


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

DATE	December 17, 2024
TITLE	Adoption of the 2025 Operating, Project and Program Budget & Approval of the 2025 Article XIII B California Appropriation Limit (Gann Limit)
DIVISION	Finance and Management Services
FROM	Deborah Spaulding, Assistant General Manager of Finance and Management Services
APPROVED	Sabrina Landreth, General Manager 

RECOMMENDATION

The General Manager recommends that the Board of Directors approve and adopt the 2025 Proposed Operating, Project and Program Budgets for the East Bay Regional Park District (Park District) and, by separate resolution, the Board is requested to approve the 2025 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 on December 3, 2024. Please see the detailed staff report for the December 3rd meeting and the Proposed Budget on the Park District website at www.ebparks.org. The December 17th 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 20, 2024.

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 early in 2024, 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 2025 Gann Limit and the 2025 Proposed Operating, Project and Program Budget at its November 25th meeting. The Park Advisory Committee reviewed the 2025 Proposed Operating, Project, and Program Budget at its November 25th meeting. Park District staff were invited to learn about the

budget at a presentation on December 5th.

The first public hearing for the 2025 budget was held at the December 3, 2024 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 2025 Adopted Operating Budget - Volume 1 and 2025 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 2025 Adopted Operating, Program and Project Budget:

Volume 1:

- Update Ward Map to include names of new Board members.
- Update Section A to clarify the use of funds for new data and IT initiatives.
- 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.
- Update Section C narratives, including Finance Department section to include info on Internal Audit Unit.
- Update Section D to capture personnel allocation changes and job classification title changes that were not reflected in the Proposed Budget, and to include additional information regarding the LARPD.

Volume 2:

- Update Section E five-year funding plans to clarify and improve certain project descriptions, include full expenditures, and to reflect changes through the end of 2024.

Volumes 1 and/or 2:

- Add or modify any items noted in the December 17th budget discussion.

ANALYSIS

The 2025 Operating, Program and Project Budget was developed with the expectation that property tax revenues will grow by 5.9% 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 2025 have been budgeted to increase by 2.8% in the General Fund, primarily driven by an increase in charges for safety services. Furthermore, in 2025 the Park District will again be drawing on Pension Trust funds that were set aside in prior years, providing \$3 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. The resolution further improves the execution of multi-year projects by permitting budget transfers between funds, provided the original purpose of the funding appropriation is preserved. It also delegates the authority to approve contract amendments and change orders up to 15% of the authorized contract price, as approved by the Board of Directors, and ensures the return of unspent funds to the original funding source upon project completion.

FISCAL IMPACT

This action will authorize total uses (including transfers) of \$357,924,149 to fund operating, program and project expenditures for the 2025 fiscal year. A summary of the appropriations is provided in the attached 2025 Budget At-a-Glance. The action will also authorize the carryover of 2024 encumbered funds into the 2025 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 2024 fiscal year. In prior years, the amount of carryover encumbrances has averaged less than \$3 million.

ATTACHMENTS

- A. Budget At-A-Glance
- B. Link to 2025 Proposed Operating, Project & Program Budget:
<https://www.ebparks.org/public-info/budget>



**EAST BAY REGIONAL PARK DISTRICT
RESOLUTION NO. 2024 – 12 -
DECEMBER 17, 2024**

ADOPTION OF THE 2025 OPERATING, PROJECT AND PROGRAM BUDGET

WHEREAS, the General Manager of the East Bay Regional Park District (Park District) has prepared and submitted the 2025 Proposed Operating, Project and Program Budget in accordance with the requirements of state law and the Board Operating Guidelines; and

WHEREAS, on November 25, 2024 the Board Finance Committee reviewed and commented on the 2025 Proposed Operating, Project and Program Budget and unanimously recommended its adoption by the Board of Directors; and

WHEREAS, on November 25, 2024 the Park Advisory Committee reviewed and commented on the 2025 Proposed Operating, Project and Program Budget and supported its adoption by the Board of Directors; and

WHEREAS, the Park District duly noticed and set public hearings on the 2025 Proposed Operating, Project and Program Budget on December 3, 2024 and notice of the hearing was given in the time and manner required by law; and

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

1. Approves the 2025 Proposed Operating, Project and Program Budget in substantially final form as presented to the Board of Directors on December 3 and December 17, 2024 including language consistent with comments and corrections as identified and described in this material.
2. Authorized the total appropriation of \$317,828,414 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 2025 budget in an amount not to exceed the "Reserve for Encumbrances," the amount to be established at the end of the 2024 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.
6. Authorizes the General Manager, or designee, to make budget adjustments and transfer funds

between funds to complete multi-year projects when the project's scope of work meets the initial intent of the funding appropriation and to return unspent funds to the initial funding source when a project is complete.

7. Authorizes the General Manager, or designee, to approve change orders or contract amendments for multi-year projects provided that the net aggregate of all change orders or amendments does not exceed 15% of the contract price previously authorized by the Board of Directors.

BE IT FURTHER RESOLVED, 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 17, 2024, by the following vote:

FOR:

AGAINST:

ABSTAIN:

ABSENT:



**EAST BAY REGIONAL PARK DISTRICT
RESOLUTION NO. 2024 – 12 -
DECEMBER 17, 2024**

APPROVAL OF THE 2025 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 (Park District) for the 2025 calculation was the change in the California per capita personal income; and

WHEREAS, on November 25, 2024, the Board Finance Committee reviewed the 2025 Appropriations Limit and recommended approval by the Board of Directors; and

WHEREAS, the appropriations subject to the limit and included in the 2025 Proposed Budget total \$206,835,242 which is below the calculated limit of \$547,773,159.

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 2025 appropriations limit; and

BE IT FURTHER RESOLVED, that the Park District appropriations limit for 2025 is hereby set and adopted at \$547,773,159; as presented to the Board on December 17, 2024; 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.

FOR:

AGAINST:

ABSTAIN:

ABSENT: