

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

DATE: June 12, 2019
TO: Board of Directors
FROM: Shuran Parker, Administrative Services Manager
REVIEWED BY: Rafael Payan, General Manager
SUBJECT: Public Hearing for Review of MPRPD Proposed FY2019-20 Budget and Approval of Resolution #2019-04, to Adopt the FY2019-20 Agency Budget

RECOMMENDED ACTION:

It is recommended that the Board receive staff's oral review of and conduct a Public Hearing for the proposed budget for FY2019-20 (**ATTACHMENT 1**). It is further recommended that the Board approve Resolution #2019-04 (**ATTACHMENT 2**) to adopt said budget.

FISCAL IMPACT:

Approval of this proposed budget will establish \$7,571,600 in combined revenues and \$10,933,105 in expenditures for FY2019-20.

FUNDING SOURCE:

Not applicable

FUNDING BALANCE:

Not applicable

DISCUSSION:

The proposed budget for FY2019-20, previously reviewed by the Board's Finance Committee, represents a spending plan that includes projected revenues of \$7,571,600 and expenditures of \$10,933,105. These figures include revenues and expenditures from the District's General Fund and the first year of the Parks, Open Space and Coastal Preservation Community Facilities District (CFD), plus the use of remaining funds from the soon-to-expire Assessment District.

Compared to the FY2018-19 estimate, projected revenues will be approximately 9% less, at \$7,571,600, due in large part to unanticipated insurance reimbursements received last year and CFD funding, anticipated to be 7% less than the prior year Assessment District revenue estimate. The projected expenditures-\$10,933,105 are \$3,361,505 more than revenues, as we plan to expend the remaining AD funds, currently in reserves.

The General Fund Balance is projected to be \$12,588,717 at 6/30/20, which represents a 21% decrease from the estimate at 6/30/19, after the remaining AD funds are spent.

In accordance with the District's Reserve Policy, a great portion of the estimated fund balance includes the following amounts for Restricted, Assigned and Unassigned projects and expenditures.

Account	Purpose	Amount	Status
Seawall Mitigation Funds	Buy Coastal Dune Property	\$2,380,000	Restricted
Sherar Property	Acquisition	\$720,000	Assigned
Operating Expenses	Six month's expenses	\$5,467,000	Unassigned
Depreciation	Accumulated depreciation	\$1,197,000	Unassigned
Unanticipated Expenses	Unanticipated expenditures	\$1,000,000	Unassigned
COMBINED TOTAL		\$10,764,000	

These amounts to remain in the reserve fund, totaling and estimated \$10,764,000 are important to remember and must be considered, particularly as we analyze staffing levels and changes, existing obligations, future projects and acquisitions.

As detailed in the General Manager's Budget Message, although unbalanced, the proposed FY2019-20 budget calls for using reserve funds from unexpended Assessment District revenue, to close out that funding mechanism, and begin tackling some much-needed projects and improvements at the new Rancho Canada unit of Palo Corona Regional Park. For further information, please refer to the attached proposed budget document.

It is recommended that the Board hold a Public Hearing on the proposed budget document. After due consideration of any public comments regarding the proposed budget, it is recommended that the Board approve Resolution #2019-04, adopting the District budget for FY2019-20.

ATTACHMENTS:

1. [MPRPD FY2019-20 Proposed Budget](#)
2. [Resolution #2019-04 to Adopt FY2019-20 Budget](#)