



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%
Total	\$43,920,271	100%
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	\$ 635,836	1 %
Property Management	\$ 470,550	1 %
Total District Expenditures	\$43,920,271	100%

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

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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.

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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	
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	Hourly Salary	Monthly Salary	Annual Salary	Effective Date	Last Revised
General Manager	\$99.963	\$17,327	\$207,924	4/1/2013	10/23/2013
Controller - <i>Part-time position</i>	\$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
Proposed Budget Summary
FY2014-15

	2013-2014 Adopted Budget	2013-2014 Mid-Year Budget	2014-2015 Proposed Budget	Percentage Change from 2013-14 Mid-Year
I. Revenues				
A. Tax Revenues	30,051,000	30,863,000	32,906,000	6.6%
A1. Santa Clara County Parks Income	306,000	306,000	313,500	2.5%
A2. Residual Redevelopment	234,000	860,000	650,000	(24.4%)
B. Grant Income - Acquisition Grant	-	-	740,000	
Grant Income - Development Grant	2,386,000	2,234,924	884,000	(60.4%)
C. Interest Income	280,000	280,000	265,000	(5.4%)
D. Property Management-Rental Income	1,084,000	1,084,000	1,108,948	2.3%
E. Other Income	205,000	205,000	200,000	(2.4%)
F. Land Donation	1,500,000	1,500,000	1,500,000	0.0%
TOTAL REVENUES	36,046,000	37,332,924	38,567,448	3.3%
II. Change in Reserves	(4,960,413)	(3,714,489)	(5,352,823)	44.1%
III. Expenditures				
A. Debt Service				
1. Interest	5,876,077	5,876,077	5,748,505	(2.2%)
2. Principal	2,998,888	2,998,888	3,145,096	4.9%
Debt Service Subtotal	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	9,488,472	9,488,472	10,243,335	8.0%
3. Vacation Payout	47,461	47,461	67,351	41.9%
Salaries Subtotal	9,959,382	9,959,382	10,771,174	8.2%
C. Benefits	3,710,927	3,710,857	3,955,144	6.6%
D. Director's Fees	29,000	29,000	29,000	0.0%
Salaries and Benefits Subtotal	13,699,309	13,699,239	14,755,318	7.7%

EXHIBIT B
Midpeninsula Regional Open Space District
Proposed Budget Summary
FY2014-15

	2013-2014 Adopted Budget	2013-2014 Mid-Year Budget	2014-2015 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%