



Midpeninsula Regional
Open Space District

R-13-110
Meeting 13-34
December 11, 2013

AGENDA ITEM 5A

AGENDA ITEM

Fiscal Year 2013-14 Midyear Controller's Report and General Manager's State of the District Report for April thru September 2013

ACTION PLAN AND BUDGET COMMITTEE RECOMMENDATIONS

The Action Plan and Budget Committee (ABC) recommends that the Board:

1. Receive the Controller's Fiscal Year (FY) 2013-14 Midyear Financial Review for the six month period of April 1, 2013 thru September 30, 2013. *(Item 4B)*
2. Receive the General Manager's FY2013-14 Midyear State of the District Report and approve the recommended net-zero budget adjustments. *(Item 4C)*

SUMMARY

The ABC and staff met on November 12, 2013 to review the FY2013-14 Midyear Controller's Report and General Manager's State of the District Report, which includes a retrospective look at work completed on the annual Action Plan between April and September. The Midyear revenue and expenditure reports are being forwarded to the full Board for their review. As part of this review, ABC recommends that the Board approve the proposed net-zero budget adjustments as further described in these reports.

Note: as part of a separate Agenda Item, staff is forwarding recommended changes to the Action Plan for the remainder of the fiscal year to account for recent change in Board direction to accelerate the capital finance project schedule.

DISCUSSION

The ABC is tasked with reviewing the proposed Annual and Midyear District budgets to ensure fiscal responsibility and the prudent allocation of financial resources to accomplish the District's annual Action Plan. This year's Midyear Action Plan and Budget includes format changes that reflect the Board's recent direction calling for a more streamlined reporting structure (R-13-86). As such, rather than provide extensive analysis and a fully revised Action Plan and Budget as in prior years, staff is providing a status summary of Action Plan projects and expenditures as of September 30, 2013.

Key findings of the two status reports include a reduction in the total number of active projects from 97 in the Adopted Action Plan to 96 at Midyear, reflecting eight completed projects, nine new projects, and two project deferrals. One notable Key Project, the Vision Plan, which is one of the District's top priority projects and proceeding ahead of schedule, has required the allocation of additional staff time to manage the large workload and compressed schedule.

On the budget side, property tax and Redevelopment Agency revenues totaled \$4.5 million and \$29,400, respectively, as of September 30, 2013, which is 15% of the adopted revenue estimate and in-line with expectations for this time of year. Property tax revenue is projected to exceed the adopted estimate by approximately \$1.4 million or 4.7% for total projected revenue of \$31.7 million at year-end.

Overall, District expenditures at Midyear totaled \$15.1 million, or 37% of the FY2013-14 Modified Budget (the Modified Budget includes the Adopted Budget and all Board-approved changes as of September 30, 2013), reflecting significant savings in capital expenditures and land purchases. Proposed Midyear changes to the budget include two net zero shifts between Budget Categories, which require Board approval. Even with these changes, the total District budget would remain unchanged at \$41 million.

FISCAL IMPACT

No fiscal impact is associated with this item. Review of the FY2013-14 Midyear Controller's Report and General Manager's State of the District Report includes Board approval of net-zero midyear budget changes, keeping the total District budget at \$41 million to fund the District's Action Plan and ongoing functions for the remainder of the fiscal year.

COMMITTEE REVIEW

On November 12, 2013, the ABC met with the General Manager, department managers, and various staff to review the proposed District FY2013-14 Midyear Controller's Report and General Manager's State of the District Report.

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 (CEQA) and no environmental review is required.

NEXT STEPS

If approved by the Board, staff would make the recommended net-zero budget adjustments to the FY2013-14 Midyear Action Plan and Budget.

Prepared by:
Kate Drayson, Administrative Services Manager

Lynn Tottori, Senior Management Analyst

Contact person:

Pete Siemens, Administration and Budget Committee