



**EAST BAY REGIONAL PARK DISTRICT
BOARD OF DIRECTORS MEETING
AGENDA STAFF REPORT**

DATE	December 19, 2023
TITLE	Adoption of the 2024 Operating, Project and Program Budget & Approval of the 2024 Article XIII-B California Appropriation Limit (Gann Limit)
DIVISION	Finance and Management Services
FROM	Deborah Spaulding, Assistant Finance Officer Sabrina Landreth, General Manager
APPROVED	Sabrina Landreth, General Manager

A handwritten signature in black ink, appearing to be "S. Landreth", written over a horizontal line.

RECOMMENDATION

The General Manager recommends that the Board of Directors approve and adopt the 2024 Proposed Operating, Project and Program Budgets for the East Bay Regional Park District and, by separate resolution, the Board is requested to approve the 2024 Appropriations Limit

BACKGROUND

Prior to approving the budget, Park District policy requires that a public hearing be held to receive any comments from interested parties. The public hearing and first full Board of Directors review of the budget was held December 5, 2023. Please see the detailed staff report for the December 5th meeting and the Proposed Budget on the Park District website at www.ebparks.org. The December 19th Board Meeting provides another opportunity for public review.

State law and the Board Operating Guidelines call for the Park District to adopt an annual budget. In addition, the California State Constitution requires that all local agencies annually adopt the Article XIII B Appropriations (Gann) Limit, which is included on page D-9 of the proposed budget document and has been available for public review since November.

The Park District's budget is a vital tool for documenting and preparing to achieve specific goals and objectives for the coming year. The budget process maintains control over the management of resources and implements fiscal plans and initiatives. Formal budget planning began in early summer, with Board Study Sessions addressing Park District plans and priorities. Park District staff used the information from those Study Sessions as well as from their own experiences to develop proposed budget requests. Budget requests that aligned with the input received from the public and Board of Directors were prioritized to be incorporated into the Proposed Budget document.

The Board Finance Committee discussed and unanimously recommended the approval of the 2024 Gann Limit and the 2024 Proposed Operating, Project and Program Budget at its November 20th meeting. The Park Advisory Committee reviewed the 2024 Proposed Operating, Project, and Program Budget at its November 27th meeting. Park District staff were invited to learn about the budget at a presentation on November 29th.

The first public hearing for the 2024 budget was held at the December 5, 2023 Board meeting. Comments and corrections received during the budget review process are summarized below and the final language will be drafted and incorporated into the final 2024 Adopted Operating Budget - Volume 1 and 2024 Adopted Project and Program Budget - Volume 2, as authorized by the Board's adoption of the Budget at this meeting.

The following items will be adjusted for the 2024 Adopted Operating, Program and Project Budget:

Volume 1:

- Update Intro section to highlight the 55 miles of shoreline owned and maintained by the Park District and to define the Park District's "Pipeline" process.
- Update Section A, GM's Message, to include information about volunteer and workforce development opportunities including the small trails crew, and partnerships with other agencies.
- Update Section B including five-year forecast, narratives and schedules that were awaiting final expenditure amounts, updated economic forecast information, and certain definitions and programs (e.g. Ivan Dickson trail program).
- Update Section C narratives, especially to include more information about programs that have changed in the past year, and staffing / budget changes (e.g. small trails crews & YEP, transfer of utilities budgets to Office Services, etc.)
- Update Section D to capture personnel allocation changes that were not reflected in the Proposed Budget.

Volume 2:

- Update Front Section to correct and include additional project locations on map.
- Update Section E project descriptions to show more detail re project phases, to more clearly explain project costs, and to include mileage for trail projects.
- Update Section E five-year expenditure plans to include full cost (not just current available funding) and to reflect changes through the end of 2023.
- Update Section E operating impact to show costs rounded to the nearest \$1,000.
- Update Section G, Public Commitments, to provide an overview of the information included in this section.

Volumes 1 and/or 2:

- Add or modify any items noted in the December 19th budget discussion.

ANALYSIS

The 2024 Operating, Program and Project Budget was developed with the expectation that property tax revenues will grow by 6% over the prior year, and with additional fund balance available from the prior year that will be used for one-time projects and needs. Fees & charges for services and programs in 2024 have been budgeted to decrease by -0.9% in the General Fund, primarily related to possible temporary closures of certain swim facilities which require repair. Furthermore, in 2024 the Park District will again be drawing on Pension Trust funds that were set aside in prior years, providing \$2 million in additional revenues to address higher pension costs.

This year a 4% vacancy factor has again been implemented for salaries and benefits. This is a best practice which allows the Park District to more accurately budget for staffing costs and takes into account the salary savings incurred when positions are unfilled during part of the year due to attrition, leaves of absence, and acting assignments. The attached resolution includes language to facilitate specific changes to the position budget as needed during the year, including for the apprenticeship program and to upgrade vacant 9-month positions to 12-month positions.

FISCAL IMPACT

This action will authorize total uses (including transfers) of \$351,846,695 to fund operating, program and project expenditures for the 2024 fiscal year. A summary of the appropriations is provided in the attached 2024 Budget At-a-Glance. The action will also authorize the carryover of 2023 encumbered funds into the 2024 fiscal year to complete projects and services previously authorized by the Board of Directors. The amount of the carryover encumbrances will not be known until the end of the 2023 fiscal year. In prior years, the amount of carryover encumbrances has averaged less than \$3 million.

ATTACHMENTS

Budget At-A-Glance

Link to 2024 Proposed Operating, Project & Program Budget:

<https://www.ebparks.org/public-info/budget>



**EAST BAY REGIONAL PARK DISTRICT
RESOLUTION NO. 2023-12-
DECEMBER 19, 2023**

**ADOPTION OF THE 2024 OPERATING, PROJECT AND PROGRAM BUDGET &
APPROVAL OF THE 2024 ARTICLE XIII-B CALIFORNIA APPROPRIATION LIMIT
(GANN LIMIT)**

WHEREAS, the General Manager of the East Bay Regional Park District (Park District) has prepared and submitted the 2024 Proposed Operating, Project and Program Budget in accordance with the requirements of state law and the Board Operating Guidelines; and

WHEREAS, on November 20, 2023 the Board Finance Committee reviewed and commented on the 2024 Proposed Operating, Project, and Program Budget and unanimously recommended its adoption by the Board of Directors; and

WHEREAS, on November 27, 2023 the Park Advisory Committee reviewed and commented on the 2024 Proposed Operating, Project, and Program Budget and recommended its adoption by the Board of Directors; and

WHEREAS, the Park District duly noticed and set public hearings on the 2024 Proposed Operating, Program and Project Budgets on December 5, and notice of the hearing was given in the time and manner required by law;

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the East Bay Regional Park District hereby:

1. Approves the 2024 Operating, Program and Project Budget in substantially final form as presented to the Board of Directors on December 5 and December 19, 2023 including language consistent with comments and corrections as identified and described in this material.
2. Authorizes the total appropriation of \$351,846,695 for the General Fund, special revenue funds, debt service funds, internal service funds, permanent funds and project funds;
3. Authorizes the General Manager, or her designee, to increase appropriations in the 2024 budget in an amount not to exceed the "Reserve for Encumbrances," the amount to be established at the end of the 2023 fiscal year.
4. Authorizes those classifications that have an apprentice level to be underfilled at the apprentice level and then be increased to the full classification position once the apprenticeship has been completed without return to the Board.
5. Authorizes the upgrade of 9-month positions to 12-month positions when those positions become vacant, without return to the Board.

BE IT FURTHER RESOLVED, that the General Manager is hereby authorized and directed, on behalf of the Park District and in its name, to execute and deliver such documents and to do such acts as may be deemed necessary or appropriate to accomplish the intentions of this resolution.

Moved by Director _____, and seconded by Director _____, and adopted December 19, 2023, by the following vote:

FOR:

AGAINST:

ABSTAIN:

ABSENT:



**EAST BAY REGIONAL PARK DISTRICT
RESOLUTION {{item.sequential_number}}
DECEMBER 19, 2023**

APPROVAL OF THE 2024 APPROPRIATIONS LIMIT

WHEREAS, Article XIII B of the California constitution subjects public agencies to annual appropriation limit of proceeds from taxes; and

WHEREAS, the appropriation limit is the prior year limit adjusted by factors identified in state law; and

WHEREAS, state law allows selection of optional factors by each public agency based upon either: (1) changes in the California per capita personal income; or (2) changes in the local assessment roll due to the addition of local nonresidential new construction and population; and

WHEREAS, the factor used by the East Bay Regional Park District for the 2024 calculation was the change in the California per capita personal income; and

WHEREAS, on November 20, 2023, the Board Finance Committee reviewed the 2024 Appropriations Limit and recommended approval by the Board of Directors; and

WHEREAS, the appropriations subject to the limit and included in the 2024 Proposed Budget total \$195,468,556 which is below the calculated limit of \$527,755,360.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the East Bay Regional Park District hereby selects the California per capita personal income factor to calculate the 2024 appropriations limit; and

BE IT FURTHER RESOLVED, that the Park District appropriations limit for 2024 is hereby set and adopted at \$527,755,360;

as presented to the Board on December 19, 2023; and

BE IT FURTHER RESOLVED, that the General Manager is hereby authorized and directed, on behalf of the Park District and in its name, to execute and deliver such documents and to do such acts as may be deemed necessary or appropriate to accomplish the intentions of this resolution.

Moved by Director _____, and seconded by Director _____, and
adopted December 19, 2023, by the following vote:

FOR:

AGAINST:

ABSTAIN:

ABSENT: