



Midpeninsula Regional
Open Space District

R-21-59
Meeting 21-14
May 12, 2021

AGENDA ITEM 3

AGENDA ITEM

Quarter 3 Proposed Budget Amendments to the Fiscal Year ending June 30, 2021

GENERAL MANAGER'S RECOMMENDATION

Adopt a resolution approving the proposed Quarter 3 budget amendments for the fiscal year ending June 30, 2021.

SUMMARY

This report presents the Quarter 3 (Q3) proposed budget amendments by fund for both revenue and expenses. Proposed revenue budget adjustments for the fiscal year ending June 30, 2021 (FY21) increase revenue by \$2,166,009 partially due to a \$2.2 million increase in Fund 10 property tax. This increase in the Fund 10 property tax revenue budget is offset by a transfer of \$2.2 million into committed and restricted (PARS 115 Trust) fund balances from the General Fund Unassigned Fund Balance. Proposed Q3 FY21 expenditure budget adjustments for salaries, services and supplies, and capital improvements result in a \$5,938,320 net decrease from the amended budget. This decrease is primarily due to project deferrals or delays in FY21 due to COVID-19 that will shift work into FY22. The budget adjustments also include net zero budget shifts between funds, projects, and expenditure categories.

The quarterly budget amendment process includes an evaluation of the year-to-date financial performance to highlight any potential material changes on future financial performance expectations for Board consideration. The Q3 review of financial performance and economic conditions indicates that the expected financial performance for FY21 is better than the adopted budget and remains in line with longer-term financial projections (see Attachments 5 and 6 for supporting commentary and schedules). Uncertainty about the longer-term economic effects from COVID-19, including the duration and extent of activity restrictions, remains an unknown. That said, local and state budget and funding priorities have shifted due to both COVID-19 and the increasing risk for major fires during dry weather, such that grant and other local/county and state funding opportunities are expected to be focused on social programs, economic recovery, and vegetation management in the coming years.

DISCUSSION

The Board adopted the FY21 Budget and Action Plan at the June 24, 2020 regular meeting (R-20-68) with a total expenditure budget of \$81.2 million. Fiscal year-to-date Board-approved adjustments have brought the FY21 amended budget to \$89.6 million. The proposed Q3 adjustments decrease this number by \$5.9 million to \$83.7 million (see Table 2). The original

FY21 revenues were projected at \$65.2 million. As part of the Quarter 1 budget amendment on November 18, 2020 (R-20-140), revenues decreased to \$64.2 million based on new projections. Based on revised projections, revenues are now estimated at \$66.4 million (see Table 1).

Proposed FY21 Budget Quarter 2 Amendments – Revenues

The adopted FY21 revenue budget was \$65.2 million. Prior to the end of Q3, the Board authorized budget adjustments that decreased the revenue budget by \$1.0 million. Q3 revenue adjustments include an increase of \$2,202,367 in Fund 10 property tax due to revised projections from the Controller, a decrease of \$232,358 in Fund 10 grant revenue because the Coal Creek Fuel Break grant is directly going to our partner agency, and an increase of \$196,000 in Fund 40 grant revenue because part of the Gordon Ridge Property Land Conservation grant was received in FY21 due to delays in the grantor processing the reimbursement. These shifts leave the amended FY21 revenue budget at \$66.4 million, or \$1.2 million above the adopted revenue budget.

Table 1 lists the projected revenue by Fund, including amendments to date.

Table 1: Summary of Projected FY21 Revenue

DISTRICT REVENUE BY FUND & CATEGORY	FY21 Adopted Budget	YTD Approved Budget Amendments	Amended Budget (as of 03/31/2021)	Quarter 3 Proposed Budget Amendments	FY21 Proposed Amended Budget
General Fund Operating (Fund 10)	\$56,891,245	\$88,858	\$56,980,103	\$1,970,009	\$58,950,112
Property Tax	53,487,274		53,487,274	2,202,367	55,689,641
Grants	293,500	88,858	382,358	(232,358)	150,000
Interest Income	894,260		894,260		894,260
Rental Income	1,729,450		1,729,450		1,729,450
Rancho San Antonio Agreement	386,761		386,761		386,761
Miscellaneous	100,000		100,000		100,000
Hawthorns (Fund 20)	\$13,500	\$0	\$13,500	\$0	\$13,500
Interest Income	13,500		13,500		13,500
Measure AA Land/Capital (Fund 30)	\$2,032,984	\$143,500	\$2,176,484	\$0	\$2,176,484
Grants	1,621,509	143,500	1,765,009		1,765,009
Interest Income	411,475		411,475		411,475
General Fund Land/Capital (Fund 40)	\$0	\$0	\$0	\$196,000	\$196,000
Grants	0		0	196,000	196,000
Debt Service Fund (Fund 50)	\$6,241,040	(\$1,200,000)	\$5,041,040	\$0	5,041,040
Property Tax	6,200,000	(1,200,000)	5,000,000		5,000,000
Interest Income	41,040		41,040		41,040
TOTAL DISTRICT REVENUE	\$65,178,769	(\$967,642)	\$64,211,127	\$2,166,009	\$66,377,136

Proposed Quarter 2 Amendments to the FY21 Budget – Expenses

The proposed Q3 budget amendments result in a net decrease of \$5,938,320, bringing the total new amended FY21 Budget to \$83,660,034. Table 2 summarizes the FY21 adopted budget and proposed Q3 budget amendments by Fund. A summary of changes by fund follows Table 2.

Table 2: Summary of FY21 Budget by Fund

DISTRICT BUDGET BY FUNDING SOURCE	FY21 Adopted Budget	YTD Approved Budget Amendments	Amended Budget (as of 03/31/2021)	Quarter 3 Proposed Budget Amendments	FY21 Proposed Amended Budget
Fund 10 - General Fund Operating	\$36,773,825	\$261,658	\$37,035,483	(\$497,008)	\$36,538,475
Fund 20 - Hawthorn Fund	\$110,200	(\$42,000)	\$68,200	(\$6,000)	\$62,200
Fund 30 - MAA Land/Capital	\$11,868,588	\$7,857,250	\$19,725,838	(\$4,619,452)	\$15,106,386
Fund 40 - General Fund Land/Capital	\$15,856,328	\$271,580	\$16,127,908	(\$815,860)	\$15,312,048
Fund 50 - Debt Service	\$16,640,925	\$0	\$16,640,925	\$0	\$16,640,925
Total	\$81,249,866	\$8,348,488	\$89,598,354	(\$5,938,320)	\$83,660,034

As part of the increases and decreases in the total District budget, the General Fund Operating (Fund 10) budget is proposed to decrease by a net of \$497,008 primarily due to the following:

- Deferral/delays of project activities or cost savings due to continued COVID-19 risk reduction orders that require social distancing, restrict large gatherings, and impose other safety measures. The most common cost savings are due to trainings, conferences, and other public meeting expenses which were either cancelled or held virtually this fiscal year, and furniture/office supplies savings as Administrative Office staff continue to work from home. Routine Maintenance Permit payment process was shifted to paying for permits after project completion, rather than up front, resulting in cost savings.
- A \$232,359 reduction in *61022 - Coal Creek Fuel Break* project because half of the work is being done directly by another agency.
- A \$149,000 reduction in *10001 - Records Management* project due to some project savings given project delays resulting from the shift to a remote working environment during shelter-in-place making it difficult for staff to access hard copy files to conduct the paper records review and file cleaning.
- A \$105,000 reduction in *VP23-002 - Traffic Study for Mt. Umunhum Road*. The project was completed at the very end of FY20. Funds have been budgeted in FY21 due to timing uncertainty with county-issued shelter-in-place orders that risked the possibility of the project continuing into early FY22.
- A \$100,000 reduction in *80034-44 in Programmatic State and Federal Environmental Permitting*. The project had lower costs due to slower consultant progress than expected during the first half of the fiscal year. Project is now gaining greater momentum with anticipation of obtaining permits by September, assuming permitting agencies are not delayed with their review.

The Hawthorns Fund (Fund 20) budget is proposed to decrease by \$6,000 due to the following:

- The \$6,000 reduction in *VP06-001 Hawthorns Historic Complex – Short-term Bldg Assessment and Eval* because while the assessment will start in FY21, no environmental review is anticipated in FY21.

The Measure AA Capital (Fund 30) budget is decreasing by a net of \$4,619,452 primarily due to:

- A \$3,954,352 reduction in *MAA21-006 Alma College Cultural Landscape Rehabilitation*. The project was delayed due to higher than anticipated bid results that required a reconfiguration and re-release of the Request for Bids. Unfortunately, and surprisingly, a

recent and new Request for Bids that was focused on historic building rehabilitation resulted in zero bids. Staff are evaluating next steps for how best to proceed with project implementation.

- A \$483,546 reduction in *MAA22-004 - Beatty Parking Area and Trail Connections*. The project is on hold until the Newt study is completed.
- A \$445,685 reduction in *MAA21-004 - Bear Creek Stables Site Plan Implementation*. The project is delayed due to complex Santa Clara County permit negotiations. Planning staff is preparing to bring this project to the Board in June to confirm permitting approach.
- A \$357,398 reduction for *MAA21-010 - Bear Creek Redwoods Landfill Characterization and Remediation*. The project was deferred to add the Lehigh Reclamation Plan as a priority.

The General Fund Capital (Fund 40) budget is proposed to decrease by a net of \$815,860 primarily due to:

- A \$183,500 reduction in *61009 - Russian Ridge - Bergman Residences Reconstruction* due to project delays caused by needing to wait for PG&E electrical upgrades to be complete. Most of the work will be done in FY22.
- A \$172,425 reduction in *61010 - Toto Ranch Well Drilling and Construction, Tunitas Creek* due to project delays waiting for county review. Most of the work will be done in FY22.
- A \$150,500 reduction in *VP07-002 Agricultural Workforce Housing - La Honda Creek*. Project schedule extended due to delays related to San Mateo County permitting review and confirmation of the forgivable loan given that many County staff were relocated from their regular duties due to Covid-19 to assist with contract tracing and the county emergency operations center.
- A \$125,400 reduction in *31601 - New South Area Field Office Facility* due to cost savings in furniture, permitting fees, and computer equipment.
- A \$107,000 reduction in *61021 - Toto Ranch North Water Line* because the project has been deferred to FY23 to monitor water use over a full year at two wells for understanding peak flow and low flow conditions that will inform final design of the new water line infrastructure and maximize water production and delivery.

The proposed budget amendments listed above (see Attachment 2 for full list) require Board approval per Board policy *3.04 Budget and Expenditure Authority*.

Tracking of Outside Factors that may Affect Fiscal Health

Over the last 12 months, the COVID-19 pandemic and the statewide fires impacted local and state budgets significantly. This was evident in the reduction of grant availability and the inability to secure an \$8 million member (Senator Hill) request in the FY21 State budget for the acquisition of Cloverdale. At the state level, funding priorities are focused on: COVID-19 relief and economic recovery; the cap-and-trade program, including allocations to Cal Fire for healthy and resilient forests; forest management actions to reduce wildfire risk; climate adaptation; and housing. Numerous state bonds are being contemplated that focus on various issue areas: climate, housing, broadband, agriculture, and recycling/organics. However, California is now expecting a roughly \$15 billion budget surplus next fiscal year due to the significant stock market gains over the last year. The state is putting money into its rainy-day fund and is expected

to reverse certain budgetary cuts. Once the Governor releases his May budget revision on May 12, a clearer picture will be had regarding opportunities for FY22. In addition, \$26 billion in one-time federal funding is being channeled to California as a result of President Biden's \$1.9 trillion American Rescue Plan, which passed in March. As a result, members of the State Assembly have been given permission to once again submit budget requests. The District has already reached out to Assembly member Berman's office to once again request support for the Cloverdale Ranch acquisition. Like the state budget, local and state grant pools, in general, had either reduced the available funding or paused their programs over the last 12 months. However, affected sources like Measure K from San Mateo County and fire-safe grants from the State are expected to rebound in the coming year back to their pre-COVID levels. While there is no direct impact to the District's budget, since grant revenue is only accounted for when it is awarded, these changes may allow the District to start to aggressively pursue grant opportunities in the next fiscal year. At this time, it continues to behoove the District to move projects toward "shovel ready" to be strategically poised in securing new grant funding in the coming year.

To date, Santa Clara and San Mateo Counties have not suspended the Teeter Plan and the property tax revenue is processing without any anticipated delays. Uncertainty remains on potential impacts from COVID-19 on the value and demand for commercial properties, which could impact future property tax revenues.

FISCAL IMPACT

The original projection for FY21 revenue was \$65,178,769. The total amended revenues are now estimated at \$66,377,136. The District applied \$19,518,160 in other funding sources, resulting in a total of \$85,895,296 in available funding. The FY21 proposed Q3 budget amendments result in a net decrease of \$5,938,320 and a new amended budget of \$83,660,034.

Table 4 summarizes the FY21 estimated change in fund balance as a positive change, with a resulting total fund balance of \$2,235,262 due to higher tax revenue than budgeted. The original reduction in budgeted revenue for FY20, due to Covid uncertainties and State mandates that permit property tax payments to be delayed, did not materialize, therefore the recommendation is to transfer this additional revenue to reserves. The fund balance is offset by a \$1.1 million transfer to Committed for Future Acquisitions and Capital Projects, \$600,000 to Committed for Capital Maintenance, and the remaining \$500,000 to Restricted for PARS 115 Trust.

Table 4: FY21 Estimated Change in Fund Balance

FY21 Estimated Change in Fund Balance	Fund 10 General Fund	Fund 20 Hawthorn	Fund 30 Measure AA Capital	Fund 40 General Fund Capital	Fund 50 Debt Service	Total
Total Amended Revenues	\$58,950,112	\$13,500	\$2,176,484	\$196,000	\$5,041,040	\$66,377,136
Total Amended Other Funding Sources	(20,867,040)	48,700	13,341,377	15,116,048	11,879,075	19,518,160
Grand Total: Revenues & Other Funding Sources*	\$38,083,072	\$62,200	\$15,517,861	\$15,312,048	\$16,920,115	\$85,895,296
Total Amended Expenses	\$36,538,475	\$62,200	\$15,106,386	\$15,312,048	\$16,640,925	\$83,660,034
Adopted Change in Fund Balance*	143,500	0	411,475	0	279,190	834,165
Net Change in Fund Balance	1,401,097	0	0	0	0	1,401,097
Amended Change in Fund Balance *	\$1,544,597	\$0	\$411,475	\$0	\$279,190	\$2,235,262

* Includes the use of Bond proceeds to fund capital expenditures.

BOARD AND COMMITTEE REVIEW

- **June 24, 2020:** Board adopted the FY21 Budget and Action Plan ([R-20-68](#), [minutes](#))
- **July 22, 2020:** Board authorized the purchase of the San Jose Water Company Property ([R-20-78](#), [minutes](#))
- **August 26, 2020:** Board accepted grant funding from California Conservation Corps and amended budget for the Coal Creek Area Fuel Break project ([R-20-94](#), [minutes](#))
- **October 28, 2020:** Board authorized the purchase of the Peninsula Open Space Trust South Cowell Property ([R-20-122](#), [minutes](#))
- **November 18, 2020:** Board adopted the FY21 quarter 1 budget adjustments ([R-20-140](#), [minutes](#))
- **January 27, 2021:** Board authorized the purchase of the Billingsley Ranch Property ([R-21-15](#), [minutes](#))
- **February 10, 2021:** Board adopted the FY21 quarter 2 budget adjustments ([R-21-23](#), [minutes](#))

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

This item is not a project subject to the California Environmental Quality Act.

NEXT STEPS

Upon Board approval, staff will make the necessary Budget amendments.

Attachments:

1. Resolution Amending the FY21 Budget by Fund
2. FY21 Quarter 3 Budget Amendments by Fund and Project
3. FY21 Quarter 3 Budget Amendments by Department & Budget Category
4. FY21 Quarter 3 Budget Amendments Detail by GL Account
5. Q3 FY21 Financial Performance Comments
6. Q3 FY21 Budget Performance Report - "Green Report"

Responsible Department Head:
Rafaela Duran, Budget & Analysis Manager

Staff contact:
Rafaela Duran, Budget & Analysis Manager

Prepared by:
Rafaela Duran, Budget & Analysis Manager
Elissa Martinez, Management Analyst II
Lupe Hernandez, Management Analyst II

RESOLUTION NO. 21-___**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AMENDING
THE BUDGET FOR FISCAL YEAR 2020-2021**

WHEREAS, on June 24, 2020 the Board of Directors of the Midpeninsula Regional Open Space District adopted the Fiscal Year ending June 30, 2021 (FY21) Budget and Action Plan; and

WHEREAS, on July 22, 2020, August 26, 2020, October 28, 2020, November 18, 2020, January 27, 2021, and February 10, 2021 the Board of Directors of the Midpeninsula Regional Open Space District amended the FY21 Budget; and

WHEREAS, the General Manager recommends amending the FY21 Budget to reflect requests for budget shifts in salaries and benefits, services and supplies and capital improvements, resulting in a net decrease; and

WHEREAS, the General Manager recommends amending the FY21 Budget to reflect an increase to revenue.

NOW, THEREFORE, the Board of Directors of the Midpeninsula Regional Open Space District does resolve as follows:

SECTION ONE. Approve the proposed revenue amendments to the FY21 Budget for the Midpeninsula Regional Open Space District resulting in a net increase as follows:

DISTRICT REVENUE BY FUNDING SOURCE	FY21 Adopted Budget	YTD Approved Budget Amendments	Amended Budget (as of 03/31/2021)	Quarter 3 Proposed Budget Amendments	FY21 Proposed Amended Budget
Fund 10 - General Fund Operating	\$56,891,245	\$88,858	\$56,980,103	\$1,970,009	\$58,950,112
Fund 20 - Hawthorn Fund	\$13,500	\$0	\$13,500	\$0	\$13,500
Fund 30 - MAA Land/Capital	\$2,032,984	\$143,500	\$2,176,484	\$0	\$2,176,484
Fund 40 - General Fund Land/Capital	\$0	\$0	\$0	\$196,000	\$196,000
Fund 50 - Debt Service	\$6,241,040	(\$1,200,000)	\$5,041,040	\$0	\$5,041,040
Total	\$65,178,769	(\$967,642)	\$64,211,127	\$2,166,009	\$66,377,136

SECTION TWO. Approve the recommended budget amendments to the FY21 Budget for the Midpeninsula Regional Open Space District resulting in a net decrease as follows:

DISTRICT BUDGET BY FUNDING SOURCE	FY21 Adopted Budget	YTD Approved Budget Amendments	Amended Budget (as of 03/31/2021)	Quarter 3 Proposed Budget Amendments	FY21 Proposed Amended Budget
Fund 10 - General Fund Operating	\$36,773,825	\$261,658	\$37,035,483	(\$497,008)	\$36,538,475
Fund 20 - Hawthorn Fund	\$110,200	(\$42,000)	\$68,200	(\$6,000)	\$62,200
Fund 30 - MAA Land/Capital	\$11,868,588	\$7,857,250	\$19,725,838	(\$4,619,452)	\$15,106,386
Fund 40 - General Fund Land/Capital	\$15,856,328	\$271,580	\$16,127,908	(\$815,860)	\$15,312,048

Fund 50 - Debt Service	\$16,640,925	\$0	\$16,640,925	\$0	\$16,640,925
Total	\$81,249,866	\$8,348,488	\$89,598,354	(\$5,938,320)	\$83,660,034

SECTION THREE. The following transfers are approved and the General Manager or designee is authorized to implement said transfers during the Fiscal Year Ending June 30, 2021: \$1,100,000 from the General Fund Unassigned Fund Balance to Committed for Future Acquisitions & Capital Projects, \$600,000 from the General Fund Unassigned Fund Balance to Committed for Capital Maintenance, and \$500,000 from the General Fund Unassigned Fund Balance to Restricted (PARS 115 Trust) Fund Balance.

SECTION FOUR. Monies are hereby appropriated in accordance with said budget by fund.

SECTION FIVE. Except as herein modified, the FY21 Budget and Action Plan, Resolution No. 20-18 as amended, shall remain in full force and effect.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on _____, 2021, at a regular meeting thereof, by the following vote:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**

ATTEST:

APPROVED:

 Larry Hassett, Secretary
 Board of Directors

 Curt Riffle, President
 Board of Directors

APPROVED AS TO FORM:

 Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

 Jennifer Woodworth, District Clerk

FY21 Quarter 3 Budget Amendments by Project including description (Attachment 2)

Operating (Fund 10) Project Adjustments		Q3 Adjustment	Icon	Explanation
10001	Records Management	(149,000)	→	Some project savings given project delays resulting from the shift to a remote working environment during shelter-in-place making it difficult for staff to access hard copy files to conduct the paper records review and file cleaning.
10002	San Mateo County Master Permit	(50,000)	→	Delay due to partner agency not having sufficient capacity to work on project.
50005	Tyler Munis ERP Migration	86,500	↑↓	Took savings in budget to cover project added after budget was adopted to secure an ERP system with better capabilities.
51701	Work Order and Asset Management System	(11,000)	< \$	Cost savings from doing work in-house.
51703	Real Property Database	(25,000)	< \$	Cost savings from doing work in-house.
51704	Ward Boundary Redistricting Plan	(30,500)	< \$	Cost savings because consultant used their own software and public meeting work shifted to FY22 due to COVID.
61022	Coal Creek Fuel Break	(232,358)	< \$	Reduced budget because half of the work is being done directly by another agency.
80003-10	Wildland Fire Resiliency Program	2,000	↑	Reallocating within project and increasing for printing and postage.
80034-44	Programmatic State and Federal Environmental Permitting	(100,000)	→	The project had lower costs due to slower consultant progress than expected during the first half of the fiscal year. Project is now gaining greater momentum with anticipation of obtaining permits by September, assuming permitting agencies are not delayed with their review.
80054	Badger/Burrowing Owl Habitat Assessment	21,000	↑↓	Use of contingency funds to support more field time to collect badger hair samples for genetics analysis.
80060	Marbled Murrelet Recovery Planning	5,000	↑↓	Due to slight annual increase in consultant fee rates.
80063	Districtwide Vegetation Map	50,000	↑↓	Merging of the vegetation mapping projects because of similar scope.
80065	IPM Implementation of Santa Clara Valley Water District Grant	20,000	↑↓	Valley Water allowed the District to carry over unused funds from the prior fiscal year. It will be fully reimbursable.
80068	Santa Clara & Santa Cruz Vegetation Mapping	(50,000)	↑↓	Merging of the vegetation mapping projects because of similar scope.
VP05-002	La Honda Creek Parking and Trailhead Access Feasibility Study	(6,500)	↑↓	Additional time allocated to developing PAWG lessons learned. Feasibility Study scoping and RFQP are under development.
VP23-002	VP23-002 - Traffic Study for Mt. Umunhum Road	(105,000)	< \$	The project was completed at the very end of FY20. Funds were budgeted in FY21 due to timing uncertainty with county-issued shelter-in-place orders that risked the possibility of the project continuing into early FY22.
TOTAL FUND 10		(574,858)		
Fund 10 - net operating expense adjustments		77,850	↑↓	Increase in salaries and benefits due to a reduction in MAA Fund 30 reimbursable labor.
GRAND TOTAL FUND 10		(\$497,008)		

Hawthorn (Fund 20) Project Adjustments		Q3 Adjustment	Icon	Explanation
VP06-001	Hawthorns Historic Complex – Short-term Bldg Assessment and Eval	(6,000)	→	Shifting resources to begin roof repairs in FY21; funding for environmental assessments no longer needed in FY21.
TOTAL FUND 20		(\$6,000)		

Measure AA Capital (Fund 30) Project Adjustments		Q3 Adjustment	Icon	Explanation
MAA01-004	Remediation Plan Development and Ranch Debris Site Clean Up - Madonna Creek Ranch	194,910	↑	Project required extra cleanup and use of contingency funds to address additional buried debris.
MAA02-002	Ravenswood Bay Trail Design and Implementation	283,618	↑↓	Funds needed to cover labor costs, environmental / planning services, architect / engineering, additional permitting fees, and to cover SamTrans fencing and close out the project. Project required additional surveys and use of approved contingency funds for biomonitoring.
MAA03-002	Purisima Upland Site Clean up and Soil Remediation Assessment	(242,209)	→	Project construction schedule delayed due to oil well decommissioning negotiations with CalGem.
MAA03-003	Purisima Creek Fence Construction, Purisima Creek Redwoods	(17,831)	< \$	Project completed.
MAA03-006	South Cowell Uplands Land Purchase	60,000	↑	Funds needed for cost sharing of land division application with POST.
MAA05-002	Upper La Honda Creek Grazing Infrastructure	(9,333)	< \$	Project completed.
MAA05-008	La Honda Creek White Barn Structural Rehabilitation	(44,000)	→	Project is currently in the design-build package preparation and environmental/planning phase and will not yet require architectural or engineering services this FY.

FY21 Quarter 3 Budget Amendments by Project including description (Attachment 2)

Measure AA Capital (Fund 30) Project Adjustments	Q3 Adjustment	Icon	Explanation
MAA05-009	(7,000)	→	Project is currently in the environmental or planning phase and will not yet require construction special inspection monitoring services this FY.
MAA05-010	(68,357)	→	No project implementation this FY, as COVID-19 and wildfires delayed fieldwork.
MAA05-011	(10,000)	↑↓	Funds inadvertently budgeted to NR.
MAA06-002	(42,685)	→	New planning and public engagement process will be presented to the Board PNR Committee to confirm project scope and schedule. CEQA review for project will not yet begin this fiscal year.
MAA07-011	(20,000)	< \$	Savings due to refined permitting approach.
MAA07-012	15,000	↑↓	An outlet stability study on large turtle pond needed to protect important wildlife habitat.
MAA09-003	(39,900)	< \$	Project completed.
MAA09-006	50,000	↑	Higher per linear foot of costs due to limited availability of construction materials.
MAA10-001	22,000	↑	Permitting required additional analysis.
MAA18-002	(3,293)	< \$	Project completed.
MAA20-001	145,000	↑↓	Funds needed to continue additional, approved technical studies this fiscal year to support the environmental review work.
MAA20-002	262,936	↑↓	Funds needed to continue additional, approved technical studies this fiscal year to support the environmental review work.
MAA21-004	(445,685)	→	The project is delayed due to complex Santa Clara County permit negotiations. Planning staff is preparing to bring this project to the Board in June to confirm permitting approach.
MAA21-006	(3,954,352)	→	The project was delayed due to higher than anticipated bid results that required a reconfiguration and re-release of the Request for Bids. Unfortunately, and surprisingly, a recent and new Request for Bids that was focused on historic building rehabilitation resulted in zero bids. Staff are evaluating next steps for how best to proceed with project implementation.
MAA21-007	(13,500)	→	MAA labor not needed for project this FY.
MAA21-010	(357,398)	→	Project deferred to add Lehigh Reclamation Plan as priority.
MAA21-011	66,173	↑↓	Project design moving ahead of schedule. RFPQ released for engineering consultant to develop design and permitting application. Submittal of permit application anticipated in FY22. Traffic engineering consultant cost came in under budgeted amount. RFPQ for engineering consultant to develop design and permitting application. Submittal of permit application anticipated in FY22.
MAA22-004	(483,546)	→	The project is on hold until the Newt study is completed.
MAA25-002	40,000	↑↓	Project was added mid-year, thus adding pre-acquisition budget to the project.
TOTAL FUND 30	(4,619,452)		

General Fund Capital (Fund 40) Project Adjustments	Q3 Adjustment	Icon	Explanation
20125	(23,000)	→	New project manager for Cal Water requires additional staff time to bring new person up to speed on project. Because of this transition, project is moving more slowly and funds are not needed this fiscal year.
31202	93,400	↑↓	Use of approved contingency funds for the demolition of walls, doors, and steel columns that were not reflected on the construction drawings (due to prior inaccessibility of occupied offices during design phase) as well as additional concrete girder/beam strengthening, and to cover the board approved special inspection contract.
31601	(125,400)	< \$	Cost savings in furniture, permitting fees, and computer equipment.
31901	141,865	↑	Budget adjustment primarily due to a data entry error - a FY20 PO was closed and credited to FY21 in NWS. Funds are also needed for jurisdictional delineation contract.
35004	(50,000)	→	Project is currently in the assessment phase and will not require environmental or planning services this FY.

FY21 Quarter 3 Budget Amendments by Project including description (Attachment 2)

35006	Restroom Replacements	(77,800)	→	During the feasibility process, additional challenges were brought to our attention including the need for ADA and regular parking spaces, consideration for future parking expansion, public outreach, coordination with Town of Los Gatos, and natural resources requirements that are requiring additional staff time to address. Additionally, Covid-19 played a role in staffing delays both internally and externally.
61009	Russian Ridge - Bergman Residences Reconstruction	(183,500)	→	Project delays caused by needing to wait for PG&E electrical upgrades to be complete. Most of the work will be done in FY22.
61010	Toto Ranch Well Drilling and Construction, Tunitas Creek	(172,425)	→	Project delays waiting for county review. Most of the work will be done in FY22.
61020	Thornewood Residence Evaluation	(46,000)	→	Due to delay in city permits being issued.
General Fund Capital (Fund 40) Project Adjustments		Q3 Adjustment	Icon	Explanation
61021	Toto Ranch North Water Line	(107,000)	→	The project has been deferred to FY23 to monitor water use over a full year at two wells for understanding peak flow and low flow conditions that will inform final design of the new water line infrastructure and maximize water production and delivery.
80059	Groundwater Well Decommissioning	(33,000)	→	The project is currently going out to construction, which did not require engineering or biomonitoring this FY.
None	Vehicles	19,000	↑	Delay in FY20 vehicle delivery due to COVID.
VP07-002	Agricultural Workforce Housing - La Honda Creek	(150,500)	→	Project schedule extended due to delays related to San Mateo County permitting review and confirmation of the forgivable loan given that many County staff were relocated from their regular duties due to Covid-19 to assist with contract tracing and the county emergency operations center.
VP08-002	Pratt Trust Property Purchase	(8,000)	→	Funds not needed this fiscal year as the owner is not interested in selling at this time.
VP13-001	Cloverdale Ranch Land Opportunity	(15,000)	→	Delay due to COVID and CZU fire impacts.
VP24-002	SCVWD Exchange Agreement at Rancho de Guadalupe Area of SAOSP	(10,000)	→	Valley Water project start date has moved to 2025. Funds not needed this fiscal year.
VP39-001	Lower San Gregorio Creek Watershed Land Conservation	(68,500)	→	Waiting on POST to resolve conservation easement with NRCS.
TOTAL FUND 40		(815,860)		

GRAND TOTAL		(\$5,938,320)		
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→	Project will continue next fiscal year (or later)	(\$6,609,457)
↑	Increase to project cost	\$487,775
↑↓	Reallocation of funds, no net increase	\$973,977
<\$	Savings this fiscal year	(\$790,615)
TOTAL		(\$5,938,320)

FY21 Quarter 3 Budget Amendments by Department & Budget Category (Attachment 3)

DISTRICT BUDGET BY EXPENDITURE CATEGORY	FY21 Adopted Budget	YTD Approved Budget Amendments	Amended Budget (as of 03/31/2021)	Quarter 3 Proposed Budget Amendments	FY21 Proposed Amended Budget
Administrative Services					
Salaries and Benefits	\$5,357,276		\$5,357,276		\$5,357,276
Services and Supplies	\$1,776,690	(\$21,500)	\$1,755,190	(\$95,000)	\$1,660,190
Total Operating Expenditures	\$7,133,966	(\$21,500)	\$7,112,466	(\$95,000)	\$7,017,466
<i>General Fund Capital</i>	\$80,000	\$57,000	\$137,000	(\$62,000)	\$75,000
Total Capital Expenditures	\$80,000	\$57,000	\$137,000	(\$62,000)	\$75,000
Total Administrative Services Expenditures	\$7,213,966	\$35,500	\$7,249,466	(\$157,000)	\$7,092,466
Engineering & Construction					
Salaries and Benefits	\$1,145,128		\$1,145,128		\$1,145,128
<i>Less: MAA Reimbursable Staff Costs</i>	(\$353,054)		(\$353,054)	\$60,277	(\$292,777)
Net Salaries and Benefits	\$792,074		\$792,074	\$60,277	\$852,351
Services and Supplies	\$186,768		\$186,768	(\$107,300)	\$79,468
Total Operating Expenditures	\$978,842	\$0	\$978,842	(\$47,023)	\$931,819
<i>Measure AA Capital</i>	\$7,300,554	(\$32,250)	\$7,268,304	(\$4,626,372)	\$2,641,932
<i>General Fund Capital</i>	\$13,941,983	\$262,800	\$14,204,783	(\$86,635)	\$14,118,148
Total Capital Expenditures	\$21,242,537	\$230,550	\$21,473,087	(\$4,713,007)	\$16,760,080
Total Engineering & Construction Expenditures	\$22,221,379	\$230,550	\$22,451,929	(\$4,760,030)	\$17,691,899
General Counsel					
Salaries and Benefits	\$701,221		\$701,221		\$701,221
Services and Supplies	\$99,185		\$99,185		\$99,185
Total Operating Expenditures	\$800,406		\$800,406		\$800,406
Total General Counsel Expenditures	\$800,406		\$800,406		\$800,406
General Manager					
Salaries and Benefits	\$1,741,796		\$1,741,796		\$1,741,796
Services and Supplies	\$476,825	(\$4,000)	\$472,825	(\$120,000)	\$352,825
Total Operating Expenditures	\$2,218,621	(\$4,000)	\$2,214,621	(\$120,000)	\$2,094,621
Total General Manager Expenditures	\$2,218,621	(\$4,000)	\$2,214,621	(\$120,000)	\$2,094,621
Land & Facilities					
Salaries and Benefits	\$6,599,123		\$6,599,123		\$6,599,123
<i>Less: MAA Reimbursable Staff Costs</i>	(\$216,175)		(\$216,175)	\$6,544	(\$209,631)
Net Salaries and Benefits	\$6,382,948	\$0	\$6,382,948	\$6,544	\$6,389,492
Services and Supplies	\$3,544,930	\$511,358	\$4,056,288	(\$14,358)	\$4,041,930
Total Operating Expenditures	\$9,927,878	\$511,358	\$10,439,236	(\$7,814)	\$10,431,422
Hawthorn Services and Supplies	\$62,200		\$62,200		\$62,200
Total Hawthorn Expenditures	\$62,200	\$0	\$62,200	\$0	\$62,200
<i>Measure AA Capital</i>	\$696,500	\$194,000	\$890,500	(\$15,708)	\$874,792
<i>General Fund Capital</i>	\$1,247,845	\$103,780	\$1,351,625	(\$489,925)	\$861,700
Total Capital Expenditures	\$1,944,345	\$297,780	\$2,242,125	(\$505,633)	\$1,736,492
Total Land & Facilities Expenditures	\$11,934,423	\$809,138	\$12,743,561	(\$513,447)	\$12,230,114
Natural Resources					
Salaries and Benefits	\$1,702,139		\$1,702,139		\$1,702,139
<i>Less: MAA Reimbursable Staff Costs</i>	(\$55,257)		(\$55,257)	\$15,179	(\$40,078)
Net Salaries and Benefits	\$1,646,882		\$1,646,882	\$15,179	\$1,662,061
Services and Supplies	\$2,851,933		\$2,851,933	(\$69,050)	\$2,782,883
Total Operating Expenditures	\$4,498,815	\$0	\$4,498,815	(\$53,871)	\$4,444,944
<i>Measure AA Capital</i>	\$1,086,757		\$1,086,757	(\$88,169)	\$998,588
<i>General Fund Capital</i>	\$95,000	(\$10,000)	\$85,000	(\$33,000)	\$52,000
Total Capital Expenditures	\$1,181,757	(\$10,000)	\$1,171,757	(\$121,169)	\$1,050,588
Total Natural Resources Expenditures	\$5,680,572	(\$10,000)	\$5,670,572	(\$175,040)	\$5,495,532

FY21 Quarter 3 Budget Amendments by Department & Budget Category (Attachment 3)

DISTRICT BUDGET BY EXPENDITURE CATEGORY	FY21 Adopted Budget	YTD Approved Budget Amendments	Amended Budget (as of 03/31/2021)	Quarter 3 Proposed Budget Amendments	FY21 Proposed Amended Budget
Planning					
Salaries and Benefits	\$1,611,040		\$1,611,040		\$1,611,040
<i>Less: MAA Reimbursable Staff Costs</i>	<i>(\$44,749)</i>		<i>(\$44,749)</i>		<i>(\$44,749)</i>
Net Salaries and Benefits	\$1,566,291		\$1,566,291		\$1,566,291
Services and Supplies	\$455,611	(\$143,500)	\$312,111	(\$26,000)	\$286,111
Total Operating Expenditures	\$2,021,902	(\$143,500)	\$1,878,402	(\$26,000)	\$1,852,402
<i>Hawthorn Capital</i>	<i>\$48,000</i>	<i>(\$42,000)</i>	<i>\$6,000</i>	<i>(\$6,000)</i>	<i>\$0</i>
Total Hawthorn Expenditures	\$48,000	(\$42,000)	\$6,000	(\$6,000)	\$0
<i>Measure AA Capital</i>	<i>\$1,207,777</i>	<i>\$88,500</i>	<i>\$1,296,277</i>	<i>\$15,797</i>	<i>\$1,312,074</i>
<i>General Fund Capital</i>	<i>\$51,500</i>		<i>\$51,500</i>	<i>(\$19,800)</i>	<i>\$31,700</i>
Total Capital Expenditures	\$1,259,277	\$88,500	\$1,347,777	(\$4,003)	\$1,343,774
Total Planning Expenditures	\$3,329,179	(\$97,000)	\$3,232,179	(\$36,003)	\$3,196,176
Public Affairs					
Salaries and Benefits	\$967,506		\$967,506		\$967,506
Services and Supplies	\$889,381		\$889,381	(\$143,000)	\$746,381
Total Operating Expenditures	\$1,856,887		\$1,856,887	(\$143,000)	\$1,713,887
Total Public Affairs Expenditures	\$1,856,887		\$1,856,887	(\$143,000)	\$1,713,887
Real Property					
Salaries and Benefits	\$786,376		\$786,376		\$786,376
Services and Supplies	\$138,884		\$138,884	(\$4,300)	\$134,584
Total Operating Expenditures	\$925,260		\$925,260	(\$4,300)	\$920,960
<i>Measure AA Land and Associated Costs</i>	<i>\$1,577,000</i>	<i>\$7,607,000</i>	<i>\$9,184,000</i>	<i>\$95,000</i>	<i>\$9,279,000</i>
<i>General Fund Land and Associated Costs</i>	<i>\$440,000</i>	<i>(\$142,000)</i>	<i>\$298,000</i>	<i>(\$124,500)</i>	<i>\$173,500</i>
Total Land and Associated Costs	\$2,017,000	\$7,465,000	\$9,482,000	(\$29,500)	\$9,452,500
Total Real Property Expenditures	\$2,942,260	\$7,465,000	\$10,407,260	(\$33,800)	\$10,373,460
Visitor Services					
Salaries and Benefits	\$5,690,801		\$5,690,801		\$5,690,801
Services and Supplies	\$720,447	(\$80,700)	\$639,747		\$639,747
Total Operating Expenditures	\$6,411,248	(\$80,700)	\$6,330,548		\$6,330,548
<i>General Fund Land and Associated Costs</i>	<i>\$0</i>		<i>\$0</i>		<i>\$0</i>
Total Land and Associated Costs	\$0	\$0	\$0		\$0
Total Visitor Services Expenditures	\$6,411,248	(\$80,700)	\$6,330,548		\$6,330,548
Debt Service					
Debt Service	\$16,640,925		\$16,640,925		\$16,640,925
Total Debt Service Expenditures	\$16,640,925		\$16,640,925		\$16,640,925
Total Debt Service Expenditures	\$16,640,925		\$16,640,925		\$16,640,925
Total District Budget	\$81,249,866	\$8,348,488	\$89,598,354	(\$5,938,320)	\$83,660,034

FY21 Quarter 3 Budget Amendments by GL Account (Attachment 4)

Budget Categories / Accounts	Budget as of Mar 31	Quarter 3 Proposed Budget Amendment	Quarter 3 Proposed Amended Budget
10-35-315-4101 - Full Time	\$569,646	\$60,277	\$629,923
10-61-611-4101 - Full Time	\$4,339,660	\$6,544	\$4,346,204
10-80-810-4101 - Full Time	\$1,284,756	\$15,179	\$1,299,935
General Fund (10) Salaries & Benefits		\$82,000	
10-10-110-5299 - Other Professional Services	\$50,000	(\$50,000)	\$0
10-10-120-5299 - Other Professional Services	\$100,000	(\$70,000)	\$30,000
10-20-210-6601 - Training & Conferences	\$3,500	(\$1,400)	\$2,100
10-20-210-6601.01 - Training & Conferences - Travel/Food - Training	\$1,000	(\$1,000)	\$0
10-20-210-6902 - Office Supplies	\$500	(\$400)	\$100
10-20-230-5209 - Acquisition Consultant	\$2,000	(\$1,500)	\$500
10-20-230-5299 - Other Professional Services	\$20,000	(\$7,500)	\$12,500
10-20-240-5299 - Other Professional Services	\$0	\$7,500	\$7,500
10-30-310-5299 - Other Professional Services	\$50,000	(\$10,000)	\$40,000
10-30-310-6601 - Training & Conferences	\$20,000	(\$12,500)	\$7,500
10-30-310-6601.01 - Training & Conferences - Travel/Food - Training	\$2,500	(\$2,500)	\$0
10-30-310-6901 - Office Equipment	\$1,000	(\$1,000)	\$0
10-35-315-5901 - Printing Services	\$10,000	(\$5,000)	\$5,000
10-35-315-6302 - Mileage Reimbursement	\$4,200	\$2,200	\$6,400
10-35-315-6601 - Training & Conferences	\$7,800	(\$3,000)	\$4,800
10-35-315-6601.01 - Training & Conferences - Travel/Food - Training	\$2,000	(\$2,000)	\$0
10-35-315-6902 - Office Supplies	\$1,000	(\$500)	\$500
10-35-315-6903 - Office Furniture	\$1,000	(\$500)	\$500
10-35-325-5204 - Architect/Engineering Fees	\$0	\$6,500	\$6,500
10-35-325-7109 - Facility Maint - Trails & Roads	\$107,500	(\$105,000)	\$2,500
10-40-410-5020 - Other Outside Services	\$68,000	(\$30,000)	\$38,000
10-40-410-5202 - Graphic Design & Layout	\$97,500	(\$15,000)	\$82,500
10-40-410-5205 - Legislative Consultant	\$91,000	\$35,000	\$126,000
10-40-410-5299 - Other Professional Services	\$10,000	(\$5,000)	\$5,000
10-40-410-5699 - Rents & Leases - Special Event Expenses	\$11,000	(\$11,000)	\$0
10-40-410-5901 - Printing Services	\$213,000	(\$76,000)	\$137,000
10-40-410-5904 - Sponsorships	\$70,000	(\$10,000)	\$60,000
10-40-410-6102 - Advertising/Display	\$30,000	(\$10,000)	\$20,000
10-40-410-6601 - Training & Conferences	\$16,000	(\$14,000)	\$2,000
10-40-410-7502 - Special Projects & Programs	\$170,000	(\$7,000)	\$163,000
10-50-510-5801 - Postage	\$1,000	(\$1,000)	\$0
10-50-510-6501 - Public Meeting Expense	\$3,000	(\$3,000)	\$0
10-50-550-5009 - Internet Provider	\$202,780	(\$16,500)	\$186,280
10-50-550-5215 - Information Systems	\$324,861	(\$62,500)	\$262,361
10-50-550-6801 - Computer Software	\$144,013	(\$12,000)	\$132,013
10-61-611-6002 - Property Insurance	\$68,994	\$48,000	\$116,994
10-61-611-6601 - Training & Conferences	\$40,000	(\$10,000)	\$30,000
10-61-621-7101 - Facility Maint - Structures - Exterior/Interior	\$205,000	(\$43,000)	\$162,000
10-61-621-7105 - Facility Maint - Sewer/Septic	\$7,500	\$18,000	\$25,500
10-61-621-7106 - Facility Maint - Heating Systems	\$5,000	\$25,000	\$30,000
10-61-621-7111 - Facility Maint - Protective Barriers/Fences/Gates	\$2,000	\$30,000	\$32,000
10-61-621-7112 - Facility Maint - Resource Mgmt/Lanscaping	\$110,000	(\$30,000)	\$80,000
10-61-631-5211 - Resource/Environmental	\$30,000	(\$28,000)	\$2,000
10-61-631-5218 - Bio Survey	\$0	\$28,000	\$28,000
10-61-631-7001 - Field Equipment/Shop Supplies	\$80,000	(\$30,000)	\$50,000

FY21 Quarter 3 Budget Amendments by GL Account (Attachment 4)

Budget Categories / Accounts	Budget as of Mar 31	Quarter 3 Proposed Budget Amendment	Quarter 3 Proposed Amended Budget
10-61-631-7101 - Facility Maint - Structures - Exterior/Interior	\$60,000	(\$30,000)	\$30,000
10-61-631-7109 - Facility Maint - Trails & Roads	\$180,000	\$30,000	\$210,000
10-61-631-7112 - Facility Maint - Resource Mgmt/Lanscaping	\$90,000	\$30,000	\$120,000
10-61-641-5218 - Bio Survey	\$10,000	\$25,000	\$35,000
10-61-641-7101 - Facility Maint - Structures - Exterior/Interior	\$100,000	\$50,000	\$150,000
10-61-641-7109 - Facility Maint - Trails & Roads	\$180,000	\$30,000	\$210,000
10-61-641-7112.07 - Fuels Management	\$561,358	(\$232,358)	\$329,000
10-61-671-6403 - Vehicle Maintenance & Repairs	\$190,000	\$65,000	\$255,000
10-61-671-7001 - Field Equipment/Shop Supplies	\$3,000	\$10,000	\$13,000
10-80-810-5801 - Postage	\$1,000	\$2,000	\$3,000
10-80-810-5901 - Printing Services	\$2,000	\$2,000	\$4,000
10-80-810-6101 - Legal/Classified	\$1,250	\$1,250	\$2,500
10-80-810-6310 - Local Business Meeting Expense (60 mile radius)	\$1,500	(\$1,400)	\$100
10-80-810-6501 - Public Meeting Expense	\$2,000	(\$2,000)	\$0
10-80-810-6601 - Training & Conferences	\$13,200	(\$9,000)	\$4,200
10-80-810-6601.01 - Training & Conferences - Travel/Food - Training	\$3,500	(\$3,500)	\$0
10-80-810-6602 - Educational Assistance/Tuition Reimbursement	\$2,400	(\$1,400)	\$1,000
10-80-810-6903 - Office Furniture	\$1,000	(\$1,000)	\$0
10-80-810-7202 - Permits & Licenses, Fees	\$62,500	(\$43,000)	\$19,500
10-80-810-7502 - Special Projects & Programs	\$26,000	\$7,000	\$33,000
10-80-820-5211 - Resource/Environmental	\$411,000	\$20,000	\$431,000
10-80-820-5218 - Bio Survey	\$64,500	\$9,000	\$73,500
10-80-820-5299 - Other Professional Services	\$80,000	(\$20,000)	\$60,000
10-80-820-5503 - Grant Award Agreements	\$2,500	(\$2,000)	\$500
10-80-820-7112 - Facility Maint - Resource Mgmt/Lanscaping	\$992,000	\$100,000	\$1,092,000
10-80-830-5211 - Resource/Environmental	\$862,000	(\$127,000)	\$735,000
General Fund (10) Services & Supplies		(\$579,008)	
20-30-320-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$6,000	(\$6,000)	\$0
Hawthorns (20) Capital/Fixed Assets		(\$6,000)	
30-35-315-4109 - Measure AA Labor Reimbursement	\$353,054	(\$60,277)	\$292,777
30-61-611-4109 - Measure AA Labor Reimbursement	\$216,175	(\$6,544)	\$209,631
30-80-810-4109 - Measure AA Labor Reimbursement	\$55,257	(\$15,179)	\$40,078
MAA (30) Salaries & Benefits		(\$82,000)	
30-20-230-8101 - REAL ESTATE SERVICES	\$9,184,000	\$95,000	\$9,279,000
30-30-320-8201 - ARCHITECT/ENGINEERING SERVS	\$193,500	(\$25,000)	\$168,500
30-30-320-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$443,028	\$75,797	\$518,825
30-30-320-8204 - PERMITTING FEES	\$35,000	(\$35,000)	\$0
30-35-325-8201 - ARCHITECT/ENGINEERING SERVS	\$1,249,880	(\$520,850)	\$729,030
30-35-325-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$258,975	\$12,750	\$271,725
30-35-325-8203 - CONSTRUCTION & SPECIAL INSPECTION/MONITORING	\$214,000	(\$57,700)	\$156,300
30-35-325-8204 - PERMITTING FEES	\$88,000	(\$66,500)	\$21,500
30-35-325-8205 - CONSTRUCTION	\$5,104,395	(\$3,933,795)	\$1,170,600
30-61-621-8205 - CONSTRUCTION	\$355,575	(\$27,164)	\$328,411
30-61-631-8201 - ARCHITECT/ENGINEERING SERVS	\$30,000	(\$30,000)	\$0
30-61-631-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$0	\$10,500	\$10,500
30-61-631-8204 - PERMITTING FEES	\$50,000	(\$30,000)	\$20,000
30-61-631-8205 - CONSTRUCTION	\$25,000	\$10,000	\$35,000
30-61-641-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$85,000	\$57,500	\$142,500
30-80-820-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$17,500	(\$17,500)	\$0

FY21 Quarter 3 Budget Amendments by GL Account (Attachment 4)

Budget Categories / Accounts	Budget as of Mar 31	Quarter 3 Proposed Budget Amendment	Quarter 3 Proposed Amended Budget
30-80-820-8205 - CONSTRUCTION	\$148,534	(\$800)	\$147,734
30-80-830-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$153,466	\$149,000	\$302,466
30-80-850-8201 - ARCHITECT/ENGINEERING SERVS	\$60,000	(\$60,000)	\$0
30-80-850-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$277,000	(\$90,100)	\$186,900
30-80-850-8205 - CONSTRUCTION	\$350,000	(\$53,590)	\$296,410
MAA (30) Capital/Fixed Assets		(\$4,537,452)	
40-20-230-8101 - REAL ESTATE SERVICES	\$248,000	(\$74,500)	\$173,500
40-20-230-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$50,000	(\$50,000)	\$0
40-30-320-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$31,500	(\$19,800)	\$11,700
40-35-325-8201 - ARCHITECT/ENGINEERING SERVS	\$841,903	(\$75,775)	\$766,128
40-35-325-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$38,000	\$1,600	\$39,600
40-35-325-8203 - CONSTRUCTION & SPECIAL INSPECTION/MONITORING	\$341,780	(\$81,250)	\$260,530
40-35-325-8204 - PERMITTING FEES	\$185,000	(\$165,230)	\$19,770
40-35-325-8205 - CONSTRUCTION	\$12,612,100	\$294,020	\$12,906,120
40-35-325-8301 - Furniture	\$186,000	(\$60,000)	\$126,000
40-50-550-8303 - Computer Equipment	\$62,000	(\$62,000)	\$0
40-61-621-8201 - ARCHITECT/ENGINEERING SERVS	\$26,500	(\$23,000)	\$3,500
40-61-621-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$43,500	(\$43,500)	\$0
40-61-621-8203 - CONSTRUCTION & SPECIAL INSPECTION/MONITORING	\$75,000	(\$58,000)	\$17,000
40-61-621-8204 - PERMITTING FEES	\$500	(\$500)	\$0
40-61-621-8205 - CONSTRUCTION	\$443,925	(\$383,925)	\$60,000
40-61-671-8501 - Vehicles	\$327,200	\$19,000	\$346,200
40-80-850-8201 - ARCHITECT/ENGINEERING SERVS	\$10,000	(\$10,000)	\$0
40-80-850-8202 - ENVIRONMENTAL/PLANNING SERVICES	\$10,000	(\$10,000)	\$0
40-80-850-8204 - PERMITTING FEES	\$5,000	(\$3,000)	\$2,000
40-80-850-8205 - CONSTRUCTION	\$60,000	(\$10,000)	\$50,000
General Fund (40) Capital/Fixed Assets		(\$815,860)	
Total Budget Amendments - Increase / (Decrease)		(\$5,938,320)	

Q3 FY21 Financial Performance Comments

Overall District Financial Health:

With Fiscal Year 2021 (FY21) expenditures tracking to or below the budget and revenues tracking above than budget, District financial health is expected to end FY21 better than the adopted budget. While uncertainty about the longer-term negative economic impacts from COVID-19 remain, fiscal year-to-date property tax receipts indicate that FY21 revenues will be more than the FY21 adopted budget to support continued good District financial health.

Revenues:

Revenues are primarily derived from Property Taxes (91%) which are received in Q2 (December) and Q4 (April). Through the first three quarters of FY21 (July 2020 to March 2021), revenues are \$41.6 million or 63% of the \$66.4 million annual amended budget. The \$41.6 million FY21 revenues through March 2021 are \$4.0 million more than the \$37.5 million received for the same period in FY20. For Property Taxes, the total received for the first payment in FY21 is \$2.0 million or 8.5% greater in comparison to FY20.

FY21 adopted budget revenues were \$1.5 million less than the initially proposed budget to hedge against the risk of unfavorable tax receipts associated with COVID-19 and the possibility that the counties may suspend the Teeter Plan. As noted in the Controller's Monthly Investment Report to the Board (March 9, 2021), "year-to-date general fund tax revenue, \$32.7 million, is up 6.6% over last year" and "supplemental taxes from both counties continue to soar, up 82% over last year". Based on these favorable developments and the Controller's projections, a \$2.2 million FY21 Q3 revenue budget increase is proposed for property taxes, which nets to a \$2.0 million increase across all funds.

Expenditures:

Expenditures for the first three quarters of FY21 were \$52.6 million or about 63% of the annual amended budget. Through the first three quarters of FY21, the percentage spend of the annual budget is tracking similarly to FY20. Including encumbrances, the percentage spent is about 80%. A significant portion of the encumbrances is for the new Administrative Office (AO) Facility Project, about \$8.3M. This is a large construction project and there are four remaining invoices to be paid through June 2021. The FY21 proposed amended budget of \$83.7 million (see Board report for more detail) is \$2.5 million more than the \$81.2 million adopted budget. The increase is primarily due to budget shifts due to COVID-related delays that pushed some of the project work from FY20 to FY21, as well as funding for the Coal Creek Fuel Break project that was unexpectedly added to the FY21 Budget and Action Plan in July given the fortuitous opportunity to leverage \$232,358 in Prop 68 grant funding to expand fuel management work at the Preserve.

Other Financial Considerations:

Some important economic factors have improved since the initial economic impacts of the pandemic:

- National unemployment rose from 3.5% in February 2020 to a high of 14.8% in April and then had a declining trend through October (6.9%) before leveling off at 6.7% for November and December. In calendar year 2021, national unemployment has continued to trend downward and was 6.0% in March. For comparison, the San Jose-Sunnyvale-Santa Clara, CA Metropolitan Statistical Area unemployment rate was 2.8% in January 2020, 6.5% in October 2020, and has a preliminary February 2021 estimate of 5.4%. (US Bureau of Labor Statistics, Civilian Unemployment Rate)
- Stock market increases continue with many major indices currently at or near all-time highs.

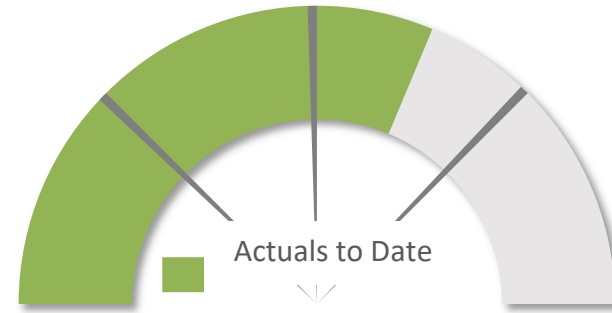
Q3 FY21 Financial Performance Comments

- The yield on a 10-Year U.S. Treasury Bond dropped from 1.88% at the beginning of 2020 to 0.69% at the end of September 2020. Since the end of September, interest rates have had a mostly increasing trend and have risen to 1.74% at the end of March 2021, near pre-pandemic levels.
- Real GDP decreased by 3.5% in 2020 after an increase of 2.2% in 2019. Current-dollar GDP increased 6% in the fourth quarter of calendar year 2020 to \$21.48 trillion.
- Bay Area CPI (San Francisco-Oakland-Hayward) increased by 1.6% from February 2020 to February 2021.

Major fiscal stimulus actions have aided economic recovery. Whether these recoveries will be sustainable is a major unknown, particularly considering the cost of financing stimulus packages and the massive economic dislocation created by the pandemic.



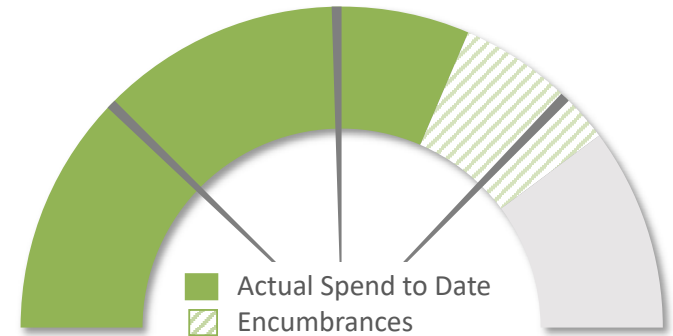
Revenue Quarterly Performance Report



DISTRICT REVENUES BY FUND & CATEGORY	FY21 Adopted Budget	FY21 Budget Adjustments	FY21 Amended Budget	FY21 Actual (through 3/31)	Budget Remaining	Budget Used (%)
Fund 10 - General Fund	56,891,245	2,058,867	58,950,112	36,746,565	22,203,547	62%
Aid from other Governments	99,652			95,841		
General Property Taxes	53,387,622			33,480,121		
General Property Taxes	53,487,274	2,202,367	55,689,641	33,575,962	22,113,679	60%
Grants Revenue	293,500	(143,500)	150,000	15,000	135,000	10%
Interest Income	894,260	-	894,260	456,589	437,671	51%
Rental Income	1,729,450	-	1,729,450	1,460,129	269,321	84%
Other Revenues	486,761	-	486,761	1,238,885	(752,124)	255%
Fund 20 - Hawthorn Fund	13,500	-	13,500	-	13,500	0%
Interest Income	13,500	-	13,500	-	13,500	0%
Fund 30 - MAA Fund	2,032,984	143,500	2,176,484	1,416,265	760,219	65%
Grants	1,621,509	143,500	1,765,009	1,295,455	469,554	73%
Interest Income	411,475		411,475	120,811	290,664	29%
Fund 40 - General Fund Capital	-	196,000	196,000	200,516	(4,516)	102%
Grants		196,000	196,000	196,000	-	100%
Interest Income		-	-	4,516	(4,516)	0%
Fund 50 - Debt Service	6,241,040	(1,200,000)	5,041,040	3,221,964	1,819,076	64%
General Property Taxes	6,200,000	(1,200,000)	5,000,000	3,188,363	1,811,637	64%
Interest Income	41,040	-	41,040	33,601	7,439	82%
DISTRICT REVENUES (All Funds)	65,178,769	1,198,367	66,377,136	41,585,310	24,791,826	63%



Expenses Quarterly Performance Report



DISTRICT EXPENSES BY FUND	FY21 Adopted Budget	FY21 Budget Adjustments	FY21 Amended Budget	YTD Encumbrances	FY21 Actual (through 3/31)	Budget Remaining of Amended (\$)	Budget Remaining of Amended with Encumbrances (\$)	FY21 Budget Spent of Amended (%)	FY21 Budget Spent of Amended with Encumbrances (%)	FY20 Budget Spent of Amended (%)	FY20 Budget Spent of Amended with Encumbrances (%)
Fund 10 - General Fund	36,773,825	(235,350)	36,538,475	3,418,891	23,095,917	13,442,558	10,023,667	63%	73%	61%	69%
Fund 20 - Hawthorn Fund	110,200	(48,000)	62,200	-	12,686	49,514	49,514	20%	20%	9%	10%
Fund 30 - MAA Fund	11,868,588	3,237,798	15,106,386	1,516,999	8,410,564	6,695,822	5,178,823	56%	66%	56%	89%
Fund 40 - General Fund Capital	3,894,845	(815,310)	3,079,535	325,751	1,205,113	1,874,422	1,548,671	39%	50%	36%	88%
DISTRICT EXPENSES (Subtotal)	52,647,458	2,139,138	54,786,596	5,261,642	32,724,280	22,062,316	16,800,674	60%	69%	58%	75%
Fund 40 - One Time Expenses	11,961,483	271,030	12,232,513	8,701,126	3,272,766	8,959,747	258,621	27%	98%	0%	0%
Fund 50 - Debt Service	16,640,925	-	16,640,925	-	16,640,925	-	-	100%	100%	100%	100%
DISTRICT EXPENSES (All Funds)	81,249,866	2,410,168	83,660,034	13,962,768	52,637,971	31,022,063	17,059,295	63%	80%	65%	77%

**FY21 Budget Performance Report - "Green Report" Revenue by Fund and Category
(through Mar 31)**

DISTRICT EXPENSES BY FUND & CATEGORY	FY21 Adopted Budget	FY21 Budget Adjustments	FY21 Amended Budget	YTD Encumbrances	FY21 Actual (through 3/31)	Budget Remaining of Amended (\$)	Budget Remaining of Amended with Encumbrances (\$)	FY21 Budget Spent of Amended (%)	FY21 Budget Spent of Amended with Encumbrances (%)
Fund 10 - General Fund	36,773,825	(235,350)	36,538,475	3,418,891	23,095,917	13,442,558	10,023,667	63%	73%
Personnel Services	25,633,171	82,000	25,715,171	-	17,817,548	7,897,623	7,897,623	69%	69%
Services and Supplies	11,140,654	(317,350)	10,823,304	3,418,891	5,278,369	5,544,935	2,126,043	49%	80%
Fund 20 - Hawthorn Fund	110,200	(48,000)	62,200	-	12,686	49,514	49,514	20%	20%
Services and Supplies	62,200	-	62,200	-	12,686	49,514	49,514	20%	20%
Capital/Fixed Assets	48,000	(48,000)	-	-	-	-	-	N/A	N/A
Fund 30 - MAA Fund	11,868,588	3,237,798	15,106,386	1,516,999	8,410,564	6,695,822	5,178,823	56%	66%
Personnel Services	669,235	(82,000)	587,235	-	351,007	236,228	236,228	60%	60%
Capital/Fixed Assets	11,199,353	3,319,798	14,519,151	1,516,999	8,059,557	6,459,594	4,942,595	56%	66%
Fund 40 - General Fund Capital	3,894,845	(815,310)	3,079,535	325,751	1,205,113	1,874,422	1,548,671	39%	50%
Capital/Fixed Assets	3,894,845	(815,310)	3,079,535	325,751	1,205,113	1,874,422	1,548,671	39%	50%
DISTRICT EXPENSES (Subtotal)	52,647,458	2,139,138	54,786,596	5,261,642	32,724,280	22,062,316	16,800,674	60%	69%
Fund 40 - One Time Expenses	11,961,483	271,030	12,232,513	8,701,126	3,272,766	8,959,747	258,621	27%	98%
Fund 50 - Debt Service	16,640,925	-	16,640,925	-	16,640,925	-	-	100%	100%
DISTRICT EXPENSES (All Funds)	81,249,866	2,410,168	83,660,034	13,962,768	52,637,971	31,022,063	17,059,295	63%	80%

DISTRICT EXPENSES BY FUND & CATEGORY	FY21 Adopted Budget	FY21 Budget Adjustments	FY21 Amended Budget	YTD Encumbrances	FY21 Actual (through 3/31)	Budget Remaining of Amended (\$)	Budget Remaining of Amended with Encumbrances (\$)	FY21 Budget Spent of Amended (%)	FY21 Budget Spent of Amended with Encumbrances (%)
Personnel Services	26,302,406	-	26,302,406	-	18,168,554	8,133,852	8,133,852	69%	69%
Services and Supplies	11,202,854	(317,350)	10,885,504	3,418,891	5,291,056	5,594,448	2,175,557	49%	80%
Capital/Fixed Assets	15,142,198	2,456,488	17,598,686	1,842,751	9,264,670	8,334,016	6,491,265	53%	63%
DISTRICT EXPENSES (Subtotal)	52,647,458	2,139,138	54,786,596	5,261,642	32,724,280	22,062,316	16,800,674	60%	69%
One Time Expenses	11,961,483	271,030	12,232,513	8,701,126	3,272,766	8,959,747	258,621	27%	98%
Debt Service	16,640,925	-	16,640,925	-	16,640,925	-	-	100%	100%
DISTRICT EXPENSES (All Funds)	81,249,866	2,410,168	83,660,034	13,962,768	52,637,971	31,022,063	17,059,295	63%	80%

**FY21 Budget Performance Report - "Green Report" Revenue by Fund and Category
(through Mar 31)**

DISTRICT EXPENSES BY DEPARTMENTS (All Funds)	FY21 Adopted Budget	FY21 Budget Adjustments	FY21 Amended Budget	YTD Encumbrances	FY21 Actual (through 3/31)	Budget Remaining of Amended (\$)	Budget Remaining of Amended with Encumbrances (\$)	FY21 Budget Spent of Amended (%)	FY21 Budget Spent of Amended with Encumbrances (%)
Administrative Services	7,133,966	(41,500)	7,092,466	374,648	4,631,030	2,461,436	2,086,789	65%	71%
Engineering & Construction	10,339,896	(4,880,510)	5,459,386	1,157,012	3,187,298	2,272,088	1,115,076	58%	80%
General Counsel	800,406	-	800,406	12,231	538,770	261,636	249,405	67%	69%
General Manager	2,218,621	(124,000)	2,094,621	22,054	1,480,541	614,080	592,026	71%	72%
Land & Facilities	11,934,423	295,691	12,230,114	559,991	7,673,703	4,556,411	3,996,420	63%	67%
Natural Resources	5,680,572	(185,040)	5,495,532	1,757,630	2,724,717	2,770,815	1,013,185	50%	82%
Planning	3,329,179	(133,003)	3,196,176	322,567	1,736,135	1,460,041	1,137,473	54%	64%
Public Affairs	1,856,887	(143,000)	1,713,887	836,848	1,004,842	709,045	(127,803)	59%	107%
Real Property	2,942,260	7,431,200	10,373,460	70,644	5,500,296	4,873,164	4,802,520	53%	54%
Visitor Services	6,411,248	(80,700)	6,330,548	148,018	4,246,947	2,083,601	1,935,583	67%	69%
DISTRICT EXPENSES (Subtotal)	52,647,458	2,139,138	54,786,596	5,261,642	32,724,280	22,062,316	16,800,674	60%	69%
One Time Expense: Fund 40	11,961,483	271,030	12,232,513	8,701,126	3,272,766	8,959,747	258,621	27%	98%
Debt Service	16,640,925	-	16,640,925	-	16,640,925	-	-	100%	100%
DISTRICT EXPENSES (All Funds)	81,249,866	2,410,168	83,660,034	13,962,768	52,637,971	31,022,063	17,059,295	63%	80%