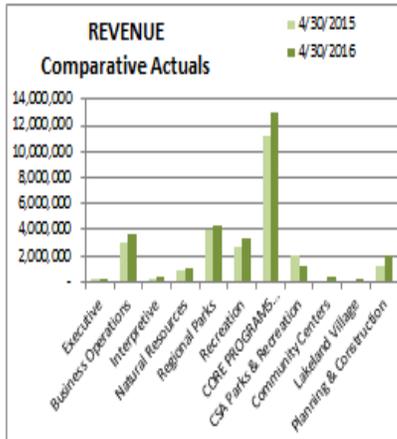




## FINANCIAL RESULTS ~ APRIL 2016

This report discusses revenue and expenditure performance as compared to budget as of April 30, 2016. As of this date, 75% of the fiscal year is considered elapsed. Any expenditures over the 75% target or revenues under it are discussed in further detail below.



### REVENUE

Overall, revenue for the District ended at **64%** of budget, and \$2.5M higher than the same time last year. The largest source of this increase is \$850K from Planning & Construction.

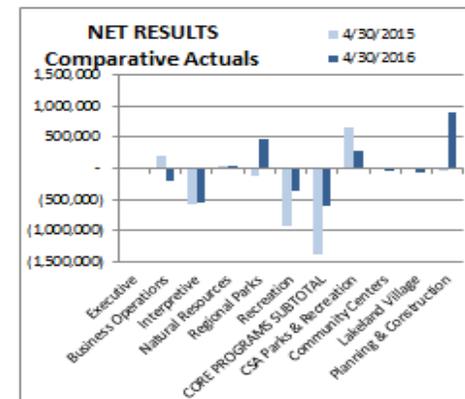
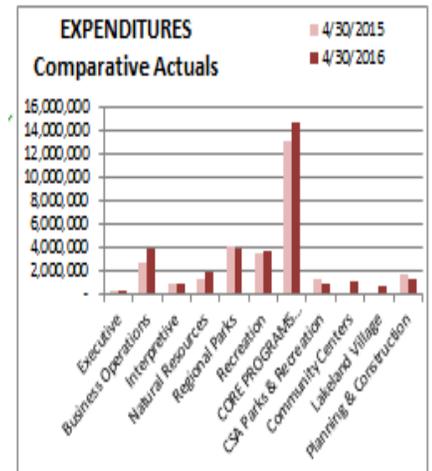
Other Programs enjoying revenue increases over prior year are Business Operations with administrative overhead from MWD and RCA contractual billing of \$394K, \$392K for Regional Parks as a result of recent fee increases, and \$165K for Natural Resources from City of Riverside for Hidden Valley Wetlands Enhancement Project.

While revenues are higher than this time last year, they haven't fully reached the projected amount for this fiscal year. It is expected that the remaining projected revenue will be posted during June for all Programs.

### EXPENDITURES

Overall expenditures for the District ended at **68%** of budget. All Programs except Business Operations and Lakeland Village have spent less than the expected amount of their expenditure budget as of this point in the fiscal year, but more when compared to this time last year. Regional Parks and Planning are the only ones that have spent less than expected and also less than last year.

Business Operations expenditures are \$1.1M higher due to higher costs for personnel, pension liabilities, insurance, and general operating costs.



### NET RESULT

Overall net result for the District ended with a **\$497,165** gain, which is **\$245,923** better than when compared to the net gain of **\$226,215** from this time last year.



## PROGRAMS

### *Business Operations*

Overall, revenues are lower than target and expenditures are performing above target for this Program. The second installment of property revenues was not posted by April reflecting this program's revenue to be below target at 53% of their budget.

Expenditures in Human Resources salaries and benefits are high due to the \$339K payment to CalPers to cover unfunded liabilities. This was the first year of an ongoing requirement to pay down the unfunded pension liability at CalPERS, and annual payments for this purpose are expected to continue indefinitely.

Business Operations expenditures are higher due to Internal Services rate increases. The District's General and Auto liability increased by 28%/\$30K, the Property Insurance increased by 40%/\$82K, and COWCAP (county overhead) increased by 225%/\$63K due to an increase in the District's use of services last fiscal year. Information Technology expenditures rose by \$45K due to the annual subscription fee for the Point-Of-Sale System.

Compared to this same time last year, both revenues and expenditures are higher for a net difference of \$(730K). This is due to timing differences in the posting of certain property tax revenues, as well as increased costs for benefits, liability and property insurance, personnel processing, and the point-of sale system.

### *Interpretive*

Overall, revenues and expenditures are performing as expected for this Program. Idyllwild Nature Center, Jensen Ranch, and Santa Rosa Plateau revenues are much higher than anticipated, and expenditures at all sites are within expectations. Gilman Ranch, San Timoteo School House, and Hidden Valley Nature Center revenues are below target, ranging between 56%- 67% of their total budgeted revenue.

Expenditures for all of the interpretive facilities are within or below target. Salaries for all programs rose due to the union's MOU giving all employees a 3 step raise increase and 2 cost of living increases this fiscal year.

Compared to this same time last year, revenues and use of Fund Balance are \$63K higher and expenditures are \$30K higher, which is \$33K better than previous year but still an overall loss \$(551K).

### *Natural Resources*

Natural resources revenue is below target due to the delayed receipt of several expected revenues. The District is owed accrued revenues from MWD & RCA for reimbursement of costs for the MSHCP and MSR Programs. The total amount of as-yet uncollected revenue is approximately \$368K, and is expected to be collected in full by the end of the fiscal year.

Expenditures for Arundo Removal are higher than this time last year due to the new tractor purchase for \$103K. Beginning this year, Business Operations started to be reimbursed the Administrative Overhead expense for the MSR and MSHCP contracts, this is reflected in the Contribution and Transfers for the two programs for a total of \$394K. All other areas are as expected and within budget targets.



When compared to prior year, payroll expenses are higher due to changes within the union's MOU that gave employees larger annual step advances, cost of living increases, and flex benefit credits.

### *Regional Parks*

Overall, revenues and expenditures are performing as expected for this Program. Idyllwild Park, Lake Cahuilla, Mayflower, and Rancho Jurupa Park revenues are all much higher than anticipated.

Expenditures for all of the programs are on target, except for the Gopher Hole and Idyllwild Park which are above target at 85% and 86%. Compared to prior year, overall expenditures are lower by \$(291K), with the majority of the decrease occurring in the Supplies & Services appropriation and Capital Assets.

Idyllwild Park purchased a tractor for \$48K which increased their expenditures. Utility costs for sewer, trash, water, and electric have stayed consistent for all locations except Lake Skinner, where utility costs have dropped drastically compared to prior year. Skinner's water cost is down significantly by \$(54K), electric is down by \$(17K), and trash is down by \$(7K).

Compared to prior year, revenue is slightly higher and expenditures are lower causing an ending gain of \$478K, which is \$607K better than this time last year.

### *Recreation*

The Recreation Program is performing as expected for this point in the fiscal year, having earned 68% of revenue and incurred 68% of expenditures. Due to the very seasonal nature of the largest activities in this program - the waterparks - a greater percentage of revenue and expenditures is incurred during the first and last quarters of the fiscal year. The salaries and benefits appropriation increased an average of 9%/\$120K for all areas over prior year.

Recreation Activities and Weddings have each earned 100% of their expected revenue already, and Jurupa Sports Complex earned 93%. Perris Aquatic Center earned 87%, Jurupa Aquatic Center earned 64%. All expenditures are in line with Program revenues.

As of this point in the fiscal year, net operating losses before administrative overhead costs for the waterparks are \$(266K) for Jurupa Aquatic Center and \$(447K) for Perris Aquatic Center.

Compared to prior year, the Recreation Program as a whole expended an additional \$116K this year and earned \$660K more. The ending net loss of \$(371K) is \$543K better than this time last year.

### *Community Parks & Centers*

Revenue and expenditures for this Program are as anticipated for this point in the fiscal year. Revenue is lower than this time last year due to the utilization of available fund balance to support current year expenditures. Last year EDA overpaid the District by \$477K resulting in this amount being deducted from our reimbursement for services this fiscal year. Mead Valley Community Center's revenue is up this year due to the facility being fully operational the entire year and being able to collect rents for their space.



## REGIONAL PARK AND OPEN-SPACE DISTRICT

### FY15-16 Budget

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According to budget projections, Mead Valley Community Center, Moses-Shaffer Community Center, and Eddie Dee Smith Community Center's expenditures are on target for this time of year. James Venable Community Center, Norton Younglove Community Center, and Good Hope Community Center have spent 84%, 87%, and 96% of their projected expenditures for the year. The Program's expenditures as a whole are on target for this time of year according to the projected budget, and staff should continue to closely monitor expenditures to ensure they are in line with budget projections through the end of the fiscal year.

#### *Lakeland Village*

This Program's expenditures are elevated at 79% for this time of year. This is due to the urgency in finishing the Lakeland Village Community Center rehabilitation projects on schedule for the Center's grand opening. Beginning this fiscal year this Program had a total of \$801K fund balance. This Program projected to use \$562K of that fund balance during this fiscal year, and so far they have used \$418K, leaving \$144K available.