




# Conejo Recreation & Park District

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**GENERAL MANAGER**  
Jim Friedl

**BOARD OF DIRECTORS**  
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**DATE:** May 7, 2026  
**TO:** Board of Directors  
**FROM:** Jim Friedl, General Manager   
**SUBJECT:** **Proposed Adjustments to the Fiscal Year (FY) 2026-27 Preliminary Operating Budget**

## RECOMMENDATION

Consider and provide input on proposed adjustments to the FY 2026-27 Preliminary Operating Budget.

## BACKGROUND AND DISCUSSION

The Conejo Recreation and Park District adopts biennial (two-year) budgets. The FY 2025-26 and FY 2026-27 Operating and Capital Budgets were adopted by the Board of Directors in June 2025. As the District enters the second year of that two-year budget cycle, State law (Public Resources Code Section 5788) nonetheless requires the Board to adopt a preliminary operating budget annually to initiate the public hearing process.

The preliminary budget is identical to the FY 2026-27 budget adopted in June 2025, and was approved at the March 19, 2026 Board meeting. This served as the formal starting point for public hearings and subsequent budget adjustments leading to final adoption in June 2026.

### *Public Hearing Process*

Consistent with Government Code requirements, the Board will conduct a series of public hearings on the proposed FY 2026-27 budget at each regular Board meeting between now and final adoption. Interested parties may appear at any hearing to be heard regarding any item in the budget. Final adoption is scheduled for the June 18, 2026 Board meeting.

## ADMINISTRATIVE OFFICES

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*FY 2026-27 Budget Hearing Schedule*

<b>Meeting Date</b>	<b>Budget Action / Content</b>
<b>March 19, 2026</b>	Budget Kickoff — Adoption of Preliminary Operating and Capital Budgets (Identical to budgets adopted June 2025) Public hearing
<b>April 2, 2026</b>	Public hearing only
<b>April 16, 2026</b>	Public hearing only
<b>May 7, 2026</b>	Public hearing — Proposed Operating Budget Includes recommended adjustments related to Fireworks Hill (401/403 Hillcrest) property operations
<b>May 21, 2026</b>	Public hearing — Proposed Capital Improvements Projects (CIP) Budget Includes new projects related to Fireworks Hill (401/403 Hillcrest) property
<b>June 4, 2026</b>	Public hearing — Proposed Operating & Capital Budgets Final opportunity for Board comments and direction before final adoption
<b>June 18, 2026</b>	Public hearing — Final Adoption of FY 2026-27 Operating & Capital Budgets

*Budget Environment*

The District's total proposed operating budget for FY 2026-27 is \$41,326,637, an increase of \$1,448,677 from the preliminary budget. The proposed budget reflects two new full-time positions, first-year operating costs associated with the District's acquisition of the Fireworks Hill property (401/403 W. Hillcrest Drive), and McCrea Ranch capital projects.

**NEW POSITIONS**

*Senior Recreation Specialist (Inclusion)*

The proposed budget includes the addition of one full-time Senior Recreation Specialist assigned to the inclusion work center. The need for this classification was identified in the Classification and Compensation Study completed by the District in April 2024. Demand for the District's therapeutic and inclusion programs has grown significantly since that time, and the District has seen a corresponding increase in support from the Tri-County Regional Center. This position will allow the District to expand program capacity and provide consistent support across the District's programming. This position is funded entirely through the General Fund.

### *Facility Maintenance Technician*

The proposed budget also includes one full-time Facility Maintenance Technician to support the increasing operational needs of the District, especially the Fireworks Hill/Hillcrest property. This position is funded 85% through the General Fund with the remaining 15% distributed across the District's assessment district funds.

## GENERAL FUND

The General Fund is the primary operating fund of the District. The proposed General Fund budget totals \$36,224,019, an increase of \$1,098,677 from the preliminary budget of \$35,125,342.

### *Revenue*

The proposed General Fund budget includes a \$30,000 increase in Therapeutic Program revenue reflecting continued and growing enrollment in therapeutic and inclusion-related programs.

The remaining revenue increase of \$1,068,677 reflects a portion of the repayment of an interfund loan to the General Fund. Background on this item is provided below.

### *Interfund Loan Repayment (Paige Lane Park)*

Several years ago, the General Fund loaned funds to the Capital Projects Fund to finance the construction of Paige Lane Park, a neighborhood park developed within a planned residential area of the District. The terms of that loan required that when development fees were collected within that same planning area, fifty percent of those fees would be remitted to the General Fund until the outstanding loan balance was fully repaid.

Development fees have now been collected. \$1,480,980 is expected to be received by the General Fund before July 1, 2026, representing the majority repayment of that interfund loan. These are one-time funds, and they are being designated in the proposed budget to cover the first year of net operating costs associated with the District's acquisition of the Fireworks Hill property, as described further below.

The District is in the second year of a biennial budget cycle. Rather than undertake a comprehensive mid-cycle amendment across all funds and work centers, staff is proposing to utilize this one-time repayment to fund the first year of Fireworks Hill operating costs. This approach also preserves the value of operating the site for a full fiscal year before locking those costs into the next two-year budget cycle, which will allow for more accurate and experience-based projections beginning in FY 2027-28.

## *Expenditures*

### *Management Services (Increase of \$513,900)*

The proposed budget includes an increase of \$80,000 in Risk Management to reflect the cost of property and liability insurance coverage for the Fireworks Hill/Hillcrest buildings. This is based on a quote from the California Public Risk Authority (CAPRI), the District's insurance pool.

The remaining \$433,900 of the Management Services increase reflects the projected operational expenses for the 401 and 403 Hillcrest Drive buildings, which the District is assuming responsibility for beginning July 1, 2026. These costs were estimated using actual expense data from the City of Thousand Oaks when the buildings were last fully occupied, with annual cost escalators applied to bring those figures forward to current conditions. While this methodology provides a reasonable basis for budgeting, the figures remain estimates. This is one of the key reasons staff is proposing to use one-time funds for the first year of operations rather than embedding these costs into the biennial budget at this stage. Operating the site for a full fiscal year will give the District actual cost data to inform more precise budgeting in the FY 2027-29 cycle. The existing \$62,000 City of Thousand Oaks payment already reflected in the General Fund budget partially offsets these costs; the increase shown here represents the net new cost to the District.

### *Parks and Planning (Increase of \$277,139)*

Building Maintenance reflects an increase of \$257,139, driven in part by the addition of the new Facility Maintenance Technician position (General Fund share) and increased maintenance service needs. Grounds Maintenance reflects an increase of \$20,000.

### *Recreation (Increase of \$159,694)*

The Community Engagement work center reflects an increase of \$54,796 for additional part-time support for the marketing team.

The Inclusion work center reflects the addition of the new full-time Senior Recreation Specialist position. With dedicated inclusion staffing in place, portions of staff previously assigned to the Inclusion work center have been shifted to the Therapeutic Program work center, where that capacity will allow for greater focus on therapeutic programming. As a result, the Therapeutic Program work center reflects an increase consistent with both that staffing shift and the corresponding revenue increase noted above.

### *Transfers*

The proposed budget reflects an increase in transfers out from the General Fund to the Districtwide Assessment Fund for capital improvement at McCrea Ranch.

## DISTRICTWIDE ASSESSMENT FUND

The Districtwide Assessment Fund proposed budget reflects an increase of \$150,000 in capital improvements from the preliminary budget, funded by transfers from the General Fund. This increase reflects \$150,000 for improvements at McCrea Ranch, as approved by the Board at its prior meeting.

The May 21st hearing will include a full review of the capital budget and capital improvement program.

## OTHER FUNDS

The Dos Vientos Assessment Fund, Rancho Conejo Assessment Fund, Equipment Replacement Fund, and Capital Projects Fund reflect no material changes from the preliminary budget at this stage.

## CAPITAL ASSET IMPROVEMENT AND PROPERTY ACQUISITION RESERVE

The proposed budget reflects a \$350,000 expenditure from the Capital Asset Improvement and Property Acquisition Reserve for the first interest payment on the debt issued to finance the acquisition of the Fireworks Hill/ 401 and 403 Hillcrest property. Use of this reserve for this purpose is consistent with its intended purpose of supporting major property acquisitions and related financing costs. As with the operating cost estimate, the District anticipates having more complete financing and carrying cost information to incorporate into the FY 2027-29 budget cycle.

## STRATEGIC PLAN COMPLIANCE

Meets Strategic Plan Vision Statement: In order to continue to serve our community and be recognized as a top recreation and park district in the nation, we must be financially stable.

Submitted by,



Melissa Smith, Director of Management Services

Attachments:

- Proposed Operating Budget FY 26/27