

COUNTY OF SAN MATEO
Parks Department



DATE: March 30, 2015

COMMISSION MEETING DATE: April 9, 2015

TO: Parks and Recreation Commission

FROM: Eduardo Castillo, Management Analyst

SUBJECT: FY2014-2015 Budget Status, Net County Cost Targets, Measure A Funding and FY2015-2017 Budget Activities

RECOMMENDATION:

Review and accept report.

BACKGROUND:

This report covers budget activities since the Commission's February 5, 2015 meeting.

DISCUSSION:

This Mid-Year Report covers revenues and expenditures for the period from July 1, 2014 through and including February 28, 2015, which represents two-thirds or 67 percent of the fiscal year.

Revenues are now at 33 percent from budgeted. However, as previously reported, most of the revenue for capital projects is projected to come in at the later part of the fiscal year from Grant Reimbursements, Parks Reservation Fees (which are transferred from the corresponding Trust Funds in January and June), and approximately \$2.1 Million still to come from Measure A Reimbursements by June 2015.

Total expenditures are at 49 percent, which is mostly due to Services and Supplies expenditures being at 31 percent and Fixed Assets at 34 percent at this point in the year. The main reason for these expenditures being low is that both Non-Capital Measure A and Capital Projects expenditures will increase substantially in the remaining part of the fiscal year. Therefore, monitoring of expenditures and conservative spending measures need to continue.

Parks Department FY2014-2015 Budget and Year-to-Date Revenue and Expenditures as of February 28, 2015 are as follows:

REVENUE	Budget	Actuals as of 02/28/15	%	Difference
GRAND TOTAL REVENUE	8,255,889	2,712,634	33%	5,543,255
EXPENDITURES				
	Budget	Total	%	Difference
SALARIES & BENEFITS				
Salaries	5,088,727	3,107,534	61%	1,981,193
Benefits	<u>3,020,933</u>	<u>1,882,608</u>	<u>62%</u>	<u>1,138,325</u>
Sub total	8,109,660	4,990,142	62%	3,119,518
OPERATING EXPENSES				
Services & Supplies	5,025,206	1,557,492	31%	3,467,714
Other Charges	1,838,551	1,105,543	60%	733,008
Fixed Assets	<u>2,728,247</u>	<u>949,749</u>	<u>34%</u>	<u>1,778,498</u>
Sub total	9,592,004	3,612,784	38%	5,979,220
GROSS APPROPRIATIONS	17,701,664	8,602,926	49%	9,098,738

Net County Cost (NCC) targets were released by the County Manager's Office on March 6, 2015. Although final NCC numbers are still being worked out, Parks' NCC target for FY2015-2016 (Yr. 1) is \$9,697,988 compared to \$7,607,756 for the current fiscal year. This represents an increase of \$2,090,232. The additional funds are meant to cover increases in negotiated salary and benefits, rent, information technology (I.T.) support, risk management fees, worker's compensation fees, Parks vehicle fleet cost adjustments, the cost of seven Measure A positions that are being moved out of Measure A and into the General Fund, as well as the cost of three new positions. The NCC target for FY 2016-2017 (Yr. 2) is \$10,085,144, which is an increase of \$387,156 from Yr. 1.

The County Board of Supervisor's approved \$5 million for each of the next two fiscal years in Measure A funding for new projects. These funds will be shared among Parks, Association of Bay Area Governments, City of Pacifica, Coastside Land Trust, Pacifica Land Trust, and the Student Conservation Association. It is understood that Parks will have control and oversight of the entire \$5 million and will work cooperatively with all of the aforementioned entities to ensure the proper distribution of these funds as projects are completed.

The two-year budget is due on April 17th. Therefore, budget development activities are ongoing.