

Carmichael

RECREATION AND
PARK DISTRICT

Memo

To: Advisory Board Directors

From: Mike Blondino, District Administrator
Ingrid Penney, Administrative Services Manager

Date: January 18, 2024

Subject: Reorganization of Administrative Division

Background:

The need for this reorganization stems from our commitment to enhance efficiencies within the duties of the Administrative Division. Recognizing the evolving demands of our organization, we have undertaken an analysis of our administrative functions to better align with industry best practices and to ensure the district's future success.

Discussion:

The following is a breakdown of the Administrative Division reorganization.

The Finance Section Manager position will be introduced to oversee financial operations, including budgeting, financial reporting/audits, fund management, bond oversight, and grant management. This new position will also handle contract prep and management which includes leases, use agreements, construction, consultants and other service agreements. This change aims to strengthen financial management and strategic planning within the administrative area.

The Human Resources Section Manager position will be created to manage human resources functions, including recruitment, employee relations, payroll and benefits administration. This new position will serve as the Insurance Coordinator, Safety Officer, and take over the Advisory Board clerk duties. One key component of the position will also oversee IT duties that include managing BambooHR. This addition will provide dedicated expertise in HR management to support our staff and ensure compliance with policies and enhance their training opportunities.

The current bookkeeper position will transition to becoming the Finance Technician. This individual will continue to manage financial transactions, accounts, and assist in

financial reporting and records management. This includes assisting in the annual year end closing and audit.

The Payroll/Account Clerk role will evolve into the Human Resources Technician, focusing on human resources tasks such as payroll processing, benefits administration, and employee records management. This position will also order supplies for the district office and do bank deposits and assist with the Advisory Board packet and monthly board meetings.

The current Administrative Services Manager position will be eliminated to streamline our administrative structure. As you can see from the above new positions, the responsibilities will be redistributed to ensure a smooth transition and continuity of operations.

The reorganization seeks to create a more specialized and effective administrative structure. The addition of the Finance Section Manager and Human Resources Section Manager positions aims to improve financial and human resources management. The changes in staff roles are designed to align responsibilities with individual strengths and enhance operational efficiency. It is important that this new structure is evaluated over the first year to make sure it meets the needs of the district and if any additional part-time staff is needed in the future.

A transition plan will be implemented to ensure as seamless a transfer of duties and responsibilities as possible. The proposed changes are scheduled to take effect as follows:

2024

- January 9 Personnel Committee Meeting
- January 18 Final Admin Division re-org proposal to Advisory Board
- March 4 Recruitment begins for HR Tech
- April 2 Recruitment begins for HR Section Manager & Finance Tech
- May 28 Start date for HR Tech (1 month cross-over training)
- July 1 Start date for Finance Tech
- August 5 Start date for HR Section Manager
- Sept 1 Recruitment begins for Finance Section Manager
- Dec 1 New District Administrator starts (1 month of cross-over training)
- Dec 30 Current DA last day in office

2025

- January 6 Start date for Finance Section Manager
- Jan 6 – March 28 Finance Section Manager cross-training with ASM
- March 28 ASM last day in office

Internal communication will be conducted through staff meetings, individual discussions, and written notifications to keep all staff members informed and engaged. External communication will be managed through appropriate channels, ensuring transparency and addressing any stakeholder inquiries.

Proposed Fiscal Impact:

The comprehensive fiscal impact analysis of the proposed administrative reorganization within the Carmichael Recreation and Park District follows. Please note all costs are based on present values.

As of FY 2023-24, our total budget for the Administrative Division personnel cost is \$785,576. For FY 2024-25, that amount will increase to \$893,448 due to vacation/other leave payouts to the District Administrator and Administrative Services Manager, along with cross-over training time.

In FY 2023-24 the position of Payroll/Accounting Clerk will convert into the HR Tech once the job description is reviewed by County HR and implemented by the management staff. The staff person in that position will stay on until the end of June when they retire, which will give staff a chance to bring in a new HR Tech in late May for one-month of cross-training. While there is a cost of \$19,609 for vacation/other leave payout, this part of the plan will save the district money during the overall transition between the two fiscal years, as it delays the hiring of the budgeted 4th position in that division to FY 2024-25.

As part of the FY 2024-25 budget there will be two vacation/other leave payouts that have been factored. The District Administrator payout will be approximately \$10,972. The Administrative Services Manager position vacation/other leave payout will be approximately \$52,704 but could be lower due to likely time-off taken prior to departure. These end of employment payouts would happen at some point even without a reorganization (Compensable Time; CRPD Personnel Policy Section 5-2).

The additional cost for a three-month cross-training for the new Finance Section Manager, one-month cross-training with the new HR Tech, and a one-month cross-training for the new District Administrator will be approximately \$44,196.

To give you a clear and transparent picture, the total additional cost in the Administrative Division for FY 2024-25 with the payouts and cross-training will be \$107,872. This cost could increase by 3 to 4%, due to potential cost-of-living adjustments.

While the initial costs associated with the reorganization are substantial, the projected savings in the following fiscal years demonstrate a clear financial benefit. The net fiscal impact reflects a savings of \$35,997 when comparing the current budget of \$785,576 (FY 2023-24) to the new anticipated cost of \$749,548 (FY 2025-26), showcasing the long-term financial prudence of the proposed administrative restructuring on top of the operational improvements.

Please note that the cross-over training for the Finance Section Manager was two months in the original proposal, but the Personnel Committee asked for that to be increased to three months. If there becomes a budgetary issue, the cross-training could be reduced to two months and save approximately \$12,500.

Recommendation:

These proposed changes represent a strategic effort to optimize our Administrative Division, fostering a more efficient and specialized team. We are confident that these adjustments will positively impact our ability to deliver high-quality recreation and park services to the community, along with better serving the needs of the Advisory Board, our staff here at CRPD and requirements to the County and other governing bodies. As mentioned previously, this new structure should be evaluated over the first full year to see how it is functioning and if any additional part-time staff is needed.

Also, in the overall re-organization of the district this plan could help with finding the means to fill one of the sorely needed vacant Lead positions in the Parks Maintenance Division (facilities). These savings combined with increased property tax and recreation revenue in the FY 2024-25 and/or 2025-26 budget may provide adequate funding needed for the position.

The Personnel Committee and Staff recommend approval of the re-organization of the Administrative Division and delegate authority to the District Administrator to oversee the implementation of this plan.