

Livermore Area Recreation and Park District Staff Report

TO: Chair Furst and Board of Directors

FROM: Mathew Fuzie, General Manager

PREPARED BY: Julie Dreher, Finance Officer

DATE: May 29, 2024

SUBJECT: Renew Special Tax 97-1 and set the new rate for Fiscal Year 2024-25

RECOMMENDATION: That the Board of Directors approve Resolution # _____ to renew Special Tax 97-1 and set the Equivalent Dwelling Unit (EDU) rate at \$39.42 for Fiscal Year (FY) 2024-25, a 2%, or \$0.77 increase per EDU over the FY23-24 rate of \$38.65.

BACKGROUND: Special Tax 97-1 is the ballot measure approved by the voters of the District in June, 1997. The revenue is to be used only for maintenance and operation of park facilities. The original measure allows the District to increase the tax by up to 2% per EDU per year.

The purpose of Special Tax 97-1 is to help recover some of the revenue lost by the District when the State shifted nearly half of the District's property taxes to the Educational Revenue Augmentation Fund (ERAF) in 1992. For FY24-25, assuming a 4.25% increase in property tax revenues (consistent with the District's FY24-25 Budget), approximately \$13,093,000 of LARPD's previous tax base will be shifted to Alameda County to distribute to schools within the County. By June 30, 2024, the cumulative, nominal dollars shifted to ERAF will amount to approximately \$199.7 million.

The Special Tax 97-1 rate for FY23-24 of \$38.65 per Equivalent Dwelling Unit (EDU), approved by the Board of Directors on May 31, 2023, will generate tax revenue to the District of approximately \$1,702,000 for FY23-24. Note: there are approximately 44,040 EDUs in place for FY23-24, and the budget for FY24-25 assumes that same count for planning purposes.

FISCAL IMPACT: A 2% increase (\$0.77 per EDU) would raise the rate to \$39.42 per EDU for FY24-25 and the resulting increase in revenues will amount to about \$34,000. There will likely be additional revenue generated by new EDUs that are added during FY24-25, but we are unable to confidently estimate this amount and thus have built a budget that assumes no increase in the number of EDUs. Note: at the budgeted amount, 97-1 Revenues for FY24-25 will cover about 27% of the District's annual operating expense for Park Operations.

**THE BOARD OF DIRECTORS
OF THE
LIVERMORE AREA RECREATION AND PARK DISTRICT**

RESOLUTION NO. _____

**A RESOLUTION RENEWING SPECIAL TAX 97-1 AND SETTING THE EQUIVALENT
DWELLING UNIT RATE FOR FISCAL YEAR 2024-25**

BE IT RESOLVED, that the Board of Directors, as the governing body of the Livermore Area Recreation and Park District, hereby renews Special Tax 97-1 and sets the Equivalent Dwelling Unit Rate at \$39.42 for Fiscal Year 2024-25.

ON MOTION of Director _____, seconded by Director _____, the foregoing resolution was passed and adopted this 29th day of May, 2024, by the following roll call vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

Approved this 29th day of May, 2024,

David Furst
Chair, Board of Directors

ATTEST:

Mathew Fuzie
General Manager and ex-officio Clerk
to the Board of Directors