

STAFF REPORT



Meeting Date: February 17, 2021
To: Board of Directors
From: Michael J. Aho, District Administrator
Subject: Reinstatement of 2% of Salaries for Affected Employees from the Fiscal Year 2020-2021 Final Budget
Prepared By: Jennifer Larkin, Administrative Services Manager

I. Recommendation

Approve the recommendation of the Management and Personnel Committee and the Finance and Budget Committee and reinstate two percent of the 4 percent salary reduction taken by full-time employees as part of the Fiscal Year (FY) 2020-2021 Budget adoption and approve the attached revised salary schedule (Attachment A).

II. Background

The budget process for FY 2020-2021 was challenging due to the negative effect of the pandemic on District programs, and hence revenues, as well as the uncertainty of when that revenue might return. Staff recommended, and the Board approved, a four percent temporary salary reduction for full-time employees with the caveat that at mid-year the reduction would be reviewed and, if possible, some or all the money would be restored.

Staff met with the Personnel and Management Committee on Monday, February 1, 2021 to propose adding back two percent of the four percent for the remainder of FY 20-21 and potentially adding back the rest for next fiscal year. Representatives from the Employees Association were in attendance as well. The Committee approved Staff's recommendation. Staff met with the Finance and Budget Committee on Thursday, February 11, 2021 to review the proposal and received their recommendation as well.

III. Problem /Situation/ Request

In assessing the District's overall financial health at mid-year, several factors are typically examined:

1. Are revenues in line with what was forecast, and is the comparison of year-over-year by percentages reasonable;

2. Are overall expenditures where they are expected to be for this point in time and can any variances be explained satisfactorily;
3. Have we identified potential savings or are we preparing for unexpected costs, and if the latter, have funds been identified to cover those costs.

This year has been particularly challenging, both to forecast (due to program and facility shut downs with reopening being a moving target) and to assess at mid-year. However, in reviewing the mid-year revenues, the District is on track with its tax revenues with a collection of 57% of tax revenue in the first half of the year, similar to the prior 5 fiscal years by comparison. Recreation Revenue (30% collected) and Facility Rental Revenue (14% collected) are lower than average, but were forecast at much lower than usual levels and will be off-set by a steep reduction in expenses. With the warmer weather and vaccines beginning to roll out, there is a good chance that programs and outdoor rentals will pick up significantly in the spring and early summer and revenue goals will be at or close to budgeted amounts.

Expenditures are 53% expended through period 7, which is 58% of the year; there are significant savings anticipated in expenses related to programs, and in operational costs such as office supplies and employee mileage reimbursements.

Salaries and benefits are estimated to be close to budgeted amounts, with full-time salaries increasing slightly above what was budgeted due to some reallocation of staff (PT Rec staff person to fill a FT position for technology needs of the District). However, PT costs and benefit costs will be slightly less than anticipated due to some demographic changes in staff, so the likely result will be no net loss or gain.

IV. Financial Analysis

A 4 percent increase to FT salaries would result in an increase of approximately \$20,000 to overall salaries and benefits while a 2 percent increase would cost the District an extra \$10,000 above what was budgeted. Staff is recommending adding 2 percent of salaries back as of the next pay period through the end of the fiscal year; there are enough identified savings in all categories that this amount should not endanger a balanced end of year budget but will move towards making employees whole. The remaining 2 percent will potentially be added back in the FY 2021-2022 budget process should revenues and expenditures remain in their current trajectory.

Respectfully Submitted,

Michael J. Aho
District Administrator

Attachment A: Revised Salary Schedule

Attachment A

Fair Oaks Recreation and Park District
Salary Schedule
Revised - Effective February 16, 2021

POSITION	TIME BASE	STEP											OTHER (negotiated)	Longevity Service						
		STEP 1 (4% Reduced Rate) 1	STEP 1 2% Reduced Rate	STEP 2	STEP 2 Revised	STEP 3	STEP 3 Revised	STEP 4	STEP 4 Revised	STEP 5	STEP 5 Revised	STEP 6		STEP 6 Revised	10 Yrs. A	10 Yrs. A Revised	15 Yrs. B	15 Yrs. B Revised	20 Yrs. C	20 Yrs. C Revised
District Administrator	Salary (monthly)													\$10,341.47						
Accountant	Hourly	\$ 3,885.44	\$ 3,966.39	\$ 4,079.71	\$ 4,164.71	\$ 4,283.70	\$ 4,372.95	\$ 4,497.88	\$ 4,591.60	\$ 4,722.78	\$ 4,821.18	\$ 4,958.92	\$ 5,062.24	\$	5,206.86	\$ 5,315.35	\$ 5,467.20	\$ 5,581.12	\$ 5,740.56	\$ 5,860.18
Administrative Services Manager	Salary (monthly)	\$ 5,353.39	\$ 5,464.92	\$ 5,621.06	\$ 5,738.17	\$ 5,902.11	\$ 6,025.08	\$ 6,197.22	\$ 6,326.33	\$ 6,507.08	\$ 6,642.65	\$ 6,832.44	\$ 6,974.78	\$	7,174.06	\$ 7,323.52	\$ 7,532.76	\$ 7,689.70	\$ 7,909.40	\$ 8,074.19
Administrative Assistant II	Hourly	\$ 17.44	\$ 17.81	\$ 18.32	\$ 18.70	\$ 19.23	\$ 19.64	\$ 20.19	\$ 20.62	\$ 21.20	\$ 21.65	\$ 22.26	\$ 22.73	\$	23.38	\$ 23.87	\$ 24.54	\$ 25.06	\$ 25.77	\$ 26.31
Administrative Assistant I - Reg PT	Hourly	\$ 14.43	\$ 14.73	\$ 15.15	\$ 15.47	\$ 15.91	\$ 16.24	\$ 16.70	\$ 17.05	\$ 17.54	\$ 17.90	\$ 18.42	\$ 18.80							
Recreation Superintendent	Salary (monthly)	\$ 5,889.56	\$ 6,012.28	\$ 6,184.04	\$ 6,312.89	\$ 6,493.24	\$ 6,628.53	\$ 6,817.90	\$ 6,959.96	\$ 7,158.80	\$ 7,307.96	\$ 7,516.74	\$ 7,673.36	\$	7,892.58	\$ 8,057.03	\$ 8,287.20	\$ 8,459.88	\$ 8,701.56	\$ 8,882.87
Recreation Supervisor	Hourly	\$ 4,246.53	\$ 4,335.00	\$ 4,458.85	\$ 4,551.75	\$ 4,681.80	\$ 4,779.34	\$ 4,915.89	\$ 5,018.31	\$ 5,161.68	\$ 5,269.23	\$ 5,419.77	\$ 5,532.69	\$	5,690.75	\$ 5,809.32	\$ 5,975.29	\$ 6,099.79	\$ 6,274.06	\$ 6,404.78
Preschool Teacher	Hourly	\$ 17.34	\$ 17.70	\$ 18.20	\$ 18.59	\$ 19.11	\$ 19.52	\$ 20.07	\$ 20.50	\$ 21.07	\$ 21.53	\$ 22.13	\$ 22.61	\$	23.23	\$ 23.74	\$ 24.40	\$ 24.93	\$ 25.62	\$ 26.18
Preschool TA - Recreation Leader II Reg PT	Hourly	\$ 14.18	\$ 14.89	\$ 15.63	\$ 16.42	\$ 17.24	\$ 18.10	\$ 19.02	\$ 19.98	\$ 20.97	\$ 21.99	\$ 23.04	\$ 24.12							
Senior Recreation Leader - Reg PT	Hourly	\$ 15.87	\$ 16.66	\$ 17.50	\$ 18.37	\$ 19.29	\$ 20.25	\$ 21.24	\$ 22.26	\$ 23.31	\$ 24.39	\$ 25.50	\$ 26.64							
Parks & Facilities Superintendent	Salary (monthly)	\$ 5,889.56	\$ 6,012.28	\$ 6,184.04	\$ 6,312.89	\$ 6,493.24	\$ 6,628.53	\$ 6,817.90	\$ 6,959.96	\$ 7,158.80	\$ 7,307.96	\$ 7,516.74	\$ 7,673.36	\$	7,892.58	\$ 8,057.03	\$ 8,287.20	\$ 8,459.88	\$ 8,701.56	\$ 8,882.87
Park & Facilities Manager	Salary (monthly)	\$ 5,353.39	\$ 5,464.92	\$ 5,621.06	\$ 5,738.17	\$ 5,902.11	\$ 6,025.08	\$ 6,197.22	\$ 6,326.33	\$ 6,507.08	\$ 6,642.65	\$ 6,832.44	\$ 6,974.78	\$	7,174.06	\$ 7,323.52	\$ 7,532.76	\$ 7,689.69	\$ 7,909.40	\$ 8,074.17
Park Supervisor	Hourly	\$ 24.30	\$ 25.51	\$ 26.79	\$ 28.13	\$ 29.53	\$ 30.15	\$ 31.01	\$ 31.66	\$ 32.56	\$ 33.24	\$ 34.19	\$ 34.91	\$	35.90	\$ 36.66	\$ 37.47	\$ 38.33	\$ 39.20	\$ 40.07
Lead Park Maintenance Worker	Hourly	\$ 21.54	\$ 21.99	\$ 22.62	\$ 23.09	\$ 23.75	\$ 24.24	\$ 24.94	\$ 25.45	\$ 26.18	\$ 26.72	\$ 27.49	\$ 28.06	\$	28.87	\$ 29.46	\$ 30.31	\$ 30.94	\$ 31.83	\$ 32.49
Park Maintenance Worker	Hourly	\$ 20.81	\$ 20.81	\$ 21.85	\$ 21.85	\$ 22.95	\$ 22.95	\$ 24.09	\$ 24.09	\$ 25.30	\$ 25.29	\$ 26.56	\$ 26.55	\$	27.89	\$ 27.88	\$ 29.29	\$ 29.27	\$ 30.75	\$ 30.73
Park Aide - Reg PT	Hourly	\$ 14.70	\$ 15.44	\$ 16.21	\$ 17.02	\$ 17.87	\$ 18.76	\$ 19.68	\$ 20.63	\$ 21.61	\$ 22.62	\$ 23.66	\$ 24.73							
Part-Time Positions		STEP 1	STEP 1A	STEP 2	STEP 2A	STEP 3	STEP 3A	STEP 4	STEP 4A	STEP 5	STEP 5A									
Park Aide I	Hourly	\$ 14.00	\$ 14.35	\$ 14.70	\$ 15.07	\$ 15.44	\$ 15.82	\$ 16.21	\$ 16.61	\$ 17.02	\$ 17.44									
Park Aide II	Hourly	\$ 14.45	\$ 14.81	\$ 15.17	\$ 15.55	\$ 15.93	\$ 16.33	\$ 16.73	\$ 17.15	\$ 17.56	\$ 18.00									
Facility Monitor	Hourly	\$ 14.00	\$ 14.35	\$ 14.70	\$ 15.07	\$ 15.44	\$ 15.82	\$ 16.21	\$ 16.61	\$ 17.02	\$ 17.44									
Sports Maintenance	Hourly	\$ 14.00	\$ 14.35	\$ 14.70	\$ 15.07	\$ 15.44	\$ 15.82	\$ 16.21	\$ 16.61	\$ 17.02	\$ 17.44									
Recreation Leader I	Hourly	\$ 14.00	\$ 14.35	\$ 14.70	\$ 15.07	\$ 15.44	\$ 15.82	\$ 16.21	\$ 16.61	\$ 17.02	\$ 17.44									
Recreation Leader II	Hourly	\$ 14.45	\$ 14.81	\$ 15.17	\$ 15.55	\$ 15.93	\$ 16.33	\$ 16.73	\$ 17.15	\$ 17.56	\$ 18.00									
Senior Recreation Leader	Hourly	\$ 15.05	\$ 15.43	\$ 15.80	\$ 16.20	\$ 16.59	\$ 17.01	\$ 17.42	\$ 17.86	\$ 18.29	\$ 18.75									

*District is on a semi-monthly pay schedule