



EAST BAY REGIONAL PARK DISTRICT
BOARD FINANCE COMMITTEE
AGENDA STATEMENT
MEETING DATE – March 25, 2009

SUBJECT: Review of 2008 Budget to Unaudited Actuals
Report Prepared by: Pam Burnor, Budget Manager

ATTACHMENT: Review of 2008 Budget to Unaudited Actuals for the Year Ended
December 31, 2008 (Unaudited)

RECOMMENDATION: Review and discuss the preliminary financial results.

DESCRIPTION:

The attached schedules provide a financial summary of the District's financial results for the year ended December 31, 2008. These figures have not been audited and are expected to change before the books are finally closed. The purpose of this information is to provide the Board of Directors and staff with a preliminary snapshot of how the District finished the year with respect to the General Fund and other District Funds. This information will be used as a financial framework for discussions with the Board of Directors during the upcoming Board Workshops and with the Board Committee and to forecast budget revenue or expense modifications that may need to be considered at mid-year 2009 and future years. The information will allow for discussion of prudent strategic uses of available funds to support projects, initiatives, and operating costs that will not otherwise be funded by bond, grant, or bond program sources. Recommendations based on these discussions will be brought to the Finance Committee and Board as part of the 2009 mid-year and 2010 budget processes.

The attached information shows that the District finished 2008 in the black with General Fund revenues exceeding expenditures by \$9.5 million; however, 2008 transactions are still being finalized by Staff and this number may change. Attachments to this report include:

1. Preliminary 2008 General Fund Financial Results by major category, top 10 revenues, and operating expenditures (attached explanatory notes numbers 1 through 23)
2. A breakout of division budget results for expenditures (please reference notes A and B)
3. A summary of the budget to actual comparisons for all other budgeted Funds including assessment districts and zones of benefit, debt service, capital, CC funds and other non-general funds.
4. A breakout and review of the estimated General Fund balance changes and commitments.
5. A summary of the transfers out from the General Fund for 2009.

Staff will review this information with the Board Finance Committee and be available to discuss questions or comments.

Notes to General Fund 2008 Unaudited Financial Results

Note	Item	Description/Explanation
1	Revenues	Total General Fund revenues grew by 10.1% over 2007, primarily due to higher property tax revenues. These revenues are received from portions of both the 2008/09 and 2009/10 tax years.
2	Expenditures	Total General Fund expenditures increased by 7.1 % over 2007. The increase is due in part to 30 additional full time equivalent (FTE) employees added in 2008, salary and benefits cost of living increases and increases in the cost of goods and services.
3	Other Sources (Uses)	This category includes transfers to other funds, including the following: <ul style="list-style-type: none"> • \$13.4 million to Fund 333/336 for capital projects (including staff wages and benefits ADA, Maintenance, Design, Land Acquisition and other Divisions tracked in project budgets.) • \$ 1.5 million to Fund 220 for trail maintenance, (including staff wages and benefits) • \$ 1.4 million to Fund 555 for general liability funding • \$ 1.2 million to Fund 810 for bond debt service
4	Net Change in Fund Balance	This is the difference after subtracting all operating expenses and transfers from actual revenues received.
5	Reserve for Encumbrances	Reserved to pay for 2008 contracts or commitments that will be paid in 2009.
6	Fund Balance Unreserved Increase	A projection of the net increase to the District's fund balance, not reflective of the \$5.225 million to be committed under the proposed Reserve for Economic Uncertainty Policy.
7	Property Tax	Actual property tax and assessment revenues grew by 11.2% over 2007. While we have experienced consistent growth in this area over several years, our 2009 expectations are for reduced revenues.
8	Investment Interest	Interest revenue has decreased 3.6% compared to 2007 commensurate with the decline of interest rates in the second half of 2008.
9	Other Charges	The largest contributor to this category is the service agreement the District enters into each year with the Port of Oakland to provide operation, maintenance and security of Middle Harbor Shoreline. The Port of Oakland has recently informed the District that they intend to cancel this contract for economic reasons.

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Notes to General Fund 2008 Unaudited Financial Results

Note	Item	Description/Explanation
10	Parking Fees	Parking fee revenue increased 3.7% .
11	Public Safety Services	This category includes revenue collected from EBMUD (\$1,030,855) and out of county fire suppression services which increased \$460,088 compared to 2007 revenue.
12	Facility Rentals	Revenue from public rental of Brazil Room, Temescal Beach House, Fern Cottage, MLK Shoreline and the Trudeau Center.
13	Concession Fees	This category includes revenue from the concessionaire operators at District facilities, such as Tilden Golf Course, Willow Park Golf Course and the Brazil Room. Concession revenue decreased 1.9% from 2007.
14	Misc Revenue	This category includes \$250,000 in Aid from the Foundation and damage recovery claims related to the Cosco Busan oil spill which exceeded \$330,000.
15	Swimming	Revenues include money from swimming entry fees and classes increased 10% compared to 2007.
16	Camping	Revenue from camping, backpacking and wilderness permits increased 10.6% compared to 2007.
17	Wages & Benefits	This category includes regular, seasonal and temporary wages, overtime, pension and benefits. This category increased 3.4% over 2007 due to the cost of living increases that took effect in April for Local 2428, Management and Confidentials, as well as the COLA for Public Safety that took effect in October. Other increases included increased funding for benefits, OPEB and new staff approved in 2008.
18	Supplies	The supplies category includes many accounts, the largest being fuel, fish stocking, computer equipment, repair & maintenance supplies, small tools, special events, and general office supplies.
19	Services	This category increased 21.3% over 2007. Legal services (object 6111), was up by more than \$462,000 due to a drowning case and Measure WW legal issues; Professional Services (object 6191) was up \$460,000; \$390,000 of those expenses were directly related to Measure WW printing costs. County election costs, carried to 2009, appear to be approximately \$1.1 million more than the budgeted funding reserved for this purpose.

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Notes to General Fund 2008 Unaudited Financial Results

Note	Item	Description/Explanation
20	Interdepartmental Charges	This category includes the financing cost to replace major equipment, such as helicopters, fire apparatus, tractors, etc. This amount is transferred to a replacement fund and used to replace equipment when such items reach the end of their useful life. The amounts for 2008 were consistent with the prior year.
21	Grants to Local Agencies	This is an operating grant to LARPD.
22	Capital Outlay/Equipment	The amount spent on equipment fluctuates from year to year and was up 16% from 2007. The largest component of that increase was related to new and used vehicles, which increased \$434,270 compared to 2007. 2008 purchases included replacement of some "ghost fleet" vehicles related to a one-time budget request.
23	Debt Service/Leases	This category accounts for the capital lease payment for the new Eagle 7 helicopter.
A	Legislative and Executive	The Budget to Actual variance is largely due to the election expense budgeted in 2008, but remaining unpaid into 2009 to allow for review of the counties bill, which exceeded District expectations by \$1.1 million. Reconciliation and resolution of this expense in 2009 will likely result in a reversal of this variance.
B	Nondepartmental Expenses	This category accounts for some expenses that are not specific to a department or division, such as the continuing cost of funding the Transamerica Retirement plan for retired employees and the vacation pay-outs for employees who have exceeded the annual carry forward limits.

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East Bay Regional Park District
Preliminary General Fund Financial Results
For the Year Ended December 31, 2008 (unaudited)

attachment 1

Major Categories	2008	2007	2006	Notes	Pct Chg Fr Prior Year	2008 Budget	Variance	Pct
Revenues	\$ 119,981,400	\$108,936,729	\$ 97,247,736	1	10.1%	107,106,112	\$12,875,288	10.7%
Expenditures	(93,926,312)	(87,674,278)	(76,352,251)	2	7.1%	100,834,651	6,908,339	6.9%
Other Sources (Uses)	(14,539,815)	(12,545,845)	(9,758,216)	3	15.9%			
Net Change in Fund Balance	11,515,273	8,716,606	\$11,137,269	4	32.1%			
Reserve for Encumbrances	(1,922,119)	(1,262,399)	(1,907,104)	5	52.3%			
Fund Balance Unreserved Increase	\$ 9,593,155	\$ 7,454,207	\$ 9,230,165	6	28.7%			

Top 10 Revenues	2008	2007	2006	Notes		2008 Budget	Variance	Pct
Taxes & Assessments	101,224,153	91,003,802	83,736,898	7	11.2%	91,837,000.0	9,387,153	9.3%
Investment Interest	5,363,603	5,562,173	2,956,978	8	-3.6%	3,000,000.0	2,363,603	44.1%
Other Charges-(Middle Harbor)	1,969,849	1,773,153	1,401,299	9	11.1%	2,009,254.0	(39,405)	-2.0%
Parking Fees	1,936,571	1,867,778	1,776,755	10	3.7%	1,812,596.0	123,975	6.4%
Public Safety Services-(EBMUD)	1,881,244	1,345,412	1,048,296	11	39.8%	1,496,656.0	384,588	20.4%
Facility Rentals	1,018,037	994,929	933,988	12	2.3%	890,214.0	127,823	12.6%
Concession Fees	1,008,858	1,028,073	968,821	13	-1.9%	876,537.0	132,321	13.1%
Misc Revenue	770,480	618,443	745,419	14	24.6%	460,929.0	309,551	40.2%
Swimming Fees	624,778	528,294	556,966	15	18.3%	628,414.0	(3,636)	-0.6%
Camping Fees	544,751	495,277	437,709	16	10.0%	500,853.0	43,898	8.1%
Total	\$ 116,342,324	\$ 105,217,333	\$ 94,563,128		10.6%	103,512,453	12,829,871	11.0%

Operating Expenditures	2008	2007	2006	Notes		2008 Budget	Variance	Pct
Wages & Benefits	71,233,945	68,891,887	\$ 58,843,586	17	3.4%	74,096,669	2,862,724	3.9%
Supplies	7,365,563	7,286,000	6,274,508	18	1.1%	8,420,396	1,054,834	12.5%
Services	9,320,447	7,681,976	7,641,325	19	21.3%	11,688,443	2,367,996	20.3%
Interdepartmental Charges	1,268,270	1,253,082	1,042,901	20	1.2%	1,268,270	-	0.0%
Grants to Local Agencies	200,000	200,000	200,000	21	0.0%	200,000	-	0.0%
Capital Outlay/Equipment	3,744,021	3,226,846	2,849,444	22	16.0%	4,365,872	621,851	14.2%
Debt Service/Leases	794,066	-	-	23	N/A	795,000	934	0.1%
Total	\$ 93,926,312	\$ 88,539,792	\$ 76,851,763			100,834,651	6,908,339	6.9%

East Bay Regional Park District
Preliminary General Fund Financial Results
For the Year Ended December 31, 2008 (unaudited)

attachment 2

Division	Actual Expenditures	Appropriations	Variance %	Notes
Legislative & Executive	\$ 2,289,415	\$ 3,358,783	31.8%	A
Human Resources Division	1,972,484	2,064,464	4.5%	
Land Division	2,284,437	2,445,250	6.6%	
Legal Division	1,886,712	2,109,029	10.5%	
Finance & Management Services Division	6,957,698	7,572,922	8.1%	
Operations Division	45,891,894	47,918,388	4.2%	
Planning/Stewardship & Development	6,896,138	7,330,613	5.9%	
Public Affairs Division	3,044,077	3,445,614	11.7%	
Public Safety Division	20,792,481	22,507,431	7.6%	
Nondepartmental	<u>1,910,977</u>	<u>2,082,158</u>	8.2%	B
Total	\$ 93,926,312	\$ 100,834,651	6.9%	

Preliminary Results (Unaudited)
All Budgeted Funds
For the Year Ended 12/31/2008

attachment 3

Fund	Description	Object Class	Actual Revenue and Expenditures	Budgeted Revenue and Appropriations	Variance
	Revenue	300	\$ 119,981,400	\$ 107,106,112	\$ (12,875,288)
	Salary & Benefits	400	71,233,945	74,096,669	2,862,724
	Supplies	500	5,993,196	6,683,089	689,893
	Services	600	12,436,514	15,169,451	2,732,937
	Fixed Assets/Capital	700	2,000,321	2,622,172	621,851
	Debt Service	800	994,066	995,000	934
	Quasi-External	900	1,268,270	1,268,270	-
101	General Fund	Total	93,926,312	100,834,651	6,908,339
	Revenue	300	3,988,264	3,996,200	7,936
	Salary & Benefits	400	4,277,708	4,578,182	300,474
	Supplies	500	411,198	438,182	26,984
	Services	600	433,177	533,651	100,474
	Fixed Assets/Capital	700	-	14,300	14,300
	Quasi-External	900	306,768	306,768	-
220	Two County Trails LLD	Total	5,428,849	5,871,082	442,232
	Revenue	300	686,234	590,600	(95,634)
	Salary & Benefits	400	329,287	454,137	124,850
	Supplies	500	15,751	45,491	29,740
	Services	600	68,420	118,822	50,402
	Fixed Assets/Capital	700	35,712	35,712	-
	Quasi-External	900	125,147	125,147	-
221	ECCC LLD	Total	574,318	779,310	204,991
	Revenue	300	\$ 41,478	\$ 39,400	\$ (2,078)
	Salary & Benefits	400	35,903	22,987	(12,916)
	Supplies	500	2,960	9,897	6,937
	Services	600	348	11,166	10,818
	Quasi-External	900	3	3	-

Preliminary Results (Unaudited)
All Budgeted Funds
For the Year Ended 12/31/2008

attachment 3

Fund	Description	Object Class	Actual Revenue and Expenditures	Budgeted Revenue and Appropriations	Variance
222	Five Canyons Zone of Benefit	Total	39,214	44,053	4,839
	Revenue	300	16,133	14,000	(2,133)
	Salary & Benefits	400	21,016	22,756	1,740
	Supplies	500	830	2,000	1,170
	Services	600	-	-	-
	Fixed Assets/Capital	700	-	2,000	2,000
223	Dublin Hills Zone of Benefit	Total	21,846	26,756	4,910
	Revenue	300	89,770	80,800	(8,970)
	Supplies	500	-	4,300	4,300
	Fixed Assets/Capital	700	-	73,600	73,600
224	Walpert Ridge Zone of Benefit	Total	-	77,900	77,900
	Revenue	300	5,752	4,400	(1,352)
	Salary & Benefits	400	11,930	11,794	(136)
	Supplies	500	155	632	477
	Fixed Assets/Capital	700	-	-	-
225	San Ramon Hills Zone of Benefit	Total	12,086	12,426	340
	Revenue	300	\$ 3,176,218	\$ 3,107,416	\$ (68,802)
	Salary & Benefits	400	524,210	744,045	219,835
	Supplies	500	22,424	62,118	39,694
	Services	600	69,753	156,239	86,486
	Fixed Assets/Capital	700	17,231	100,000	82,769
	Debt Service	800	100,000	100,000	-
226	P.S & Envr Maintenance, Zone 1 (Measure CC)	Total	733,617	1,162,402	428,785
	Revenue	300	5,772	5,100	(672)

Preliminary Results (Unaudited)
All Budgeted Funds
For the Year Ended 12/31/2008

attachment 3

Fund	Description	Object Class	Actual Revenue and Expenditures	Budgeted Revenue and Appropriations	Variance
	Salary & Benefits	400	279	4,500	4,221
	Supplies	500	387	600	213
227	Stone Valley Zone of Benefit	Total	666	5,100	4,434
	Revenue	300	20,691	19,500	(1,191)
	Salary & Benefits	400	-	9,500	9,500
	Supplies	500	-	600	600
	Services	600	-	-	-
	Fixed Assets/Capital	700	-	9,400	9,400
228	Sibley Volcanic Zone of Benefit		-	19,500	19,500
	Revenue	300	194,222	64,000	(130,222)
	Salary & Benefits	400	15,358	21,570	6,212
	Supplies	500	38,302	56,462	18,160
253	Gifts	Total	53,660	78,032	24,372
	Revenue	\$ 300	\$ 17,153	\$ 10,000	\$ (7,153)
	Expense	All	-	-	-
254	Ardenwood/Coyote Hills Trail	Total	-	-	-
	Revenue	300	9,169	8,500	(669)
	Supplies	500	-	8,500	8,500
	Debt Service	800	10,000	10,000	-
255	Martin Luther King, Jr. Intern Program	Total	10,000	18,500	8,500
	Revenue	300	434,511	2,575,000	2,140,489
	Salary & Benefits	400	49,038	47,202	(1,836)
	Supplies	500	239	5,500	5,261
	Services	600	5,448	25,500	20,053

Preliminary Results (Unaudited)
All Budgeted Funds
For the Year Ended 12/31/2008

attachment 3

Fund	Description	Object Class	Actual Revenue and Expenditures	Budgeted Revenue and Appropriations	Variance
257	Mitigation	Total	54,724	78,202	23,478
	Revenue	300	11,400,007	4,499,704	(6,900,302)
	Salary & Benefits	400	1,552,727	1,976,258	423,531
	Supplies	500	-	-	-
	Services	600	-	-	-
	Fixed Assets/Capital	700	18,171,549	28,271,959	10,100,409
	Quasi-External	900	28,471	28,471	-
333	Capital Projects	Total	19,752,747	30,276,687	10,523,940
	Revenue	\$ 300	\$ 2,427,235	\$ 1,249,950	\$ (1,177,285)
	Salary & Benefits	400	705,086	489,027	(216,059)
	Supplies	500	292,815	71,667	(221,148)
	Services	600	3,297,232	5,013,476	1,716,245
	Fixed Assets/Capital	700	95,240	207,816	112,576
	Quasi-External	900	15,041	15,041	-
336	OTA Projects	Total	4,405,413	5,797,027	1,391,614
	Revenue	300	194,308	158,880	(35,428)
	Salary & Benefits	400	32,316	30,566	(1,750)
	Supplies	500	-	1,398	1,398
	Services	600	2,930	19,319	16,389
402	Eastshore Endowment	Total	35,246	51,283	16,037
	Revenue	300	2,695,055	2,764,983	69,928
	Salary & Benefits	400	240,948	305,932	64,984
	Services	600	2,133,224	2,459,051	325,827
552	Workers Compensation Plan	Total	2,374,172	2,764,983	390,811
	Revenue	300	1,743,700	1,743,700	-

Preliminary Results (Unaudited)
 All Budgeted Funds
 For the Year Ended 12/31/2008

attachment 3

Fund	Description	Object Class	Actual Revenue and Expenditures	Budgeted Revenue and Appropriations	Variance
554	Fixed Assets/Capital	700	396,580	599,033	202,453
	Major Equipment Replacement	Total	396,580	599,033	202,453
	Revenue	300	(240,886)	-	240,886
555	Services	600	846,859	1,455,789	608,930
	General Liability	Total	846,859	1,455,789	608,930
	Revenue	\$ 300	\$ 57,197	\$ 50,000	\$ (7,197)
	Services	600	1,250	15,000	13,750
810	Debt Service	800	1,199,138	1,199,200	63
	2002 Refunding Bonds	Total	1,200,388	1,214,200	13,813
	Revenue	300	110,571,199	22,887,000	(87,684,199)
	Services	600	2,475	75,000	72,525
812	Debt Service	800	105,767,780	25,414,000	(80,353,780)
	Measure AA Debt Service	Total	105,770,255	25,489,000	(80,281,255)

EAST BAY REGIONAL PARK DISTRICT
 ESTIMATED GENERAL FUND FUND BALANCE
 12/31/2008

attachment 4

12/31/07 fund balance	66,153,542
2008 revenue exceeding expenditures	11,515,273
Reserved:	
encumbrance	1,922,119
inventory/prepaid expenses	<u>437,317</u>
Unreserved	75,309,379
Designated:	
disaster recovery	1,410,177
EBMUD vehicle	151,776
election costs	865,327
economic uncertainty	3,875,000
2009 adjustments:	
economic uncertainty**	5,880,000
election costs***	<u>1,100,000</u>
unreserved/undesignated	62,027,099
less: December, 2008 prop tax*	<u>(45,420,755)</u>
remaining	<u>16,606,344</u>

*December property tax revenue funds operating expenses for the first six months of the following year.

**Board of Director amended Policy for Designated for Economic Uncertainty December, 2008. Resolution is pending final approval. Minimum GFOA recommendation for this type of designation is 1-2 months of expenditures or 5-15% of total revenue. To comply with the upper level of this minimum recommendation, the designation for economic uncertainty would need to be increased by an additional \$9,000,000.

***November, 2008 election costs, as billed by the Counties exceed designated fund balance by \$1,100,000.

EAST BAY REGIONAL PARK DISTRICT
 BUDGETED GENERAL FUND TRANSFERS OUT
 2009

attachment 5

debt service	1,198,750	
LLD funds	2,292,244	includes wages
Insurance premium and claims	1,236,697	
capital projects		
Tilden sewer/phones	450,000	
public safety communications	350,000	
computers	175,000	
service yard improvements	100,000	
Miller-Knox Ferry Point lighting	70,000	
	<hr/>	
	1,145,000	
OTA projects		
design project	2,703,132	includes wages
paved roads and trails	500,000	
park access	500,000	includes wages
quagga mussel	423,271	includes wages
fuel management	100,000	includes wages
misc	543,750	
	<hr/>	
	4,770,153	
total transfers out	<hr/>	
	10,642,844	