership.

## **Section 28. Estoppel Certificates**

Tenant or Landlord, as the case may be, will execute, acknowledge and deliver to the other and/or to Lender, promptly upon request, its certificate certifying (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the modifications), (b) the dates, if any, to which the Minimum Rent, Percentage Rent, and other monetary obligations have been paid, (c) whether there are then existing any charges, offsets or defenses against the enforcement by Landlord of any agreement, covenant or condition hereof on the part of Tenant to be performed or observed (and, if so, specifying the same),



and (d) whether there are then existing any defaults by Tenant in the performance or observance by Tenant of any agreement, covenant or condition hereof on the part of Tenant to be performed or observed and whether any notice has been given to Tenant of any default which has not been cured (and, if so, specifying the same). Any such certificate may be relied upon by a prospective purchaser, mortgagee or trustee under a deed of trust of the Premises or any part thereof.

### **Section 29. Holding Over**

This Lease shall terminate without further notice upon the expiration of the Term, and any holding over by Tenant after the expiration of the Term shall not constitute a renewal hereof or give Tenant any rights hereunder or in or to the Premises, except as otherwise herein provided, it being understood and agreed that this Lease cannot be renewed, extended or in any manner modified except in writing signed by Landlord and Tenant.

### **Section 30. Arbitration**

Whenever, under any provision of this Lease, arbitration is required, then the matter shall be determined by arbitration under the rules of the American Arbitration Association, in Chico with a single neutral arbitrator, as follows:

(a) Landlord and Tenant shall agree on a neutral arbitrator from the panel presented by the American Arbitration Association within twenty (20) days of notice of one party to another of the need to commence arbitration. In the event of the failure of either or both parties agreeing on an arbitrator or to proceed with the arbitration, the matter shall be submitted to the Superior Court, in accordance with California law, for appointment of an arbitrator.

(b) To be qualified as an arbitrator hereunder, a person must have a minimum of five (5) years' experience in any one of the following lines of work: accounting, with experience in commercial real estate work, real estate broker, specializing or at least dealing in commercial properties in the City of Chico or; real estate development, with substantial experience in commercial properties in the Bay Area or Sacramento Area; or law with substantial experience and expertise in real estate law.

(c) The arbitrators shall be governed by the provisions of this Lease. In the event of any ambiguity in such provisions or in the event such provisions are silent on a particular issue, the arbitrators shall apply generally accepted accounting principles regularly applied in similar commercial real estate operations.

(d) Arbitration fees payable to the American Arbitration Association and to the arbitrators shall be paid one-half by Landlord and one-half by Tenant.

### **Section 31. Late Charge**

Tenant acknowledges that Tenant's failure to pay any installment of Minimum Rent, Percentage Rent, or any other amounts due under this Lease as and when due may cause Landlord to incur costs not contemplated by Landlord when entering into this Lease, the exact nature and amount of which would be extremely difficult and impracticable to ascertain. Accordingly, if any installment of Minimum

Rent, Percentage Rent, or any other amount due under the Lease is not received by Landlord as and when due, then, without any notice to Tenant, Tenant shall pay to Landlord an amount equal to ten percent (10%) of the past due amount, which the parties agree represents a fair and reasonable estimate of the costs incurred by Landlord as a result of the late payment by Tenant.

### **Section 32. Default Interest**

In the event that Tenant shall fail to pay any amount of Minimum Rent, Percentage Rent, or any other monetary obligations owed to Landlord hereunder within ten (10) days of the date that such amounts are due and payable, Tenant shall pay to Landlord, in addition to such amounts, interest thereon at two percent (2%) above the "prime rate" of interest announced to the public from time-to-time by Bank of America, or the maximum interest rate permitted by law, whichever is less, from the first day of the month in which such monetary obligation was payable to the date of actual payment thereof by Tenant to Landlord.

### **Section 33. Severability**

In case any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Lease, but this Lease shall be construed as if such invalid, illegal, or unenforceable provisions had not been contained herein.

### **Section 34. Time of the Essence**

Time is of the essence of each and all of the agreements, covenants, and conditions of this Lease.

### **Section 35. Consents**

Whenever in this Lease the consent or approval of either Landlord or Tenant is required or permitted, the party requested to give such consent or approval will act promptly and will not unreasonably withhold its consent or approval.

### **Section 36. *[Intentionally Omitted]***

### **Section 37. *[Intentionally Omitted]***

### **Section 38. Attorney Fees**

In the event of any action or proceeding at law or in equity between Landlord and Tenant to enforce any provision of this Lease or to protect or establish any right or remedy of either party hereunder,

the unsuccessful party to such litigation shall pay to the prevailing party all costs and expenses, including reasonable attorney's fees, incurred therein by such prevailing party, and if such prevailing party shall recover judgment in any such action or proceeding, such costs, expenses and attorney's fees shall be included in and as a part of such judgment.

### **Section 39. Integration**

This instrument constitutes the entire agreement between Landlord and Tenant with respect to the subject matter hereof and supersedes all prior offers and negotiations, oral or written. This Lease may not be amended or modified in any respect whatsoever except by an instrument in writing signed by Landlord, Tenant and, if required by any Lender, by Lender.

### **Section 40. Amendments**

This Lease may be modified only in writing and only if signed by the parties at the time of the modification.

### **Section 41. Governing Law**

This Lease shall be governed by and construed in accordance with the laws of the State of California.

### **Section 42. Accessibility Requirements**

Pursuant to California Civil Code 1938, the LESSOR states that the Premises:

\_\_\_\_\_ Have not undergone an inspection by a Certified Access Specialist (CASp).

\_\_\_\_\_ Have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards, and a disability access inspection certificate has been issued pursuant to California Civil Code 55.51 et seq.

\_\_\_\_\_ Have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code 55.51 et Seq. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the LESSOR may not prohibit the LESSEE from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the LESSEE, if requested by the LESSEE. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

LANDLORD:

CHICO AREA RECREATION DISTRICT

By: .....  
Name: Annabel Grimm  
Its: General Manager

TENANT:

BUTTE COUNTY YOUTH SPORTS &  
EDUCATION FOUNDATION

By: .....  
Name: Grant Hornbeak  
Its: President



## BOARD OF DIRECTORS

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** Chico Observatory Lease

---

### **BACKGROUND**

At the December 2023 meeting, the Board approved the leasing and managing of the Chico Observatory from the City of Chico.

The Bidwell Park and Playground Commission unanimously supported the lease transfer to CARD at its February 23, 2024 meeting. The lease is on the City Council's May 21, 2024 agenda given the 25 year term.

### **RECOMMENDATION**

The Board of Directors review and approves the lease of Chico Observatory from the City of Chico to the District.



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**LEASE AGREEMENT FOR  
CHICO COMMUNIYY OBSERVATORY-BIDWELL PARK  
(CITY OF CHICO/CHICO AREA PARK & RECREATION DISTRICT)**

THIS LEASE AGREEMENT ("Lease") is executed on \_\_\_\_\_, between the City of Chico, a municipal corporation under the laws of the State of California, ("City"), and Pacific Chico Area Recreation and Park District, a California recreation and park district, ("CARD").

WITNESSETH:

WHEREAS, City is the owner of a large public park located in the City of Chico, County of Butte, State of California, known as "Bidwell Park"; and

WHEREAS, on November 17, 2020, City and CARD entered into a written Intergovernmental Cooperative Agreement stating, among other things, their intent to work together to improve the provision of recreation and park services and facilities in Chico; and.

WHEREAS, CARD desires to occupy the observatory building, sidewalks, amphitheater, walkways and additional surrounding area for related use of a portion of Bidwell Park located between Upper Bidwell Park Road and Horseshoe Lake; and

WHEREAS, City and CARD desire to enter into a five-year lease with the possibility of two additional five year extensions.

NOW, THEREFORE, City and CARD agree as follows:

1. DESCRIPTION OF LEASED PROPERTY

The premises leased by City to CARD and hired by CARD from City shall consist of all of the real property located in Bidwell Park more particularly described in Exhibit "A" entitled, "Plat to Accompany Lease Agreement, Observatory - Bidwell Park (City of Chico/Chico Area Recreation and Park District)," attached hereto and incorporated herein by this reference. The total leased premises provided herein shall consist of eleven thousand (11,000) square feet, which shall include an eight hundred (800) square foot building, an approximately seven hundred and forty (740) square foot amphitheater, and the appurtenant sidewalks, walkways and additional surrounding area. The leased area does not include the parking lot.

2. LEASE TERM: TERMINATION

The initial term of this Lease shall be for a period of five (5) years commencing on June 1, 2024 and terminating on June 30, 2029. This Lease may be terminated for any reason by either party of the lease prior to the end of the term by providing notice to the other party of its intent to terminate at least 12 months in advance of the proposed early termination date.

At the end of the initial term, CARD may extend the term of this lease for two (2) additional five (5) year periods, provided CARD gives to City notice of its intent to extend the term of this Lease at least six months prior to the end of the initial or any such extended term. The City may deny these lease extensions for any reason.



### 3. USE OF LEASED PROPERTY

The leased premises shall be used by CARD for the purpose of operating an observatory for CARD activities and members of the general public, and for such other purpose(s) as may be authorized by City's Bidwell Park and Playground Commission.

Revenues from any and all fees which CARD charges those members of the general public visiting such observatory and/or participating in such educational classes and programs shall be used by CARD solely for the operation and maintenance of the observatory and/or conducting such educational classes and programs.

### 4. CONSIDERATION

The consideration to be given or received by either party pursuant to this Lease shall be as follows:

- a. The consideration to be given by CARD to City for possession and use of the Leased Property is the agreement by CARD to use the Leased Property for the purpose of operating an observatory, which purpose has been determined by City to be of general public benefit. Such consideration is the essence of this Lease agreement and shall be in lieu of the payment of any rent by CARD to City. In the event that CARD ceases to use the Leased Property for this purpose, CARD shall be deemed to be in default of this Lease and City may terminate this Lease as set forth below.
- b. CARD shall not contract any or all of the operation and maintenance of the Leased Property to any subcontractor or franchisee without approval by the City.
- c. CARD shall have the privilege and right of charging admissions, fees, or collecting donations for the observatory and other recreational activities sponsored by CARD, provided that admission charges, fees, and donations shall not be for the purpose of returning a profit to CARD but shall as nearly as practicable be charged and received only to defray the cost of the programs, maintenance, operation, and capital expenditures incurred or made upon Leased Property.
- d. As additional consideration, CARD shall regularly publicize the availability, including, but not limited to, hours of operation, permit availability and special events, of the observatory which is to be constructed on the leased premises; and

### 5. GENERAL PUBLIC AVAILABILITY: REQUIREMENTS

CARD shall make the observatory available to the general public at least three (3) evenings per week with a minimum of nine (9) hours per week. Such minimum time requirements shall be designated as "public hours" for the benefit of the general public. Changes to the number of public hours must receive prior approval by the City. CARD shall also provide specific information regarding types of programs that will be available to the general public, both in relation to use of the Leased Property.

6. CITY LOGO

CARD may not use the City's Logo without first requesting the specific use of such logo from the City and obtaining the written permission of the City for such specified use. The City may revoke CARD's permission to use the City's Logo for any reason upon giving the City written notice as described below.

7. LIENS

During the term of this Lease, CARD shall keep the Leased Property and every part thereof free and clear of all mechanics' liens, materialmen's liens, and other liens for any work or labor done, services performed, or materials and appliances used or furnished for or in connection with any operation of CARD, any repair, alteration, or addition which CARD may make or permit or cause to be made, or any work or construction by, for, or permitted by CARD on or about the Leased Property. CARD shall always promptly and fully pay and discharge any and all claims on which any such liens may or could be based, and shall indemnify City against all such liens, claims of liens, and suits or other procedures pertaining thereto. CARD agrees to serve City with a notice of any repair, alteration, or additions to the Leased Property, including any of the improvements now or hereafter located on the Leased Property, estimated to cost in excess of \$5,000, at least five days in advance of the commencement of work upon such repair, alteration, or addition in order that City may post appropriate notices of non-responsibility.

8. ALTERATIONS OR ADDITIONS TO IMPROVEMENTS ON LEASED PROPERTY

CARD shall not make any alteration or addition to the approved improvements on the leased premises without prior approval of the City's Public Works Director-Operations & Maintenance or designee. Upon termination of this Lease, any alterations or additions to the improvements on the leased premises made by CARD shall become the property of City without the payment of any compensation therefore; provided, however, that upon termination of this Lease, City shall have the right to require CARD to remove any additions to the improvements on the leased premises and/or restore any altered improvement to its original condition, all at CARD's sole cost and expense.

CARD is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. CARD acknowledges all improvements on public property and all labor employed by CARD shall be paid prevailing wages. Tenant shall defend, indemnify, and hold City, its officers, agents, employees, volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure of Tenant to comply with the Prevailing Wage Laws.

9. COMPLIANCE WITH LAWS

In its use of Leased Property, CARD shall comply with all applicable federal, state, or municipal statutes, regulations, or ordinances including, but not limited to, any applicable park rules or regulation now or hereafter adopted by City or any of its boards and commissions.

10. WASTE AND NUISANCE

CARD shall not commit or allow to be committed any waste upon Leased Property nor maintain or allow to be maintained any nuisance thereon. CARD bears sole responsibility for keeping the Leased Property free of litter and refuse.

11. NONDISCRIMINATION

In its use of the leased premises, CARD shall not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation. The California Fair Employment and Housing Act defines harassment because of sex as including sexual harassment, gender harassment, and harassment based on pregnancy, childbirth, or related medical conditions.

12. MAINTENANCE OF LEASED PROPERTY

During the term of this Lease, CARD shall, at its sole cost and expense, maintain the Leased Property and all improvements thereon and facilities appurtenant thereto in good, sanitary, and neat order, condition, and repair, damage by fire or other casualty excepted. City shall have no responsibility whatsoever to maintain Leased Property or make any repairs thereto.

13. ACCEPTANCE OF LEASED PROPERTY

At the commencement of the initial term of this Lease, CARD shall accept the Leased Property including all improvements thereon and all facilities appurtenant thereto in their present condition and "as is" with respect to all matters and things of any nature whatsoever. No representation, statement, or warranty, express or implied, has been made by or on behalf of City as to the condition of the Leased Property or as to the use that may be made of such property. In no event shall City be liable for any defects in the Leased Property or for any limitation on its use.

14. UTILITIES AND SERVICES

During the term of this Lease, CARD shall be responsible for providing and paying for any electricity or other utilities required on the leased premises and City shall have no responsibility of any kind for any such utilities.

15. TAXES AND ASSESSMENTS

During term of this lease, CARD shall pay all the taxes and assessments levied on the Leased Property, it being understood by CARD that although the Leased Property is being held in public ownership, CARD's interest therein will be taxable as a possessory interest.

16. INDEMNIFICATION

During the term of this Lease, to the fullest extent permitted by law, CARD shall indemnify, hold harmless, and defend City, its officers, employees, agents, boards and commissions and members thereof, from any and all liability, claims, losses, costs, expenses, or suits arising out of or in connection with CARD's performance of the lease or relating to CARD's possession, use and

maintenance of Leased Property, in connection with CARD's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of CARD, or failure to comply with any provision of this agreement. Should City or any of its officers, employees, agents, boards and commissions or members thereof, be named in any suit, incur any loss, cost or expense, or should any claim be made against it or any of them by suit or otherwise, whether the suit be groundless or not, arising out of or in connection with the performance of the lease or relating to CARD's possession, use, or maintenance of Leased Property provided for by this Lease, CARD shall defend City, its officers, employees, agents, boards and commissions and members thereof with counsel of City's choosing, and CARD shall indemnify City for any judgment rendered against City or any sums paid out in settlement or otherwise.

#### 17. INSURANCE

On or before CARD's execution of this Lease, CARD shall, at its sole cost and expense, obtain and maintain commercial general liability insurance (occurrence policy form) from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better or, in the alternative, an unlicensed U.S. domiciled company or companies with an "A" rating, which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, with a maximum policy deductible of \$5,000.

The insurance coverage required herein shall be evidenced by a certificate of insurance with policy endorsements and shall be executed by an authorized official of the insurer(s). In addition to the limits of coverage described above, the certificate of insurance shall provide that the insurer shall provide to City at least 30 days prior notice of cancellation or material change in coverage, or 10 days prior notice of cancellation for non-payment.

CARD acknowledges and agrees that City of Chico, its officers, boards and commissions, and members thereof, its employees and agents, are covered as additional insureds with respect to any liability arising out of the activities of CARD as the named insured. Such additional insured status shall be evidenced by a policy endorsement executed by an authorized official of the insurer(s). A blanket endorsement which provides additional insured status to any person or organization with whom CARD, as named insured, has entered into a written contract, such as this Lease, shall satisfy this requirement.

The insurance coverage required herein shall be primary insurance with respect to the City of Chico, its officers, officials and employees. Any insurance or self-insurance maintained by the City of Chico, its officers, officials or employees shall be in excess of the insurance afforded to the named insured by the insurance coverage required herein and shall not contribute to any loss. Such primary insurance status shall be evidenced by a policy endorsement issued by an authorized official of the insurer(s). In the alternative, a letter issued by an authorized official of the insurer(s) and copies of the pertinent page(s) of the policy shall satisfy this requirement.

#### 18. ASSIGNMENTS, SUBLEASES, AND LICENSE FOR PUBLIC USE

CARD shall not assign this Lease or any interest herein. CARD shall not sublet Leased Property or any portion thereof or encumber this Lease or any interest of CARD in and to the Leased Property, nor sublease the Leased Property, in whole or in part. Neither shall this Lease, nor any interest of CARD in and to the Leased Property, be subject to an involuntary sale,

assignment, transfer, or sale, assignment, or transfer by operation of law in any manner whatsoever. Any such sale, assignment, transfer, encumbrance, or sublease, whether voluntary or involuntary, shall be void and of no effect and shall be a default which entitles City to terminate this Lease and all of CARD's rights in and to the Leased Property in the manner hereinafter provided by this Lease.

19. ABANDONMENT

If CARD abandons Leased Property, or any part thereof, CARD shall be in default of this Lease and City shall be entitled to terminate this Lease and all of CARD's rights in and to Leased Property in the manner provided below.

20. NOTICE OF DEFAULT

CARD shall not be deemed to be in default of any of the covenants and conditions of this Lease, except those with respect to an assignment or subletting of Leased Property, unless City has first served CARD with a notice describing the nature of the default and requiring CARD to commence and diligently prosecute such default on or before a date not less than 30 days following the date of the notice and CARD shall thereafter fail to cure such default on or before the date specified in such notice.

21. REMEDIES UPON DEFAULT

Upon default by CARD of any of the covenants and conditions of this Lease, the rights of City shall be as follows:

- a. City, without any further notice to CARD, shall have the right to perform those acts in respect to which CARD is in default, and CARD shall thereafter promptly reimburse City for any costs incurred by City in connection therewith, with interest at the legal rate.
- b. City, immediately upon serving notice thereof on CARD, shall also have the right to terminate this Lease and any and all interest of CARD in and to Leased Property, including all improvements thereon and Facility appurtenant thereto by legal proceedings or otherwise. All rights and remedies contained herein shall be construed and held to be cumulative and not one of them shall be exclusive of the other and City shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided for by law, whether or not stated in this Lease.
- c. All rights and remedies of City contained herein shall be construed and held to be cumulative and not one of them shall be exclusive of the other, and City shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided for by law, whether or not stated in this Lease.

22. WAIVE OF COVENANTS AND CONDITIONS

The waiver by City of any of the covenants and conditions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or of a covenant or condition of this Lease.

23. RIGHT OF ENTRY

CARD shall permit City and any agent or employee of City to enter in and upon Leased Property at all reasonable times for the purpose of inspecting same, or for the purpose of posting notices of non-responsibility for alterations or repairs, without any liability to CARD for any loss of occupation or quiet enjoyment of Leased Property thereby occasioned.

24. EFFECT OF HOLDING OVER

Any holding over after the expiration of the term of this Lease, with the consent of the City, shall be construed to be a tenancy from month-to-month and shall otherwise be subject to the covenants and conditions herein provided by this Lease, insofar as applicable.

25. NOTICES

All notices or demands to be given, made, or sent, or which may be given, made, or sent by one party to the other pursuant to this Lease shall be deemed to have been given, made, or sent when deposited in the U.S. mail, registered and postage prepaid, addressed as follows:

To City:                   City Manager  
                                  City of Chico  
                                  P.O. Box 3420  
                                  Chico, CA 95927

To CARD:                   Chico Area Recreation and Park District  
                                  540 Vallombrosa Avenue  
                                  Chico, CA 95926

The address to which any notice or demand may be given, made or sent, may be changed by written notice given by such party as provided above.

26. AMENDMENTS

This Lease may be amended only by a writing duly authorized and executed by both City and CARD.

27. COUNTERPARTS

This Lease may be executed in two or more counterparts each of which shall be an original, but all of which shall constitute one and the same instrument.

28. JOINTLY DRAFTED

Should interpretation of this Lease or any portion thereof be necessary, it is deemed that this Lease was prepared by the parties jointly and equally and shall not be interpreted against either party on the ground that the party prepared the Lease or caused it to be prepared.

29. ENTIRE AGREEMENT

This Lease constitutes the entire agreement of the parties hereto. This Lease shall not be amended in any way except by a writing expressly purporting to be such an amendment, signed, and acknowledged by both of the parties thereto.

30. SIGNATORIES

Each individual executing this Lease on behalf of Tenant represents and warrants that they are duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant.

31. SEVERABILITY

If any provision of this Lease is held by a court of competent jurisdiction to be invalid or unenforceable the remainder of this Lease shall be interpreted so as to best affect the reasonable intent of the parties hereto.

32. GOVERNING LAW

This Lease shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue of any action or proceeding arising under this Lease or the performance thereof shall be heard in Butte County, California. Tenant waives any and all rights of removal to federal court in the event of litigation arising under this Lease.

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease in duplicate in the City of Chico, County of Butte, State of California, on the date set forth above.

CHICO PARK & RECREATION DISTRICT

CITY OF CHICO

\_\_\_\_\_  
By: Annabel Grimm, General Manager

\_\_\_\_\_  
By: Mark Sorensen, City Manager

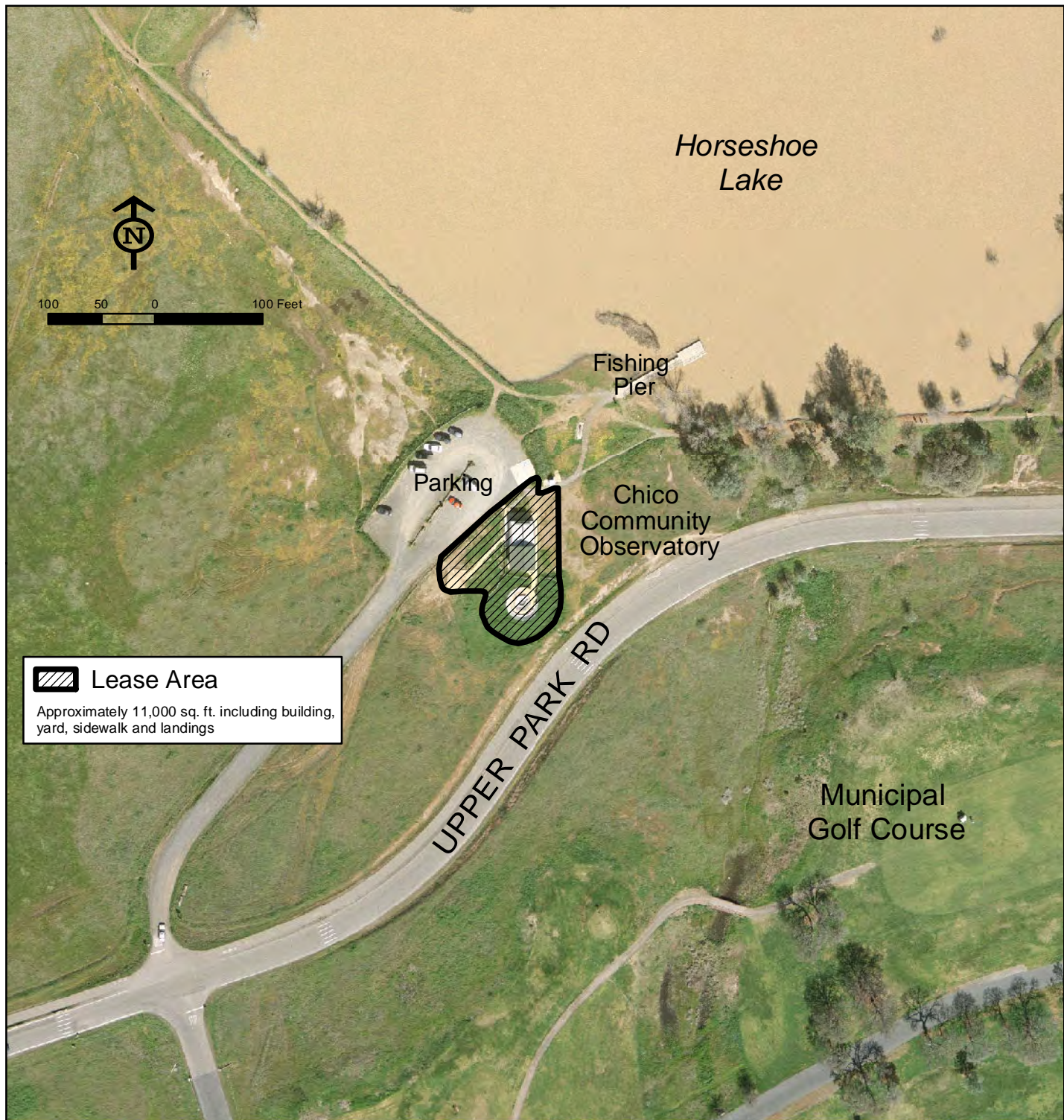
APPROVED AS TO FORM:

\_\_\_\_\_  
John W. Lam, City Attorney

Attachments:

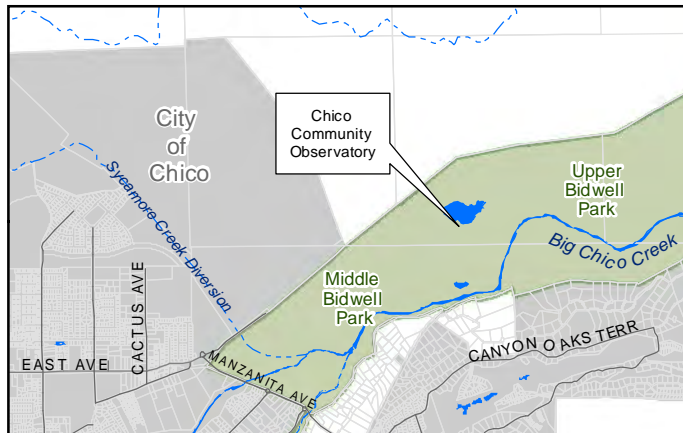
Exhibit A: Plat of Leased Property





**Lease Area**  
 Approximately 11,000 sq. ft. including building, yard, sidewalk and landings

Aerial photo: March 2009



## EXHIBIT "A"

**"Plat to Accompany Lease Agreement, Observatory - Bidwell Park (City of Chico/Pacific Center for Astronomical Outreach)"**

09/22/2010





**BOARD OF DIRECTORS**

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** 2024-2025 Ice Rink Operating Discussion

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**BACKGROUND**

The Downtown Chico Ice Skating Rink was launched in 2021. According to the City of Chico, the original intent was to transfer management and operations to another group, as the venture does not necessarily align with City operations. City staff managed the operations with support from Downtown Chico Business Association (DCBA) in 2021. In 2022, DCBA managed all programs, with City staff overseeing the rink installation.

At the August 2023 meeting the Board approved the partnership with City and DCBA for the District to manage the operation of the Downtown Chico Ice Skating Rink.

**DISCUSSION**

The Ice Rink partnership with the City of Chico and DCBA was extremely successful. The feedback from the community and stakeholders was overwhelmingly positive.

The ice rink contract spanned 58 days, of which about 5 were non-operating days due to weather. It is estimated that there were 30,500 visitors to the ice rink. Revenue was approximately \$330,000 and expenses totaled nearly \$105,000 for a net income of \$225,000.

Year over year ice rink operation comparison shows the average skater per day was significantly higher the two years prior.

Ice Rink Stats	2021	2022	2023
Operating Period	11/19/21 - 1/31/22	11/17/22 - 1/09/23	11/17/23 - 1/14/24
Operating Days	69 of 74	47 of 54	53 of 58
Sponsorships	116,100	65,196	36,650
Sales	249,366	170,679	295,535
<b>Total</b>	<b>365,466</b>	<b>235,875</b>	<b>332,185</b>
Tickets	18,295	13,045	16,250
Average Skater/Day	265	278	677
Cabana Rentals	41	31	43
Field Trips/Rentals	-	4	17
Helper Add-on			2,038
Merchandise (units)			758

**RECOMMENDATION**

Given the positive feedback from the community, the successful operation of the rink by District staff, and the value to the community, the Board consider and authorize the continued operation of the ice rink in the Downtown Plaza in partnership with the City of Chico.



## BOARD OF DIRECTORS

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** Bocce Ball Court Proposed Donation

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### BACKGROUND

On April 25, 2024, the Board passed Resolution 24-006 in Appreciation to Debra Cannon and the Cannon Family Trust for their significant contributions towards the construction of the new Bocce Call Complex at Community Park. In response, Debra Cannon submitted the following proposal for Board review. In addition, a donation of 4 scoreboards from members of Chico Bocce is being proposed.

### PROPOSAL

I am very happy to have had the opportunity to donate to the amazing new facility at the CARD 20th Street Community Park. To recognize this donation and the history of my family connection with the sport, I am proposing the installation of two large spheres (very big bocce balls) at the south entrance to the courts. These will be made with concrete and painted in a permanent manner, red and green, traditional bocce ball colors. In addition, there will be two brass plaques installed on the bases. One will say "For the Love of Bocce". The other will say " From Debra Cannon and Family"

The Concrete Management Institute at Chico State will be providing the concrete spheres. Nick Steinberg will be the contact for this project and has met with Scott and Luke from your team. Construction and installation will be determined by them.

I am enclosing some photos of big concrete balls, the installation at the bocce courts at the Ferry Building in San Francisco, the iconic bollards in front of Target, and the ones on Park Avenue and West 13th Street in Chico. There is also a diagram from Modern Building to be used for reference if needed.

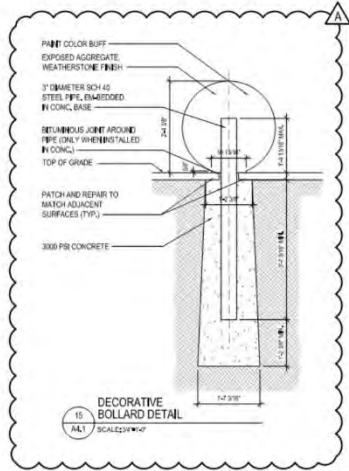
Please let me know if you need anything else to make this project meet your needs.

Very sincerely yours,

Debra Cannon

### RECOMMENDATION

The Board of Directors approves the proposal by Debra Cannon to install an art fixture made of concrete in recognition of other significant donations. Additionally, accept a donation of four bocce scoreboards upon approval of the design and placement by the General Manager.



John Thorpe  
Project Engineer





## BOARD OF DIRECTORS

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Anjie Goulding, Director of Recreation  
**SUBJECT:** Recreation Update – May

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### **After School Program**

After School Programs are preparing to close out the school year on June 7<sup>th</sup>. Re-enrollment for next school year is underway. The waiting list for next school year is currently open and spots will be filled during the summer. We are also working on hiring next year's employees.

### **Adult Sports**

The Spring adult sports season is nearing its end, and teams are currently competing in the playoffs. The free agent softball and soccer leagues are underway. We have about 90 free agents playing in our first ever free agent adult softball and soccer leagues. Free agents are all players that may otherwise not have found a way to play in our leagues, and we are so excited to have an option to get more adults in our community involved in our recreation sport leagues. Summer registration is open, and teams are rolling in. Digital rosters for all adult sports leagues for the upcoming summer season have begun.

### **Youth Sports**

Spring programs are ramping down for youth sports! Our amazing staff has again nurtured another impactful round of leagues and sport programs for the community, and continues to work with participants on building skills, fundamentals, spatial awareness, and more!

Staff are beginning to transition their time and energy to final preparation for summer. You can feel the excitement of the change coming and feel all the work happening to get ready. From staff hiring and training to making sure all our gear is in the right locations, A LOT is happening!

### **Toddler**

Ms. Dallas' successful Budding Buddies parent/tot program is wrapping up June 4<sup>th</sup>. Now it is time for Ms. Dallas to finish preparing for her toddler summer camps! Due to the trust and confidence our community has in Ms. Dallas, most spots are full so make sure to sign up for any remaining spots soon and get on a waitlist so we can let you know if any spots open!

### **Home School**

This spring, we explored various programming options to assess the needs and wants of the homeschool community. Our goal is to cultivate exciting long-term opportunities this fall. The feedback from spring programs, along with the homeschool interest survey will allow us to

provide some fantastic options to homeschooled families this fall. If you are a home school family, please let us know what you would like to see here: <https://bit.ly/CARDHomeschool>.

### **Nature Center**

The California Naturalist grant program ended on April 23rd and was a huge success. The course introduced Corps members to the wonders of our local ecology, engaging in the stewardship of California's natural communities. It had a large focus on community-led participatory science to mitigate environmental issues, from water management to using traditional cultural knowledge for restoration planning and management. We had a variety of guest speakers representing organizations such as Indigenous Traditional Ecological Knowledge (ITEK), Altacal Audubon Society, City of Chico, Big Chico Creek Ecological Reserve (BCCER), CA Department of Fish and Wildlife (CDFW) and more. In addition to required daily course work, participants had to complete a special video stewardship project. These were short 3–5-minute outreach/educational videos about the unique cultural and natural resources the participants explored in their program. We are happy to report all 25 participants completed the course and graduated as California Naturalists!

Field trip season has two more weeks in the season before we take a break and return in September. On Friday, May 10th we wrapped up our biggest day of the spring season! Parkview Elementary holds their spring annual 'Parkview in the Park' day, featuring many local organizations, including the Nature Center. We had four naturalists leading back-to-back trips that day for a total of 17 trips in one day! Meet Our Animals continues to be the most popular trip, catering to all ages from TK to 8th grade and above. With this in mind, we are now offering Wildlife on Wheels (WOW) where our naturalists will bring animals to you! Our first WOW trip was with Chapman Elementary for 66 TK kiddos.

Our Living Animal Museum will host its third free monthly event for the public on May 25th from 12-1:30 PM. This event is called Creepy Crawlers and will explore the fascinating realm of invertebrates, including insects, arachnids, and other arthropods like millipedes and roly polys. In addition to learning about some of our local creepy crawlers' participants will have the option of direct hands-on interactions!

Our recent trip to the CA Raptor Center in Davis resulted in moving forward with a transfer of one of their Western Screech Owls to the Nature Center as an educational ambassador. Paperwork is currently being finalized and the owl will be able to come to its forever home within the next month or so! This owl is a native species and has been deemed non-releasable due to permanent trauma to the left wing from a cat attack. We are thrilled to welcome an owl to the Nature Center. We look forward to offering a unique opportunity for community members to view and learn about these incredible owls up close!

### **Summer Camps**

All divisions are also diligently preparing for the upcoming summer camp season. Behind the scenes, our team is hard at work, ensuring that every detail is meticulously planned and that the brightest talents are recruited to deliver unforgettable experiences for our campers.

Summertime Delight staff are excited to return to camp and looking forward to doing fun activities on site and going on field trips to local businesses throughout the summer.

Camp Chi-Da-Ca wants to give a huge thank you to our parks team for the new fridge and storage shed at Hooker Oak Park.

Camp Chico Creek has been busy submitting paperwork to get staff all squared away for the start of camp. We have brought on 21 staff and will be welcoming 10 new staff members, including two new directors, to the Camp Chico Creek Team!

### **Inclusion**

Our first inclusive prom on April 27<sup>th</sup> was a HUGE hit and the feedback from the community was incredible. Thank you to all who helped to make this event such a success! Make sure you visit our social media accounts to see all the fun we had. We already cannot wait for next year!

Our team is continuing to prepare for Summer Camp staffing needs. Watching camp registration closely and working with all participants requesting 1-1 aides. We are excited to have our 1-1 inclusion aids supporting campers in over 75 camps this summer already!

### **Aquatics:**

We are working hard to finish our certification, hiring and training of 2024 aquatics team members. Finishing our final certification class on 5/16/24.

Current staff numbers:

Head Lifeguards- 3

Asst. Head Lifeguards- 7

Lifeguards- 43

Swim Instructors- 13

#### *Pleasant Valley Pool:*

Pre-season staff training kicks off on May 25. Swim lessons and rec swim opens Monday, June 10<sup>th</sup>. We have extended family swim to be 4 nights per week (Monday-Thursday). We are excited to host five teen swims throughout the summer, and two movie nights. We hope you joining us for all the fun!

#### *Sycamore Pool (1-Mile):*

Pre-season staff training is slotted to start on Jun1. We will begin staffing lifeguards on June 1st and 2nd, weekends only until June 10th; then switching to staffing 6 days/week. Working in conjunction with the City of Chico to have a successful summer season with support for an area that hasn't been staffed since 2021.

### **Contract Camps, Classes and Leagues:**

We are excited to host our independent contractor programs this summer with new and returning instructors. Keep an eye out for more pickleball classes and leagues, art, crafts, sailing,

dance, gymnastics, cooking, baking, healthy eating, mountain biking, dungeons and dragons, cinema production, yoga, musical theatre, and more! We cannot wait to see you!

### **Field and Court Rentals**

Little League Baseball and Softball are nearing the end of their seasons at DeGarmo, Wildwood and Hooker Oak Parks. Chico Softball Little League will be hosting District 47 All-Stars for Minors, Majors, and Juniors as well as the State Tournament for Majors at DeGarmo Park in June. American Legion Baseball will be hosting their annual Memorial Day and Father's Day Baseball tournaments at Doryland Field at Hooker Oak Park. We are currently updating the method for communicating field reservations and preparation schedules with parks and events staff (Field Matrix).





## BOARD OF DIRECTORS

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Scott Schumann, Director of Parks and Facilities  
**SUBJECT:** Parks and Facilities Update - May

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### **Capital Project Updates:**

#### *Chapman Park*

Splash pad officially opened for public use on Monday, May 13, 2024. Public comments are overwhelmingly positive. Staff worked with the fall material contractor to reapply, repaint, and increase grit in the surface. Staff will monitor for wear over the summer. Mechanical issues persist with the pump mechanisms and staff are diligently working with the contractor to proactively address warranty-related problems.

#### *CARD Center*

Staff are finalizing bid documents with the engineer this week with anticipated bidding to occur in June of 2024. Considerable dry rot and repairs have been identified in the scope of work for bidders to address. The completion of the parking lot slurry seal and painting has begun with slurry seal complete by May 19<sup>th</sup> and line painting to begin by May 21<sup>st</sup>.

#### *Community Park Maintenance Hub*

An RFP for proposals has been published with bids due by June 4<sup>th</sup>.

#### *ADA Improvements*

Staff have secured quotes for CASp to update the District ADA transition plan. This approach will provide compliance guidance and updated prioritization for future improvements.

### **Park Improvements and Maintenance**

#### *Henshaw Park*

The 2<sup>nd</sup> round of survey input is currently underway. Preliminary results indicate basketball/futsal is desirable and a bathroom onsite is worthy of consideration.

#### *DeGarmo Park*

The donated T-ball backstop has been installed at DeGarmo Park and was quickly put into use by users.

#### *Emerson Park*

CARD has formally taken over maintenance responsibilities for the completed portion of Emerson Park (A2) at Meriam Park.

*Centennial Park*

Staff have successfully repaired a break in the domestic water line providing water to the drinking fountain at Centennial Park.

*Urban Forestry Management*

CARD had a proactive year managing the trees through the fall and winter in the District with a final 3 major pruning events happening at Hooker Oak Park the week of May 20 prior to the beginning of camps.

*Turf Management*

Staff have completed the application of fertilizer, herbicides, and pesticides. This is a proactive, intentional approach by the District to maintain one of our largest recreational resources. Credit is due to the Supervisors leading these efforts to constantly monitor the turf needs and modify applications annually to produce the best results.

*Summer Camp Preparations*

Park and Facilities Staff have been busy prepping for an increasing number of participants this coming summer. Various improvements include replacing benches at the Nature Center, spreading mulch in landscape beds, vegetative fuel management, and construction of bird enclosure at the Nature Center.

**Risk Management and Staff Training***Ladder Safety and Fire Suppression Training*

The Parks team hosted annual training on ladder safety and fire suppression for staff across the District. Several staff in attendance had the opportunity to deploy a fire extinguisher on actual flames which created an impactful training.



## BOARD OF DIRECTORS

# STAFF REPORT

**DATE:** May 23, 2024  
**TO:** Board of Directors  
**FROM:** Annabel Grimm  
**SUBJECT:** General Manager Update - May

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**Camp Lassen** — District leadership toured Camp Lassen on May 13 to explore potential opportunities to collaborate on summer camp offerings. The Butte Meadows community has been supporting operations at the site for decades. A group of volunteers have been repairing and maintaining facilities since the 1980s. Significant repairs and maintenance are required to bring the facilities to current code standards.

### Notable Meetings

- The Social Services Leadership collaborative met on April 30 and discussed trauma informed practices.
- EBC & Chico Tourism Committee: The Committee met on May 2 to discuss the progress of the Travel Chico and Explore Butte County initiatives.
- District staff continue working with the County on Hazard Mitigation Planning.
- SEIU Working Meeting on May 20.
- Meriam Park development of Park B vision session was held on May 21.
- Chico Chamber of Commerce meeting May 22.

### Special Events

*Mom & Me: Mother's Day Tea:* On May 5<sup>th</sup>, folks celebrated the bond between mothers, their families and friends at our picturesque rose garden and community center. This multigenerational event allowed for guests of all ages to enjoy a delightful assortment of food and drinks, with an unforgettable craft and photo booth. This event is sure to become a regular, with an outpouring of positive support for the event.

Our 3<sup>rd</sup> annual *K9 Classic* took place on May 18<sup>th</sup> at DeGarmo Park. The Mutt Strutt was an outstanding success with awards given out for skills and cuteness. The Chico Police Department was on hand and provided a special Police K-9 Demonstration where the public got to see first-hand the awesome level of control, agility, and extensive training the Police K-9s have. Participants enjoyed free ice cream, interacting with animal vendors, and a fun obstacle course.

In June, we will take a small break from events to gear up for our two 4<sup>th</sup> of July events! On June 29<sup>th</sup> we will host *Let Freedom Ring* at Chapman Neighborhood Park. Join us from 11 am to 2 pm, as we kick off the festivities at the brand-new playground and splash pad. Groove to live music and enjoy complimentary hot dogs and ice cream.

On the 4<sup>th</sup> of July, make your way downtown for the District's first-ever patriotic parade beginning at 9 am sharp. Applications for parade entries and volunteers are open until June 14<sup>th</sup>!

**News Stories**

[Chico plans first 4th of July parade | actionnewsnow.com](http://actionnewsnow.com)

[Chico Area Recreation & Park District hosting meeting for Henshaw Park | Action News Now](#)

[Chico adding 4th of July parade | Video | actionnewsnow.com](#)

[Chico Area Recreation District to host inaugural prom | News | actionnewsnow.com](#)

[CARD partnering with SkateMD to host a skate clinic for children this Saturday | Action News Now](#)

[New splash pad area is opening on Monday at Chapman Park | Action News Now](#)