



THE RANCH

(Belvedere Tiburon Joint Recreation Committee)

DRAFT Special Meeting Minutes

Thursday, February 17, 2022 7:00 p.m.

Dairy Knoll, 600 Ned's Way, Tiburon CA 94920

Call to Order and Roll Call

Chair Schlunt called the meeting to order at 7:05p.m., with the following Board Members present:

Chelsea Schlunt - Tiburon Representative, Chair	Present
Jerry Riessen - Belvedere Representative, Vice Chair action item IIA)	Present (joined meeting after action item IIA)
Jason Rosell - Tiburon Representative	Absent
Eduardo Dominguez - Tiburon Representative	Vacancy
Noah Griffin - Tiburon Council Member	Absent
Melissa Feder - Belvedere Representative	Present
Julianne Schaefer - Belvedere Representative	Present
Sally Wilkinson - Belvedere Council Member	Present
Sherry Wangenheim - RUSD Representative	Present

Ex Officio:

Jessica Hotchkiss, Recreation Director
Michelle Barsky, Office Manager & Minutes

Notes: After this agenda was made public, it was announced that Eduardo Dominguez would no longer serve as a Tiburon Representative.

I. Public Comment

No public comments were made.

II. Action Items

A. Resolution 2022-02-01

Resolution to conduct meeting virtually in the month of February 2022 in reflection of AB 361. AB 361 enables local public agencies to continue to use teleconferencing without complying with certain Brown Act Provisions.

Motion Wangenheim Second Wilkinson Vote 5 In Favor, 0 Against, 0 Abstained, 3 Absent

Motion Carried.

Voted on as follows

AYES: Schlunt, Feder, Schaefer, Feder, Wilkinson, Wangenheim

NAYS: None

ABSTAINED: None
ABSENT: Riessen, Rosell, Griffin

III. Closed Session

Personnel Review of Public Employee _ Recreation Director

IV. Announcement of Action Taken in Closed Session

The Board collectively agreed to the amendment and stated that they went over Director Hotchkiss' review.

V. Minutes

A. Approval of Minutes from Regular Board Meeting held January 24, 2022

**Motion Wilkinson Second Wangenheim Vote 4 In Favor, 0 Against, 2 Abstained, 2 Absent
Motion Carried.**

Voted on as follows

AYES: Schlunt, Feder, Wilkinson, Wangenheim

NAYS: None

ABSTAINED: Riessen, Schaefer

ABSENT: Rosell, Griffin

VI. Discussion Items

A. Tennis Key Structure for 2022-23 Year

Staff Report - Item A

The Ranch will begin selling keys in min March for the 2022 Tennis Key Season. 94920 Resident Pricing will be \$175 + Processing Fee and sales will start on Monday, March 14th. Non-Resident pricing will be \$195 + Processing Fee and sales will start on Monday, March 28th. The courts are rekeyed on April 1, 2022. The Ranch will proceed with physical keys sold through our office. Sales will be unlimited. Keys will be advertised via email to 94920 database, Tiburon Talk Newsletter, signage at tennis courts.

Keys can be purchased online so that residents that do not live in the area upon the start of the tennis key sales will have the opportunity to secure a key for their household and pickup the key from the office when they are back in the area. Wilkinson pointed out that there is no impact of demand on the price point. Board is in favor of this decision.

VII. Action Item

A. Resolution 2022-02-02

Reserves Policy for Belvedere Tiburon Joint Recreation Committee, The Ranch

STAFF REPORT – Item B

The Ranch currently operates without a formal reserve policy. The Covid-19 pandemic proved particularly challenging for the Ranch, with the Recreation Director moving expeditiously to lay

off workers and cut staff hours, including her own. The Ranch asked for, and received, capital injections from the Town of Tiburon and the City of Belvedere of a combined \$193,326, according to the usual 80:20 split. Thanks to this proactive stance, the Ranch emerges from the pandemic with reserves projected to reach \$295,000 at the end of FY 21/22 (February 28, 2022), an all-time high. The toll of the Covid-19 adjustment was felt primarily by the Ranch's staff. Given the current healthy level of reserves, and to prevent decision making that would intentionally drain reserves during times of economic stability, formal adoption of a reserve policy may be warranted. The goal of the policy is to create a buffer of funds to lean into during future natural disasters, pandemics, and other economic shocks (and to cover unforeseen budget shortfalls). This would allow the Ranch more time to review its financial position, plan strategically, and ward off drastic, unplanned cuts. The recommended reserve policy targets a reserve balance (fund equity net of capital assets) equal to six months of administrative and facility expenses. If adopted, the Ranch will create future budgets with this policy goal in mind, such that the projected year-end reserve balance is moving towards or equal to six months of budgeted administrative and facility expenses, except during economic shocks. Intentional accumulation of reserves above this target is not desirable. The goal of this policy is not to unnecessarily constrain the Ranch, or force mid-year adjustments in the face of unforeseen budget shortfalls. The level of reserves will be considered within the context of the budget and reviewed annually. In the event of a natural disaster, pandemic, or other economic shock, the Recreation Director will inform the Board of the need to utilize the Reserve Fund and provide regular updates on the use of funds and remaining reserve balance. As mentioned, the Ranch expects to close out FY 2021/22 with a reserve balance of approximately \$295,000, net of capital assets. The proposed FY 2022/23 budget projects net income (net of depreciation) of \$30,000, increasing reserves to a projected \$324,000 by the end of FY 2022/23. With administrative and facility expenses projected to be \$710,000 in FY 22/23, this gives the Ranch a projected reserve ratio of 45.7%, above the expected outcome of FY 21/22 and very close to the reserve policy goal. The Recreation Director supports this policy.

Hotchkiss stated that when the organization hits 50% reserves, we can entertain the idea of trying risky programs like the beer festival. Wilkinson says that this is a soft target and does not force Jessica to cut costs. Board would be informed if funds needed to be withdrawn. An accrual-based assessment would be made each month.

Hotchkiss would like to get to a point where there is a capitol reserves fund. The organization is not in jeopardy of not bringing in new programming because of this model. Exceeding the reserve target would allow the conversation for hiring another full time staff. Wilkinson notes that this reserves policy helps to protect staff salaries, so they are not subject to severe paycuts.

**Motion Riessen Second Feder Vote 6 In Favor, 0 Against, 0 Abstained, 2 Absent
Motion Carried.**

Voted on as follows

AYES: Schlunt, Riessen, Feder, Schaefer, Wilkinson, Wangenheim

NAYS: None

ABSTAINED: None

ABSENT:Rosell, Griffin

B. Vote on the Proposed 2022-2023 Fiscal Year Budget

STAFF REPORT – Item C, 22-23 FY Proposed Budget Presentation

Hotchkiss stated that this amended budget shows an increase in tennis key pricing and an increase in salaries. Transitional Kindergarten (TK) is being introduced to the district, which will offset the decrease in RUSD registration. Ranch programming will now include courses for TK students. Hotchkiss broke out administrative staff and applied them by percentage to the various categories. This shows that youth programming significantly carries the cost of adult programming. This is not unique situation to The Ranch and is pretty standard across recreation departments. Rentals and adult revenue are low because of the pandemic.

Motion Wangenheim Second Riessen Vote 6 In Favor, 0 Against, 0 Abstained, 2 Absent Motion Carried.

Voted on as follows

AYES: Schlunt, Riessen, Feder, Schaefer, Wilkinson, Wangenheim

NAYS: None

ABSTAINED: None

ABSENT:Rosell, Griffin

VIII. Adjourn

Next Regular Board meeting scheduled to be Monday, March 21, 2022 at 7pm. Chair Schlunt adjourned the meeting at 8:17pm.

Respectfully submitted,
Michelle Barsky