Midpeninsula Regional
Open Space District

R-14-60
Meeting 14-09
March 26, 2014

## AGENDA ITEM 4C

## AGENDA ITEM

Adoption of the Midpeninsula Regional Open Space District Fiscal Year 2014-15 Budget

## GENERAL MANAGER'S RECOMMENDATION



Adopt a Resolution approving the budget for Fiscal Year 2014-15 (FY2014-15), as well as the Classification and Compensation Plan for Fiscal Year 2014-15, which reflects the salary costs that are included in the proposed budget.

## SUMMARY

The proposed FY2014-15 District Budget was reviewed by the Board of Directors (Board) at the February 26, 2014 Board meeting (Report R-14-39) and is returning to the Board for a second reading and final approval (see Table 1). The proposed FY2014-15 District Budget of \$43.9 million would be funded by projected property tax revenues of $\$ 32.9$ million and funds from other revenue sources, grants, and use of District cash reserves totaling $\$ 11.0$ million (refer to Table 1). Of the total budget, the proposed operating expense (OpEx) budget of $\$ 18.6$ million is slightly below the OpEx Guideline of $\$ 18.7$ million and the capital expense (CapEx) budget of $\$ 5.1$ million is well below the CapEx Guideline. Land and associated costs total $\$ 9.3$ million and debt is another $\$ 8.9$ million. The remaining $\$ 1.9$ million is comprised of expenses associated with implementation of the Strategic Plan, Property Management Program expenses, and General Obligation (GO) Bond election costs. Built into the operating costs are the new salary adjustments by classification as shown in Exhibit A.

## TABLE 1: PROPOSED FY2014-15 DISTRICT-WIDE BUDGET

## Revenue

| Property Tax | $\$ 32,906,000$ | $75 \%$ |
| :--- | ---: | ---: |
| Other Revenue | $\$ 5,661,448$ | $13 \%$ |
| Cash Reserves | $\$ 5,352,823$ | $12 \%$ |
| $\quad$ Total | $\mathbf{\$ 4 3 , 9 2 0 , 2 7 1}$ | $\mathbf{1 0 0 \%}$ |
| Expenditures |  |  |
| Operating Expenditures | $\$ 18,649,133$ | $42 \%$ |
| Land, Debt, and Associated Costs | $\$ 18,247,601$ | $42 \%$ |
| Capital Expenditures | $\$ 5,105,076$ | $12 \%$ |
| GO Bond Election Expenses | $\$ 812,075$ | $2 \%$ |
| Strategic Plan | $\$ 835,836$ | $1 \%$ |
| Property Management | $\$ 470,550$ | $1 \%$ |
| Total District Expenditures | $\mathbf{\$ 4 3 , 9 2 0 , 2 7 1}$ | $\mathbf{1 0 0 \%}$ |

## DISCUSSION

The proposed FY2014-15 District Budget was presented for initial review at the February 26, 2014 regular meeting of the Board of Directors (Board) (Report R-14-39) and is returning to the Board for a second reading and final approval (see Table 1). The proposed FY2014-15 Budget totals $\$ 43,930,271$. A summary of the major expenditure categories is reflected in Table 1 above and more detail is provided in Exhibit B.

The proposed budget was developed based on the District Controller’s November 2013 property tax revenue forecast of $\$ 32.9$ million for FY2014-15, and includes Operating and Capital spending Guidelines of $55.5 \%$ and $10.5 \%$ of property tax revenue, respectively. The proposed budget reflects work to be completed on the District's 96 projects listed in the Action Plan (Report R-14-38), with particular focus on the following Strategic Plan implementation projects: Vision Plan Implementation Guide, Evaluation of the Organizational Business Model, Capital Finance Program, and General Obligation Bond measure for the June 2014 ballot.

The Proposed FY2014-15 Budget reflects increases over the FY2013-14 Midyear Budget largely attributable to the District's staffing portion of the Operating expenses, which include the costs of filling existing staff vacancies in FY2013-14, the proposed addition of 4.5 FTEs (Full time equivalent employees), and a 3\% salary COLA (Cost of Living Adjustment) effective July 1, 2014.

Partially offsetting the District's increased expenses are savings in the CalPERS benefit costs due to the increase in employee contributions from $6 \%$ to $8 \%$. Additionally, as a result of the payoff of the District's $\$ 2.52$ million CalPERS Side Fund liability in March 2013, the District's Employer CalPERS retirement rate dropped 1.3 percentage points, from $17.04 \%$ to $15.7 \%$.

Further details of the proposed budget are included in Exhibit A of the attached resolution, which presents the District's proposed Classification and Compensation Plan with the inclusion of the Board-authorized position classifications and associated salary ranges and Exhibit B, which provides a summary of the District's FY2014-15 Proposed Budget.

## BOARD COMMITTEE

The Action Plan and Budget Committee reviewed the proposed FY2014-15 District Budget on February 4, February 6, and February 11 and recommends approval by the full Board.

## FISCAL IMPACT

Approval of the proposed FY2014-15 District Budget by the Board would authorize \$43,920,271 in spending to accomplish the District's work plan for the next fiscal year.

## PUBLIC NOTICE

Public notice has been provided as required by the Brown Act. No additional public notice is required.

## CEQA COMPLIANCE

The proposed action is not considered a project under the California Environmental Quality Act (CEQA) and no environmental review is required.

## NEXT STEPS

The FY2014-15 Budget would take effect beginning April 1, 2014.
Attachments:

1. Resolution Approving the FY2014-15 Budget

Responsible Managers:
Kate Drayson, Administrative Services Manager
Prepared by:
Lynn Tottori, Sr. Management Analyst
Kate Drayson, Administrative Services Manager
Contact person:
Lynn Tottori, Sr. Management Analyst
Kate Drayson, Administrative Services Manager

## RESOLUTION NO. 14-XX

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT ADOPTING THE BUDGET FOR FISCAL YEAR 2014-15

The Board of Directors of the Midpeninsula Regional Open Space District does resolve as follows:

SECTION ONE. Adopt the budget for the Midpeninsula Regional Open Space District for the Fiscal Year 2014-15 as set forth in Exhibit B attached hereto.

SECTION TWO. Approve amendment to the Position Classification and Compensation Plan as set forth in Exhibit A attached hereto.

SECTION THREE. Monies are hereby appropriated in accordance with said budget.

## EXHIBIT A

## Midpeninsula Regional Open Space District - CLASSIFICATION \& COMPENSATION PLAN Fiscal Year 2014/2015 - Effective 04/01/2014

Last revised: 4/01/12, 6/27/12, 11/26/2012, 4/25/2013

| Classification Title | Step Range |  | Hourly Range \$ |  | Monthly Range \$ |  | Annual Range \$ |  | Time <br> Base |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Minimum | Maximum | Minimum | Maximum | Minimum | Maximum | Minimum | Maximum |  |
| Seasonal Open Space Technician | Range 6 |  | 17.856 | 22.298 | 3,095 | 3,865 | 37,140 | 46,380 | Part-time |
| Farm Maintenance Worker | Range 19 |  | 24.525 | 30.629 | 4,251 | 5,309 | 51,012 | 63,708 | Full-time |
| Open Space Technician* | Range 19 |  | 24.525 | 30.629 | 4,251 | 5,309 | 51,012 | 63,708 | Full-time |
| Administrative Assistant | Range 20 |  | 25.125 | 31.373 | 4,355 | 5,438 | 52,260 | 65,256 | Full-time |
| Accounting Technician | Range 22 |  | 26.377 | 32.942 | 4,572 | 5,710 | 54,864 | 68,520 | Full-time |
| Human Resources Technician | Range 22 |  | 26.377 | 32.942 | 4,572 | 5,710 | 54,864 | 68,520 | Full-time |
| Lead Open Space Technician* | Range 23 |  | 27.040 | 33.767 | 4,687 | 5,853 | 56,244 | 70,236 | Full-time |
| GIS Technician | Range 23 |  | 27.040 | 33.767 | 4,687 | 5,853 | 56,244 | 70,236 | Full-time |
| Volunteer Program Lead | Range 23 |  | 27.040 | 33.767 | 4,687 | 5,853 | 56,244 | 70,236 | Full-time |
| Senior Administrative Assistant | Range 24 |  | 27.698 | 34.592 | 4,801 | 5,996 | 57,612 | 71,952 | Full-time |
| Ranger | Range 25 |  | 28.390 | 35.458 | 4,921 | 6,146 | 59,052 | 73,752 | Full-time |
| Equipment Mechanic/Operator | Range 25 |  | 28.390 | 35.458 | 4,921 | 6,146 | 59,052 | 73,752 | Full-time |
| Public Affairs Program Coordinator | Range 25 |  | 28.390 | 35.458 | 4,921 | 6,146 | 59,052 | 73,752 | Full-time |
| Information Technology Technician | Range 25 |  | 28.390 | 35.458 | 4,921 | 6,146 | 59,052 | 73,752 | Full-time |
| Senior Accounting Technician | Range 26 |  | 29.083 | 36.317 | 5,041 | 6,295 | 60,492 | 75,540 | Full-time |
| Executive Assistant | Range 27 |  | 29.810 | 37.229 | 5,167 | 6,453 | 62,004 | 77,436 | Full-time |
| Resource Management Specialist I | Range 29 |  | 31.298 | 39.087 | 5,425 | 6,775 | 65,100 | 81,300 | Full-time |
| Planner I | Range 29 |  | 31.298 | 39.087 | 5,425 | 6,775 | 65,100 | 81,300 | Full-time |
| Docent Program Manager | Range 30 |  | 32.065 | 40.044 | 5,558 | 6,941 | 66,696 | 83,292 | Full-time |
| Volunteer Program Manager | Range 30 |  | 32.065 | 40.044 | 5,558 | 6,941 | 66,696 | 83,292 | Full-time |
| Planner II | Range 31 |  | 32.867 | 41.042 | 5,697 | 7,114 | 68,364 | 85,368 | Full-time |
| Management Analyst I | Range 31 |  | 32.867 | 41.042 | 5,697 | 7,114 | 68,364 | 85,368 | Full-time |
| Accountant | Range 31 |  | 32.867 | 41.042 | 5,697 | 7,114 | 68,364 | 85,368 | Full-time |
| Resource Management Specialist II | Range 33 |  | 34.506 | 43.096 | 5,981 | 7,470 | 71,772 | 89,640 | Full-time |
| Public Affairs Specialist | Range 33 |  | 34.506 | 43.096 | 5,981 | 7,470 | 71,772 | 89,640 | Full-time |
| Community Outreach Specialist | Range 33 |  | 34.506 | 43.096 | 5,981 | 7,470 | 71,772 | 89,640 | Full-time |
| Training and Safety Specialist | Range 35 |  | 36.231 | 45.248 | 6,280 | 7,843 | 75,360 | 94,116 | Full-time |
| Real Property Specialist | Range 35 |  | 36.231 | 45.248 | 6,280 | 7,843 | 75,360 | 94,116 | Full-time |
| Management Analyst II | Range 35 |  | 36.231 | 45.248 | 6,280 | 7,843 | 75,360 | 94,116 | Full-time |
| Supervising Ranger | Range 35 |  | 36.231 | 45.248 | 6,280 | 7,843 | 75,360 | 94,116 | Full-time |

## EXHIBIT A

## Midpeninsula Regional Open Space District - CLASSIFICATION \& COMPENSATION PLAN Fiscal Year 2014/2015 - Effective 04/01/2014

Last revised: 4/01/12, 6/27/12, 11/26/2012, 4/25/2013

| Classification Title | Step Range |  | Hourly Range \$ |  | Monthly Range \$ |  | Annual Range \$ |  | Time Base |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Minimum | Maximum | Minimum | Maximum | Minimum | Maximum | Minimum | Maximum |  |
| Maintenance, Construction \& Resource Supervisor | Range 35 |  | 36.231 | 45.248 | 6,280 | 7,843 | 75,360 | 94,116 | Full-time |
| Website Administrator | Range 36 |  | 37.119 | 46.356 | 6,434 | 8,035 | 77,208 | 96,420 | Full-time |
| Information Technology Administrator | Range 36 |  | 37.119 | 46.356 | 6,434 | 8,035 | 77,208 | 96,420 | Full-time |
| Planner III | Range 39 |  | 39.946 | 49.887 | 6,924 | 8,647 | 83,088 | 103,764 | Full-time |
| GIS Administrator | Range 40 |  | 40.921 | 51.104 | 7,093 | 8,858 | 85,116 | 106,296 | Full-time |
| Senior Management Analyst | Range 41 |  | 41.942 | 52.385 | 7,270 | 9,080 | 87,240 | 108,960 | Full-time |
| District Clerk | Range 41 |  | 41.942 | 52.385 | 7,270 | 9,080 | 87,240 | 108,960 | Full-time |
| Media Communications Supervisor | Range 42 |  | 42.969 | 53.660 | 7,448 | 9,301 | 89,376 | 111,612 | Full-time |
| Senior Resource Management Specialist | Range 42 |  | 42.969 | 53.660 | 7,448 | 9,301 | 89,376 | 111,612 | Full-time |
| Area Superintendent | Range 43 |  | 44.042 | 55.004 | 7,634 | 9,534 | 91,608 | 114,408 | Full-time |
| Human Resources Supervisor | Range 43 |  | 44.042 | 55.004 | 7,634 | 9,534 | 91,608 | 114,408 | Full-time |
| Senior Planner | Range 43 |  | 44.042 | 55.004 | 7,634 | 9,534 | 91,608 | 114,408 | Full-time |
| Assistant General Counsel I | Range 46 |  | 47.371 | 59.163 | 8,211 | 10,255 | 98,532 | 123,060 | Full-time |
| Assistant General Counsel II | Range 48 |  | 49.742 | 62.117 | 8,622 | 10,767 | 103,464 | 129,204 | Full-time |
| Administrative Services Manager | Range 51 |  | 53.533 | 66.854 | 9,279 | 11,588 | 111,348 | 139,056 | Full-time |
| Natural Resources Manager | Range 51 |  | 53.533 | 66.854 | 9,279 | 11,588 | 111,348 | 139,056 | Full-time |
| Operations Manager | Range 51 |  | 53.533 | 66.854 | 9,279 | 11,588 | 111,348 | 139,056 | Full-time |
| Planning Manager | Range 51 |  | 53.533 | 66.854 | 9,279 | 11,588 | 111,348 | 139,056 | Full-time |
| Public Affairs Manager | Range 51 |  | 53.533 | 66.854 | 9,279 | 11,588 | 111,348 | 139,056 | Full-time |
| Real Property Manager | Range 51 |  | 53.533 | 66.854 | 9,279 | 11,588 | 111,348 | 139,056 | Full-time |
| Assistant General Manager | Range 59 |  | 65.071 | 81.265 | 11,279 | 14,086 | 135,348 | 169,032 | Full-time |

* OST will receive an additional 1\% stipend for Class A or B license; Lead OST 1\% for Class A.

| Board Appointee Group Compensation | Rourly <br> Salary | IVonthly <br> Salary | Annual <br> Salary | Effective <br> Date | Last <br> Revised |
| :--- | :--- | :--- | :--- | :--- | :--- |
| General Manager | $\$ 99.963$ | $\$ 17,327$ | $\$ 207,924$ | $4 / 1 / 2013$ | $10 / 23 / 2013$ |
| Controller - Part-time position | $\$ 63.756$ | $\$ 11,051$ | $\$ 132,612$ | $4 / 1 / 2013$ | $10 / 23 / 2013$ |
| General Counsel | $\$ 89.860$ | $\$ 15,575$ | $\$ 186,909$ | $4 / 1 / 2013$ | $10 / 23 / 2013$ |

## EXHIBIT B

## Midpeninsula Regional Open Space District <br> Proposed Budget Summary FY2014-15

I. Revenues
A. Tax Revenues

A1. Santa Clara County Parks Income
A2. Residual Redevelopment
B. Grant Income - Acquisition Grant Grant Income - Development Grant
C. Interest Income
D. Property Management-Rental Income
E. Other Income
F. Land Donation

TOTAL REVENUES
II. Change in Reserves
III. Expenditures
A. Debt Service

1. Interest
2. Principal

Debt Service Subtotal
5,876,077
5,876,077
5,748,505
(2.2\%)

2013-2014
Adopted
Budget
2013-2014

## Mid-Year

 Budget2014-2015
Proposed Budget

Per centage
Change from 2013-14 Mid-Year

30,051,000
306,000
234,000

2,386,000
280,000
1,084,000
205,000
1,500,000
36,046,000
30,863,000
306,000
32,906,000
6.6\%

313,500
2.5\%

860,000

2,234,924
280,000
1,084,000
205,000
1,500,000
37,332,924
$(4,960,413)$
(3,714,489)

2,998,888
2,998,888
3,145,096
4.9\%

8,874,965
8,874,965
8,893,601
0.2\%
B. Salaries

1. Board Appointees

423,449
423,449
460,488
8.7\%
2. General Manager Appointees
3. Vacation Payout

Salaries Subtotal
9,488,472
9,488,472
47,461
9,959,382
67,351
8.0\%

47,461
9,959,382

3,710,927
3,710,857
3,955,144
6.6\%
C. Benefits
D. Director's Fees

29,000
29,000

Salaries and Benefits Subtotal
13,699,309
13,699,239
14,755,318
7.7\%

## EXHIBIT B

## Midpeninsula Regional Open Space District <br> Proposed Budget Summary <br> FY2014-15

|  |  | 2013-2014 <br> Adopted Budget | $\begin{gathered} 2013-2014 \\ \text { Mid-Year } \\ \text { Budget } \end{gathered}$ | 2014-2015 <br> Proposed Budget | Percentage Change from 2013-14 Mid-Year |
| :---: | :---: | :---: | :---: | :---: | :---: |
| E. | Services and Supplies | 4,920,431 | 5,032,001 | 5,755,152 | 14.4\% |
| F. | Fixed Assets |  |  |  |  |
|  | 1. New \& Prior Land Purchases Real Property Support Costs - | 7,250,000 | 7,250,000 | 8,500,000 | 17.2\% |
|  | 2. Appraisals, Title, Legal, |  |  |  |  |
|  | Engineering | 823,500 | 893,500 | 969,000 | 8.4\% |
|  | 3. Structures and Improvements | 4,693,208 | 4,552,708 | 4,203,000 | (7.7\%) |
|  | 4. Field/Office Equipment | 325,000 | 325,000 | 454,200 | 39.8\% |
|  | 5. Vehicles | 420,000 | 420,000 | 390,000 | (7.1\%) |
|  | Fixed Assets Subtotal | 13,511,708 | 13,441,208 | 14,516,200 | 8.0\% |
|  | TOTAL BUDGET | 41,006,413 | 41,047,413 | 43,920,271 | 7.0\% |

