

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
BOARD OF DIRECTORS MEETING**

DATE: March 4, 2020
TO: Board of Directors
FROM: Shuran Parker, Administrative Services Manager
REVIEWED BY: Rafael Payan, General Manager
SUBJECT: Fiscal Year 2019-20 Budget Review

RECOMMENDED ACTION

It is recommended that the Board receive this report on the status of the District's budget as of 1/31/2020, representing a seven of twelve months.

FISCAL IMPACT:

There is no fiscal impact associated with receiving this report.

FUNDING SOURCE:

All General Fund, Community Facilities District, and Assessment District accounts with current or anticipated activity this Fiscal Year (FY) are represented in this budget report.

FUNDING BALANCE:

Total revenue as of the reporting period was \$3,413,962, while expenditures were \$3,623,197.

DISCUSSION:

The adopted budget includes \$7,571,600 in revenue and \$10,933,105 in expenditures. The District's year-to-date combined revenue totals \$3,413,962, about 45% of the budgeted amount, while expenditures were \$3,623,197, 33% of budget.

At close of the 2019-20 FY (July 1 – June 30), total revenue for the District is projected to be \$7,661,600, \$90,000 more than was budgeted, primarily due to better than anticipated revenue from tenant profit sharing, along with miscellaneous other revenue, and tenant utilities reimbursement.

Combined expenditures are projected to be \$9,331,005, \$1,602,100 less than the adopted budget, mostly because of anticipated Palo Corona construction projects that need to be continued to the next fiscal year.

The budget projections by division are further summarized below and listed by line-item account in the attached spreadsheet entitled FY2019-20 Budget Review (**ATTACHMENT 1**).

Revenue Activity and Projections

Based on year-to-date and anticipated performance, District revenues at year-end are projected to be just 1% above the budgeted amount, as noted above and on the

attached summary. Anticipated expenditures will still exceed revenue by 22%, but by less than half of the originally budgeted, 44%. As the Board will recall, over \$3M of expenditures were funded from unused Assessment District (AD) money, for restricted projects. This practice will continue next fiscal year, and until all AD funds have been expended.

Expenditure Activity and Projections

Administration (Admin)

The Administration program expenditures, \$1,169,689, were 62% of budget and we anticipate ending the year \$70,400 under budget, primarily because of savings in the professional services account.

Operations & Maintenance (O&M)

O&M expenses, \$545,566, were about 42% of budget and are anticipated to be \$1,256,000 at year-end, or \$40,800 less than the approved budget, primarily due to savings from staffing accounts.

Environmental Education & Community Outreach (EECO)

The EECO program expenditures, \$253,103, were about 37% of budget as of the reporting period and we anticipate ending the year at \$646,600 which is \$46,700 less than budget, also largely offset by decreased staffing expenditures.

Capital Improvements (Capital)

As of the reporting period, no expenditures in the Capital Improvements account have been made, but we anticipate spending \$18,000 more than budget for the Kahn Ranch re-roofing project.

Planning & Conservation Management (PCM)

PCM expenses of \$1,133,464, were approximately 48% of budget but anticipated to be \$2,368,000 or \$13,800 more than the approved budget, for additional GIS professional services.

Community Facilities District (Services)

The new CFD Services account saw spending of \$75,842, 9% of budget. Estimated expenditures at year-end will be \$625,600, \$220,000 less than budget. As the Board will recall, these unused funds will be carried over in the Services fund, for future projects.

Community Facilities District (Facilities)

CFD Facilities expenditures were at \$126,373, 35% of budget, and anticipated to end at budget, by reallocating \$30,000 from PCRIP Improvements to offset the additional expenditures associated with extending the Sherar Lease agreement.

Assessment District (AD)

The AD expenditures of \$319,160 with roughly a half-year to go, were just 9% of budget, but we anticipate ending the year at \$2,144,000, \$1,256,000 less than

budgeted. Anticipated savings, that will be carried over next fiscal year are for Palo Corona construction projects, that we don't anticipate being able to start in FY2019-20.

Based on the District's current and estimated spending, staff is confident in the continued stability of the District's financial condition. Staff respectfully submits this review and looks forward to continued discussions about budget.

ATTACHMENTS:

1. [FY2019-20 Budget Review Spreadsheet](#)