



Midpeninsula Regional  
Open Space District

**SPECIAL MEETING  
ACTION PLAN AND BUDGET COMMITTEE**

Administrative Office – Board Room  
330 Distel Circle  
Los Altos, CA 94022

**November 18, 2014**

**DRAFT MINUTES**

**I. ROLL CALL**

Director Kishimoto called the Special Meeting to order at 2:04 p.m.

**Members Present:** Yoriko Kishimoto and Curt Riffle

**Members Absent:** Pete Siemens

**Staff Present:** General Manager Steve Abbors, General Counsel Sheryl Schaffner, District Controller Mike Foster, Assistant General Manager Ana Ruiz, Assistant General Manager Kevin Woodhouse, Administrative Services Manager Kate Drayson, Real Property Manager Mike Williams, Natural Resources Manager Kirk Lenington, Public Affairs Manager Shelly Lewis, Planning Manager Jane Mark, Operations Manager Michael Newburn, and District Clerk Jennifer Woodworth

**II. ORAL COMMUNICATIONS**

No speakers present.

**III. ADOPTION OF AGENDA**

**Motion:** Director Riffle moved, and Director Kishimoto seconded the motion to adopt the agenda.

**VOTE: 2-0-0**

**IV. COMMITTEE BUSINESS**

**1. Approve the Minutes from the November 12, 2014 meeting.**

**Motion:** Director Riffle moved, and Director Kishimoto seconded the motion to approve the minutes.

**VOTE: 2-0-0**

**2. Review Proposed District Fund Balance Policy & Capitalization Policy (R-14-141)**

District Controller Mike Foster provided a brief summary of the proposed Fund Balance Policy including the various components of the District's fund balance, specific reserved funds and amounts, committed funds, assigned funds, and unassigned funds. Mr. Foster explained that if approved by the Committee, the draft policy will be forwarded to the Board of Directors at its November 25, 2014 meeting.

Directors Riffle and Kishimoto expressed concerns regarding using specified numbers in the policy because they will require updating the policy each year.

Mr. Foster explained that the numbers can reflect the initial amount of the funds.

Director Kishimoto requested the fund amounts be removed from the Board policy and be adopted separately for the upcoming budget year and be amended, as necessary, as part of the annual budget.

Accountant Andrew Taylor provided information on the proposed revisions to the Capital Expenditures and Depreciable Fixed Assets board policy explaining the changes were recommended by the District's auditor to better reflect the District's assets and annual budget.

Public comment opened at 2:30 p.m.

No speakers present.

Public comment closed at 2:30 p.m.

**Motion:** Director Riffle moved, and Director Kishimoto seconded the motion to recommend approval by the full Board of Directors of the proposed new District Fund Balance Policy and revisions to the Capital Expenditures and Depreciable Fixed Assets Board Policy. The numbers will be stricken from the "Committed Funds" portion of the Fund Balance Policy, and initial balances for the reserve funds as written in the proposed policy are recommended for separate approval.

**VOTE: 2-0-0**

**3. Review Proposed Format Changes to District Budget and Action Plan Documents**

Administrative Services Manager Kate Drayson described the proposed new format for District Budget and Action Plan documents. Ms. Drayson explained that as the District's financial operations become more complicated it will be helpful for the Board to adopt a standalone budget document rather than the current budget documents, which are a part of a Board report. Ms. Drayson outlined the various sections of the proposed budget document and described the format for Department Budgets and Workplans as well as detailed project pages.

District Controller Mike Foster inquired where information would be included for staffing costs for Measure AA projects.

Ms. Drayson explained that departments will have detailed breakdowns of labor costs and staff time will be included as part of capital costs, excluding benefits.

Director Kishimoto inquired if additional information will be given to the Action Plan & Budget Committee.

Ms. Drayson explained that additional information may be presented to the Action Plan & Budget Committee if needed, which information will also be available to the public.

Director Riffle inquired as to the reasons for making changes to the current format.

Ms. Drayson explained that the proposed format changes will remove the necessity of staff inputting budget information in to duplicate documents but will allow for all information to be inputted and maintained in a single document.

Director Kishimoto suggested including the “Summary list of capital projects” and “MAA Projects summary” earlier in the budget document, such as directly after the General Manager’s transmittal letter.

General Manager Steve Abbors suggested staff can return with revised budget documents to address Committee member concerns.

Director Riffle stated that removing the details may be the way the Board should be headed as it moves towards a policy making body and away from the details of project implementation.

Public comment opened at 3:06 p.m.

No speakers present.

Public comment closed at 3:06 p.m.

No action taken by the Committee.

#### **4. Employee Compensation Guiding Principles (R-14-143)**

Assistant General Manager Kevin Woodhouse summarized previous discussions by the Action Plan & Budget Committee and corresponding revisions to the policy. Mr. Woodhouse provided information regarding the potential cost impact of increasing salaries and benefits from 50% to 55% of the median.

Director Kishimoto inquired as to why the cost for the benefits is so much more than the difference in salaries between 50% and 55% of the median.

Ms. Drayson explained that the difference is largely due to the cost range for individual positions.

Director Kishimoto inquired as to how staff determined the \$300 per month cost for benefits.

Mr. Woodhouse explained that this amount was determined based on the average cost of bringing current employee benefits up to median.

Director Riffle inquired if it is included in the draft policy that total compensation, including salary and benefits, will be examined as part of determining staff compensation.

Mr. Woodhouse stated that this is included in item 6 of the draft policy.

Mr. Abbors stated that the Board will most likely want additional cost information before making a final decision, and the District Controller will need to include this information in his financial models.

Public comment opened at 3:40 p.m.

Gina Coony, Planner III, provided comments on the difficulty of this process. Ms. Coony expressed her confusion as to the goal of the proposed policy. Ms. Coony stated that the purpose of the policy should be to attract and retain staff in a transparent and consistent manner including benefits that can be offered to employees and increasing diversity among the workforce including age range.

Public comment closed at 3:44 p.m.

Director Kishimoto suggested that information be provided to the full Board of Directors regarding the cost of bringing benefits to the median and to 55% of the median.

**Motion:** Director Riffle moved, and Director Kishimoto seconded the motion forward the policy, as drafted, to the Board of Directors and recommends approval of the draft Employee Compensation Guiding Principles, with the exception of Item 6 of the policy. Staff is also directed to provide additional information related to the cost of bringing current benefits to 50% and current salary to 55% of the median and cost information to bring both salary and benefits to 55% of the median.

**VOTE: 2-0-0**

## V. ADJOURNMENT

Director Kishimoto adjourned the special meeting of the Action Plan and Budget Committee of the Midpeninsula Regional Open Space District at 3:58 p.m.

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Jennifer Woodworth, CMC  
District Clerk