



**EAST BAY REGIONAL PARK DISTRICT
FINANCE COMMITTEE
AGENDA STAFF REPORT**

DATE	May 22, 2024
TITLE	Preliminary Unaudited General Fund and Other Governmental Funds Financial Reports for Fourth Quarter 2023
DIVISION	Finance and Management Services
FROM	Deborah Spaulding, AGM of Finance & Management Services/CFO
APPROVED	Sabrina Landreth, General Manager

RECOMMENDATION

This item is provided for information purposes only. No action by the Finance Committee is required.

BACKGROUND

This report and attachments summarize unaudited 2023 revenues and expenditures for the entire East Bay Regional Park District (Park District) through year-end. This information is provided to the Board as required by the Board Operating Guidelines.

The budget cycle of the Park District includes adoption of the annual budget in December of each year and budget amendments during the year as approved by the Board of Directors.

Attachment A provides detailed information on the General Fund. Areas in which revenues or expenditures were 10 percent higher or lower than expected are explained in footnotes. Attachment B provides summarized financial information for all other governmental funds.

ANALYSIS

As of December 31, 2023, the Park District's financial activities are as expected when compared against the prior year results, and against the current year budget.

Unaudited General Fund revenue as of the end of the year totaled \$219.9 million – which was 9.9% above the \$200.0 million budgeted amount. In comparison, 2022 revenues were \$188.0 million. The \$31.9 million increase was primarily due to Property Taxes, which were \$15.2 million above 2022, and Investment Earnings, which were \$18.0 million more than the prior year. When compared to budget the majority of the 2023 revenue variances are related to Property Taxes which exceeded projections by \$8.6 million or 4.7% and Investment Earnings which exceeded projections by \$12.8 million, as these are not budgeted due to their volatility.

Unaudited General Fund year end expenditures totaled \$211.9 million or 93.2% of the \$227.5 million budget. This expenditure variance was \$15.6 million below budget, and \$32.3 million above spending in the prior year primarily due increases in staffing and personnel expenses, investments in Major Infrastructure Renovation and Replacement and increased funding of capital projects. The majority of the expenditure variances are related to Salaries & Benefits which are less than budgeted by 6.7% or \$8.5 million due to staff turnover and vacancies. The 2024 adopted budget includes adjustments to

both revenues and expenditures to account for the 2023 projected year-end variances.

Expenditure and revenue numbers will continue to be refined as year-end accruals are completed. The Park District's Annual Comprehensive Financial Report, with final audited revenue and expenditure amounts, will be issued in July.

General Fund	Budget 2023	Actual thru 12/31/23	% of Budget Complete
Revenue*	\$ 200,046,471	\$ 219,877,528	109.9%
Expenditures*	227,478,897	211,915,812	93.2%
Net Use of Fund Balance	\$ (27,432,426)	\$ 7,961,716	

* includes transfers

After considering the target fund balance reserves required per the Park District policy, the results of net 2023 revenues and expenditures provide \$8.6 million to the General Fund balance in excess of the required reserve amounts.

FISCAL IMPACT

There is no revenue/cost impact associated with the acceptance of the report.

ATTACHMENTS

A. Unaudited General Fund Quarterly Financial Report as of 12/31/23

B. Unaudited Other Governmental Funds Quarterly Financial Report as of 12/31/23