



Midpeninsula Regional
Open Space District

ACTION PLAN AND BUDGET COMMITTEE MEETING

R-16-04
January 12, 2016

AGENDA ITEM 2

AGENDA ITEM

Fiscal Year 2015-16 Action Plan and Budget Midyear Adjustments

GENERAL MANAGER'S RECOMMENDATIONS

1. Review and confirm the proposed FY2015-16 Action Plan and Budget Midyear adjustments to cover the period from April 1, 2015 through June 30, 2016 resulting from the extension of the fiscal year by three months.
2. Review and confirm the change in eligible Land and Associated Costs expenses to include only those known at the close of escrow.
3. Recommend the proposed Action Plan and Budget revisions be forwarded to the full Board for approval.

SUMMARY

In July 2015, the Board of Directors (Board) approved the General Manager's recommendation to change the District's fiscal year from April 1 – March 31 to July 1 – June 30, and extend the current fiscal year by three months to cover the one-time 15-month period from April 1, 2015 through June 30, 2016. This report presents the Action Plan and Budget adjustments needed to cover the additional three months, as well as adjustments to reflect new or unanticipated projects and expenses, including the salary and benefit enhancements approved by the Board in July 2015. A total of 23 new Action Plan Key Projects are proposed, accommodated by other project delays, deferrals or completions, and the addition of 3 months to the fiscal year. The original adopted FY2015-16 Budget of \$55.7 million is proposed to increase by \$12.2 million for a total FY2015-16 fifteen-month District Budget of \$67.9 million. As part of this report, the General Manager is also forwarding a recommendation from the District's external financial auditor that expenses in the Land and Associated Costs category be limited to only those known at close of escrow and not include expenses incurred five years after the land purchase, as is currently practiced. This recommendation is also supported by the District Controller.

DISCUSSION

The Board of Directors (Board) adopted the FY2015-16 Action Plan and Budget at the March 25, 2015 regular meeting (Reports R-15-44 and R-15-46) for the fiscal year period from April 1, 2015 through March 31, 2016. In order to provide adequate time to prepare and review the District's annual action plan and budget, as well as improve the accuracy of revenue and expenditure projections, the Board approved a resolution on July 22, 2015 to reset the District's

fiscal year to July 1 through June 30 and extend FY2015-16 by three months to transition to the new fiscal year (R-15-104).

The General Manager recommends Board approval of additional funds to cover the period from April 1, 2016 through June 30, 2016, as well as budget increases to cover new projects and additional expenses not previously anticipated for FY2015-16. These adjustments are consistent with Board direction given at the November 17, 2015 Board Retreat, which emphasized six priority focus areas, including implementation of the District's new business model (includes staff facilities) and the opening of Bear Creek Redwoods, Mt. Umunhum Summit, and La Honda Creek Open Space Preserves to public access.

Part I: Action Plan Projects

The proposed changes to the FY2015-16 Action Plan reflect new projects for this fiscal year, deferred projects, and projects with budget increases, as well as project funding for the 5th quarter (April through June) of the extended fiscal year.

New Projects – A total of 23 new projects and land purchases have been identified for inclusion as part of the FY2015-16 Action Plan. All new capital project costs, except land purchases, would be covered by savings in other projects.

Land (total budget increase of \$5,204,600):

- MAA 1-3: Miramontes Ridge Land Conservation (\$55,600)
- MAA 7-1: La Honda Creek Driscoll Ranch Area Land Conservation (\$3,528,000)
- MAA 15-1: Long Ridge Land Conservation (\$813,000)
- MAA 24-1: Sierra Azul – Rancho de Guadalupe Land Conservation (\$808,000)

Capital Projects (total budget increase of \$881,500):

- MAA 5-6: La Honda Creek Sears Ranch Road Repairs Phase II (\$154,000)
- MAA 7-1: La Honda Creek: Event Center and Apple Orchard Access Road Repair (\$28,000)
- MAA 21-3: Bear Creek Water System Improvements (\$176,000)
- MAA 21-5: Bear Creek Redwoods: Public Access, Roads and Trails Upgrade (\$50,000)
- MAA 21-7: Bear Creek Redwoods Preserve Plan: Invasive Weed Treatment (\$75,000)
- MAA 21-8: Bear Creek Redwoods: Ponds Restoration (\$75,000)
- MAA 22-1: POST Hendrys Creek Property Land Restoration (Nat Res staff time)
- Farm Labor Housing Program – Sears Ranch (\$65,000)
- Madonna Creek Stables Plan and Lease (\$9,000)
- Project and Construction Management Software Implementation (\$80,000)
- IT Infrastructure Upgrades (\$169,500)

Operating Projects (total budget increase of \$137,000):

- Administration Office Relocation Investigation (staff time only)
- Diverse Media Outreach (\$10,000)
- Driscoll/McDonald Water Systems Hydrologic Analysis (\$12,000)
- Employee Leadership Academy (staff time only)
- Employee On-boarding Program (staff time only)
- Stevens Canyon - Water Dispute at Saratoga Gap OSP (\$50,000)

- Superbowl Super Community Video Spot (\$15,000)
- Water Rights and Resources Assessment (\$50,000)

Deferred Projects – The completion date for the following nine projects has moved from FY2015-16 to FY2016-17 or beyond due to external delays (e.g., drought, other agencies, etc.) or the need for District staff to focus on other higher priority projects. The associated budget savings are indicated in parentheses.

Capital Projects/Land (total budget savings of \$365,500):

- MAA 10-2: Coordination w/ San Mateo County to address Alpine Road and Drainage Improvements via Memorandum of Understanding (\$35,000)
- MAA 11-1: Rancho San Antonio New Trails to Connect Quarry Trail to Black Mountain Trail (\$8,000)
- MAA 21-1: Bear Creek Redwoods Land Conservation – Moody Gulch (\$122,500)
- Document Management System (\$100,000)
- Prescribed Fire Program Development (\$100,000)

Operating Projects (total budget savings of \$92,000):

- Encroachment Resolution, El Corte de Madera (\$10,000)
- Measure AA Project Tours (\$2,000)
- Redesign District's Self-guided Trails; Add audio component (\$20,000)
- Restoration Forestry Demonstration Project (\$60,000)

Projects with Budget Increases – The following projects have budget increases. Increases are noted in parentheses.

Land (total additional increase of \$3,950,000):

- MAA 2-2: Ravenswood Bay Trail Easement, CEQA (\$10,000)
- MAA 22-2: Sierra Azul Cathedral Oaks Land Conservation (\$70,000)
- MAA 5-1: La Honda Creek Upper Area Land Conservation (\$940,000)
- MAA 23-1: Sierra Azul Mt. Umunhum Trail and Property Rights (\$1,065,000)
- MAA 25-1: Sierra Azul Loma Prieta Land Conservation (\$200,000)
- Pursue New Land Conservation Opportunities (\$1,665,000)

Capital Projects (total additional increase of \$724,000):

- MAA 2-2: Ravenswood Bay Trail Design and Implementation (\$38,000)
- MAA 4-4: El Corte de Madera Oljon Trail Implementation Phases III/IV (\$45,000)
- MAA 22-1: POST Hendrys Creek Property Land Restoration (\$20,000)
- MAA 23-4: Mt. Umunhum Summit Restoration, Parking & Landing Zone (\$289,000)
- MAA 23-6: Mt Umunhum Road Design, Permitting & Implementation (\$30,000)
- District Intranet (\$50,000)
- Mt Umunhum Radar Tower Repair Implementation (\$200,000)
- New Land Rental Property Transition – Hawthorns Alpine Road House (\$12,000)
- New Land Rental Property Transition – Silva (\$40,000)

Operating Projects (total additional increase of \$225,400):

- AO3 and AO4 Office Space Build-Out (\$30,000)
- Bear Creek Stables RFP/Lease (\$10,000)

- Board Room PA System Upgrades (\$10,000)
- Historical and Conservation Events (\$6,000)
- Integrated Pest Management (IPM) Program Implementation (\$68,700)
- Marbled Murrelet Recovery Planning (\$50,000)
- Mindego Ranch Aquatic Species Habitat Enhancement Plan Implementation (\$25,700)
- Open Road Program Sponsorship (\$25,000)

Part II: Proposed Changes to the FY2015-16 Budget

The proposed Midyear changes result in a net total budget increase of \$12.2 million, or 22%, for a total FY2015-16 District Budget of \$67.9 million for the 15-month period from April 1, 2015 through June 30, 2016. Where possible, the budget increases are offset by savings elsewhere. Table 1 below summarizes the proposed budget adjustments by budget category and Table 2 provides the breakdown by funding source. Attachment 1 provides the detail by department.

Table 1: Proposed Changes to the FY2015-16 Budget by Category

DISTRICT BUDGET BY DEPARTMENT (excludes Hawthorn Fund)	FY2015-16 Adopted Budget	Proposed Budget Change	FY2015-16 Modified Budget	% Change from FY2015-16 Adopted Budget
DISTRICT BUDGET BY EXPENDITURE CATEGORY				
Salaries and Benefits	16,693,125	5,054,107	21,747,232	30%
<i>Less: MAA Reimbursible Staff Costs</i>	<i>(1,299,281)</i>	<i>833,311</i>	<i>(465,970)</i>	<i>-64%</i>
Net Salaries and Benefits	15,393,844	5,887,418	21,281,262	38%
Services and Supplies	5,789,463	1,777,675	7,567,138	31%
Total Operating Expenditures	21,183,307	7,665,093	28,848,400	36%
MAA Capital	6,637,311	(2,332,311)	4,305,000	-35%
Non-MAA Capital	3,777,000	381,000	4,158,000	10%
Total Capital Expenditures	10,414,311	(1,951,311)	8,463,000	-19%
MAA Land and Associated Costs	12,076,670	4,669,600	16,746,270	39%
Non-MAA Land and Associated Costs	210,000	1,665,000	1,875,000	793%
Total Land and Associated Costs	12,286,670	6,334,600	18,621,270	52%
MAA Property Management	79,999	-	79,999	0%
Non-MAA Property Management	715,245	143,000	858,245	20%
Total Property Management	795,244	143,000	938,244	18%
Debt Service	11,062,744	6,193	11,068,937	0%
Total Other Expenditures	11,062,744	6,193	11,068,937	0%
TOTAL DISTRICT BUDGET	55,742,276	12,197,575	67,939,851	22%

Table 2: Proposed Changes to the FY2015-16 Budget by Funding Source

DISTRICT BUDGET BY FUNDING SOURCE (excludes Hawthorn Fund)	FY2015-16 Adopted Budget	Proposed Budget Change	FY2015-16 Modified Budget	% Change from FY2015-16 Adopted Budget
General Fund	36,497,296	9,860,286	46,357,582	27%
Measure AA	18,793,980	2,337,289	21,131,269	12%
Grants	451,000	-	451,000	0%
TOTAL DISTRICT BUDGET	55,742,276	12,197,575	67,939,851	22%

1. Operating Budget

Key changes to the FY2015-16 Operating Budget total \$7.7 million, for a 36% increase over the adopted budget, and are primarily driven by the following:

Salaries and Benefits

District gross salaries and benefits are proposed to increase by 30%, with the one-time three-month fiscal year extension accounting for 95% of the increase. Staff costs from April through June are higher than the winter months due to seasonal employees who primarily work from April through October during the construction season. Other changes include:

- A 3% salary increase and enhanced medical benefits approved by the Board on July 22, 2015 (Report R-15-110).
- An additional 5% salary increase (8% total when combined with the 3% listed above) to the Equipment Maintenance/Operator classification, plus conversion of four Ranger positions to Lead Ranger with a 5% salary increase.
- Position reclassifications and compensation changes in the Natural Resources Department.
- Step increases, merit pay, and increased vacation sell-back for employees.
- Acting Pay and backfills for vacant positions.
- An increase in retirement medical costs in order to increase funding of the District's Other Public Employee Benefits (OPEB) unfunded liability with CalPERS.

In addition to the changes discussed above, since staff prepared the FY2015-16 budget last winter, an analysis of the Measure AA costs has determined that not all labor costs originally budgeted to Measure AA projects are eligible for bond reimbursement. Project delays and deferrals have also reduced projected Measure AA reimbursable labor costs in FY2015-16. In addition, Measure AA reimbursable labor costs were overestimated. As a result, a net-zero shift of \$833,000 from the Measure AA capital budget to the operating budget is required, bringing the net General Fund salaries and benefits increase to \$5.9 million or 38% over the adopted budget.

Services and Supplies

The services and supplies budget is proposed to increase by \$1.8 million (31%) and includes costs related to the one-time three-month fiscal year extension from April 1 through June 30, 2016 for routine operational expenses (\$1.3 million) such as utilities, leases, supplies, fuel, maintenance agreements, training/conferences, etc. In addition, proposed new Action Plan Projects that have been identified for FY2015-16 are reflected as well as unanticipated or higher than anticipated expenses, partially offset by savings, for a net projects increase of \$478,000.

2. Capital Budget

Despite the new projects and projects with cost increases discussed in the Action Plan section above, the capital budget is proposed to decrease by \$2.0 million to \$8.5 million due to project delays, deferrals, and/or savings, primarily in the Natural Resources and Planning Departments. Significant cost savings result from deferrals of grazing infrastructure and public access projects at La Honda Creek OSP; delays on the Cooley Landing Site Plan project as the City of East Palo identifies additional City resources needed for the project; and savings on the Russian Ridge True Ranch Remediation, Demo, & Restoration project because hazardous materials test results were negative, thereby obviating the need for remediation. The \$2.3 million Measure AA capital budget decrease includes staff costs shifted to the General Fund.

The variance between the FY2015-16 Adopted Total Measure AA Capital Budget and Proposed Midyear Measure AA Capital Budget is a \$2.3 million, or 35%, reduction. When compared to the Measure AA Three-Year Capital Improvement Plan (CIP) funding of \$45 million in Measure AA General Obligation Bonds (issued in August 2015), the decrease is 5% this amount.

However, it is anticipated that the additional positions projected to be added this year and next will enable staff to complete the projects and expend the funds within the three-year time-frame.

3. *Land and Associated Costs*

The Land and Associated Costs budget is proposed to increase by \$6.3 million (52%), of which, \$4.7 million is eligible for Measure AA funding and comprises 75% of the proposed increase. Of the proposed new Land budget of \$18.6 million, \$9.3 million has been expensed as of December 15, 2015. The remaining funds would cover the costs for additional land purchases identified for the remainder of this fiscal year (through end of June 2016).

The new Land opportunities being pursued are at Miramontes Ridge (MAA 1), Upper La Honda Creek (MAA 5), Driscoll Ranch Area of La Honda Creek (MAA 7), Long Ridge (MAA 15), Cathedral Oaks Area of Sierra Azul (MAA 22), Rancho de Guadalupe Area of Sierra Azul (MAA 24) and Loma Prieta Area of Sierra Azul (MAA 25).

For non-Measure AA projects, the District is securing additional public access rights within the Mt Umunhum area of Sierra Azul Open Space Preserve. Other land conservation opportunities are at Fremont Older, Purisima Creek Redwoods, and in the Lower San Gregorio Creek watershed.

Proposed Change to Eligible Land and Associated Costs

On March 26, 2008, the Board approved the FY2008-09 District Budget (Report R-08-41), which included the following change affecting the costs that are eligible for inclusion in the Land budget: “extend the time period from 18 months to 5 years from the close of escrow date for identified projects that are associated with new land purchases, such as demolitions and site clean-up.” At the time, the period of 18 months was felt to be an insufficient amount of time to accomplish the capital projects associated with land purchases given other Planning department priorities. In application, this change has proven more onerous than helpful with Planning and Natural Resources departments’ projects being budgeted in the Real Property Department and requiring Real Property approval for expenditures. In addition, it has led to confusion and duplicate staff work as the projects are reflected in both departments’ Action Plans. Finally, Generally Accepted Accounting Principles (GAAP) are contrary to this practice and the District’s financial auditor recommends this practice be discontinued immediately. Accordingly, the General Manager recommends that eligible Land and Associated Costs include only those known at the close of escrow. Other costs incurred after escrow would not be included as part of the Land budget and would instead be assigned to either the Operating or Capital budgets.

4. *Property Management Program*

The Property Management Program increase results from the net-zero transfer of \$150,000 from the Land budget. Under the Land definition change discussed above under Land and Associated Costs, \$150,000 in expenses for habitability improvements to the new INE and Silva tenant residences fall under the Property Management Program rather than Land.

5. *Debt Service*

Only one additional note is due in May 2016 for an increase of \$6,193 to the Debt Service budget.

Part III: Department Summaries

Salary and Benefits Budget for all Departments

As discussed above, salaries and benefits increased in all departments primarily due to Board approved salary and benefit increases and the three month fiscal year extension. In addition, when the nine new positions were added as part of the FY2015-16 Adopted Budget, the staffing expenses were not assigned to departments, but instead to the total District Budget, so the costs were not reflected in the individual departmental budgets. As part of the Midyear budget adjustments, these new positions and their associated costs, are now reflected in the appropriate departmental budgets. A summary of key changes are discussed by department below.

Administrative Services Department

The Administrative Services salaries and benefits increase includes the assignment of four of the new positions to its budget, prorated by anticipated month of hire: Special Projects Manager, Information Technology Division Manager, GIS Specialist, and IT Specialist. In addition, the annual unfunded liability contribution for the District's retirement medical trust fund is increased by \$68,000, for a total of \$150,000 for FY2015-16, per the District Controller's recommendation.

Significant services and supplies and capital budget increases are driven by the Information Systems and Technology (IST) Strategic Plan implementation items, including hardware and network improvements (\$246,600), District Intranet consultant and software (\$50,000), and new Project Management Software (\$80,000). Administrative Office expenses also increased due to the lease of additional office space (AO4) from December 2015 through March 2016 (\$84,000), \$30,000 to furnish the new space, and AO2/AO3/AO4 lease payments from April through June 2016 (\$43,000).

General Counsel's Office

In addition to the general salaries and benefits increase discussed above, the General Counsel's Office includes additional funds to cover higher than budgeted vacation sell-back and merit pay expenses.

General Manager's Office

The General Manager's Office salaries and benefits increase includes the assignment of the new CFO/Director of Administrative Services position to its budget with an estimated date of hire in January 2016. The 17% services and supplies increase reflects routine expenses expected from April through June 2016.

Natural Resources

In addition to the general salaries and benefits increase discussed above, the Natural Resources Department includes increases associated with the reclassification of positions approved by the Board in September 2015. The services and supplies increase of \$335,500 reflects the addition of two new projects (\$62,000) as well as funding from April through June for ongoing projects such as the Mindego Ranch Aquatic Species Habitat Enhancement Plan Implementation, Integrated Pest Management Program, and Control of Slender False Brome. The \$50,000 capital budget reduction reflects project delays and savings and the shift of some Measure AA labor costs to the General Fund.

Operations

The Operations salaries and benefits increase includes the assignment of one new Ranger and one Supervising Ranger to its budget with estimated dates of hire in January 2016. Services and supplies increased by \$457,000 to cover routine operating expenses from April through June 2016 and the \$475,000 capital budget reduction reflects project savings and the shift of Measure AA labor costs to the General Fund.

Planning

The Planning Department's salaries and benefits increase includes the assignment of the new Engineering and Construction Manager position to its budget, until the new Engineering and Construction Department is established, with an estimated new date of hire in February 2016. The services and supplies increase is driven primarily by the addition of GIS hardware and software, as recommended by the IST Strategic Plan, and temporary office help to cover the vacant Administrative Assistant position.

The \$1.4 million capital budget decrease results from significant schedule delays in working with the City of East Palo Alto on the next phases of the Cooley Landing Interpretive Facilities project (\$826,000), additional water supply analysis that has resulted in the delay of the Bear Creek Redwoods Public Access Phase I (\$100,000) and Alma College Site Rehabilitation Plan (\$70,000) projects, permitting delays for the installation of the new canopy as part of the Fremont Older Staging Area Public Safety Improvements (\$150,000) project, and the shift of \$405,000 of Measure AA labor costs to the General Fund. Partially offsetting these savings are cost increases in other projects, including the Mt Umunhum Radar Tower Repairs (\$200,000) which was rescheduled from last fiscal year to FY2015-16, and the Mt Umunhum Summit Restoration, Parking, and Landing Zone (\$289,000) for interpretive design, initial construction, and installation of new gates and fencing. Lastly, two new projects were added to the Action Plan: MAA 21-3: Bear Creek Redwoods Water System Improvements (\$176,000) and MAA 5-6: La Honda Creek Sears Ranch Road Repair (\$154,000).

Public Affairs

The Public Affairs Department salaries and benefit increase reflects the Board approved general increases discussed above and is partially offset by current and projected position vacancies. The services and supplies increase includes increased funding for two new projects (\$25,000 and \$64,000) to cover costs on existing projects from April through June of 2016 and \$109,000 for routine operating expenses.

Real Property

The Real Property Department salaries and benefit increase reflects the Board approved general increases discussed above and is partially offset by a position vacancy in the first part of the year. The Land Acquisition budget has increased substantially due to several significant property purchases totaling \$9.3 million during the first nine months of the fiscal year, most significantly, the Event Center and Apple Orchard Purchase at \$6.1 million. The Land budget is proposed to increase by \$6.3 million to \$18.6 million (52%) to fund upcoming likely acquisitions through June, including Mt Umunhum Road (\$880,000) and the Wilson-Cunha Property (\$3 million).

FISCAL IMPACT

Board approval of the FY2015-16 proposed budget amendments would increase the District's FY2015-16 total Budget by \$12.2 million to cover the extended fifteen month fiscal year from

April 1, 2015 through June 30, 2016. This increase would be covered by the Controller's revised revenue estimate of \$45.4 million, reflecting the spring property tax installments, Measure AA funding of \$21.1 million, and other reserves.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

This proposed action is not a project under the California Environmental Quality Act and no environmental review is required.

NEXT STEPS

Following ABC Committee confirmation of the proposed adjustment, this item would then be forwarded to the full Board of Directors in February for approval.

Attachment:

1. FY2015-16 Midyear Budget Changes by Department

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ATTACHMENT 1

DISTRICT BUDGET BY DEPARTMENT (excludes Hawthorn Fund)	FY2015-16 Adopted Budget	Proposed Budget Change	FY2015-16 Modified Budget	% Change from FY2015-16 Adopted Budget
Administration				
Salaries and Benefits	1,717,624	631,001	2,348,625	37%
Services and Supplies	1,318,026	460,281	1,778,307	35%
Total Operating Expenditures	3,035,650	1,091,282	4,126,932	36%
Non-MAA Capital	164,000	170,000	334,000	104%
Total Administration Expenditures	3,199,650	1,261,282	4,460,932	39%
General Manager				
Salaries and Benefits	1,124,026	417,550	1,541,576	37%
Services and Supplies	400,425	68,175	468,600	17%
Total Operating Expenditures	1,524,451	485,725	2,010,176	32%
Total General Manager Expenditures	1,524,451	485,725	2,010,176	32%
General Counsel				
Salaries and Benefits	462,404	167,726	630,130	36%
Services and Supplies	61,915	-	61,915	0%
Total Operating Expenditures	524,319	167,726	692,045	32%
Total General Counsel Expenditures	524,319	167,726	692,045	32%
Natural Resources				
Salaries and Benefits	1,169,398	416,511	1,585,909	36%
<i>Less: MAA Reimbursible Staff Costs</i>	<i>(125,500)</i>	85,500	<i>(40,000)</i>	-68%
Net Salaries and Benefits	1,043,898	502,011	1,545,909	48%
Services and Supplies	735,930	335,500	1,071,430	46%
Total Operating Expenditures	1,779,828	837,511	2,617,339	47%
<i>MAA Capital</i>	<i>1,777,500</i>	<i>(231,500)</i>	<i>1,546,000</i>	-13%
<i>Non-MAA Capital</i>	<i>235,000</i>	<i>(50,000)</i>	<i>185,000</i>	-21%
Total Capital Expenditures	2,012,500	(281,500)	1,731,000	-14%
Total Natural Resources Expenditures	3,792,328	556,011	4,348,339	15%
Operations				
Salaries and Benefits	7,305,639	2,894,648	10,200,287	40%
<i>Less: MAA Reimbursible Staff Costs</i>	<i>(646,000)</i>	342,000	<i>(304,000)</i>	-53%
Net Salaries and Benefits	6,659,639	3,236,648	9,896,287	49%
Services and Supplies	2,074,427	457,189	2,531,616	22%
Total Operating Expenditures	8,734,066	3,693,837	12,427,903	42%
<i>MAA Capital</i>	<i>760,000</i>	<i>(342,000)</i>	<i>418,000</i>	-45%
<i>Non-MAA Capital</i>	<i>1,771,000</i>	<i>(133,000)</i>	<i>1,638,000</i>	-8%
Total Capital Expenditures	2,531,000	(475,000)	2,056,000	-19%
Total Operations Expenditures	11,265,066	3,218,837	14,483,903	29%
Planning				
Salaries and Benefits	1,567,119	1,056,828	2,623,947	67%
<i>Less: MAA Reimbursible Staff Costs</i>	<i>(505,811)</i>	405,811	<i>(100,000)</i>	-80%
Net Salaries and Benefits	1,061,308	1,462,639	2,523,947	138%
Services and Supplies	355,720	61,300	417,020	17%
Total Operating Expenditures	1,417,028	1,523,939	2,940,967	108%
<i>MAA Capital</i>	<i>4,099,811</i>	<i>(1,808,811)</i>	<i>2,341,000</i>	-44%
<i>Non-MAA Capital</i>	<i>1,607,000</i>	<i>394,000</i>	<i>2,001,000</i>	25%
Total Capital Expenditures	5,706,811	(1,414,811)	4,342,000	-25%
Total Planning Expenditures	7,123,839	109,128	7,282,967	2%

ATTACHMENT 1

DISTRICT BUDGET BY DEPARTMENT (excludes Hawthorn Fund)	FY2015-16 Adopted Budget	Proposed Budget Change	FY2015-16 Modified Budget	% Change from FY2015-16 Adopted Budget
Public Affairs				
Salaries and Benefits	1,241,881	301,212	1,543,093	24%
Services and Supplies	719,690	197,525	917,215	27%
Total Operating Expenditures	1,961,571	498,737	2,460,308	25%
Total Public Affairs Expenditures	1,961,571	498,737	2,460,308	25%
Real Property				
Salaries and Benefits	980,242	293,425	1,273,667	30%
<i>Less: MAA Reimbursible Staff Costs</i>	<i>(21,970)</i>	-	<i>(21,970)</i>	0%
Net Salaries and Benefits	958,272	293,425	1,251,697	31%
Services and Supplies	123,330	197,705	321,035	160%
Total Operating Expenditures	1,081,602	491,130	1,572,732	45%
<i>MAA Land and Associated Costs</i>	<i>12,076,670</i>	<i>4,669,600</i>	<i>16,746,270</i>	39%
<i>Non-MAA Land and Associated Costs</i>	<i>210,000</i>	<i>1,665,000</i>	<i>1,875,000</i>	793%
Total Land and Associated Costs	12,286,670	6,334,600	18,621,270	52%
<i>MAA Property Management</i>	<i>79,999</i>	-	<i>79,999</i>	0%
<i>Non-MAA Property Management</i>	<i>715,245</i>	<i>143,000</i>	<i>858,245</i>	20%
Total Property Management	795,244	143,000	938,244	18%
Debt Service	11,062,744	6,193	11,068,937	0%
Total Real Property Expenditures	14,163,516	6,974,923	32,201,183	49%