

## **18.0 RANCHO RINCONADA RECREATION AND PARK DISTRICT**

Rancho Rinconada Recreation and Park District (District) is a California Special District that was organized in 1955 and reorganized in 1958 in conformity with Government Code Section 25842.5. The District provides the following services: public swimming and swim lessons, private meeting hall, craft activities, picnic rentals, movies for kids-night-out, facility and barbeque rentals, a snack bar, and a location for community-related activities. User fees are charged.

The District is located within the City of Cupertino. The District's boundaries consist of the Rinconada Housing Tract and the Barrington Bridge Housing Tract. Specifically, the District is bound on the north by Barnhart Avenue and Stevens Creek Road; and on the south by Bollinger Road. Lawrence Expressway forms the eastern boundary and Tantau and Stern Avenue form the western boundary. The District serves these two housing tracts within the City of Cupertino; however, residents from other areas can receive services by paying higher fees.

### **18.1 GOVERNANCE**

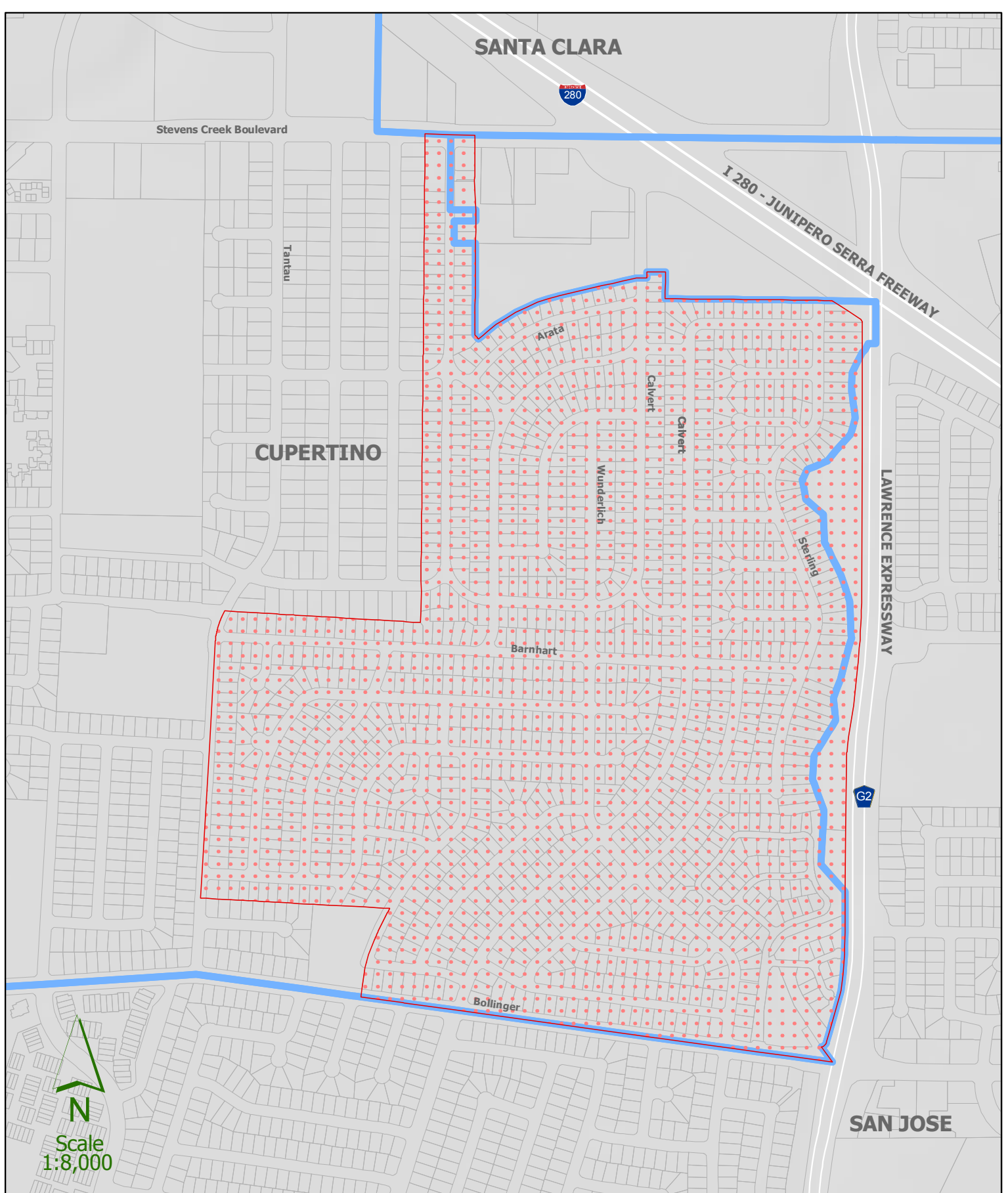
The District is governed by a five-member Board of Directors, which is either elected by District residents or appointed by the Santa Clara County Board of Supervisors in the case that no one is running for Board membership. Currently, all of the Board seats are filled and all of the Board members have been appointed by the County Board of Supervisors. The most recent appointments occurred in December of 2006, when three seats were filled by appointment because no one filed a declaration of candidacy.

The Board of Directors meets the first Tuesday of each month at 7:15 p.m. at the District facility. Meeting agendas are posted 3 weeks prior to the meeting on the District's bulletin board in its main office. In addition, the District produces a monthly flyer and calendar of events that is posted online and on the main office's bulletin board.

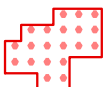
The District has no full time employees. The District currently employs approximately 35 part-time employees in the summer and 12 part-time year-round. The District Manager position is a part-time position.

### **18.2 FINANCE**

The following table presents the District's revenues and expenses for fiscal years (FY) 2004 and 2005, as shown in the District's audited financial statements. Approximately two thirds of the District's revenue is funded through property tax assessments collected by the County of Santa Clara. The remaining revenue is generated via fee for services provided. As shown, revenues have exceeded expenses for these two fiscal years.



## Rancho Rinconada Recreation and Park District



Boundary



Cities

0 0.035 0.07 0.14 Miles

**LAFCO**  
Local Agency Formation Commission of Santa Clara County

**Table 18.A: Revenues and Expenses for FY 2004 and 2005**

	2005	2004
<b>General Revenue</b>		
Property Taxes	\$199,259	\$197,053
Interest Income	\$2,879	\$1,447
Miscellaneous	\$109,700	\$98,321
Grants	\$270,000	\$0
<b>Total Revenue</b>	<b>\$581,838</b>	<b>\$296,821</b>
<b>Expenses</b>		
Payroll	\$164,973	\$146,583
Payroll Taxes	\$12,509	\$11,153
Operating Expenses	\$101,107	\$91,825
Depreciation	\$17,552	\$16,164
<b>Total Expenses</b>	<b>\$296,141</b>	<b>\$265,725</b>
Changes in net assets	\$285,697	\$31,096

Source: Rancho Rinconada Recreation and Park District Audited Financial Statements, June 30, 2005.

Total revenue in 2005 increased by \$285,017, and total expenses increased by \$32,545. These changes in revenue from 2004 were primarily caused by the replacement of a new and bigger pool in spring of 2005. The majority of the increases in revenue was due to the receipt of two grants totaling \$270,000 from the California State Parks and Recreation Department. Also, some of the increase in revenue was due to an increase in recreation program prices, as a larger pool would use more water and takes more gas to heat. Total expenses increase by \$32,545, or 12.2 percent, due to increases in total salaries paid and new pool start-up expenses.

The District reviews rates for services every year during the budgeting process. The need to increase rates is based on the previous year's expenditures and income and the next year's projected expenditures. The District will raise rates if during the budget process there appears to be a need to offset increasing operating costs. However, the District has historically chosen not to raise rates whenever possible.

The recreation programs and facilities are open to anyone, including residents outside the District boundaries. However, residents living outside of the District pay higher fees than residents within the District. The increased costs vary from \$0.50 to \$25, depending on the service or program.

### **Investments**

The District participates in the County investment pool, which is subject to State legal restrictions and additional restrictions prescribed by the County.

## **Reserves**

The District has established a reserve fund. The District's policy is to maintain a reserve level equivalent to 30 percent of the annual operating budget. The District's reserve balance as of February 2007 was \$174,194.<sup>1</sup>

## **18.3 INFRASTRUCTURE**

The District has one two-acre recreational facility located on Chelmsford Drive in the City of Cupertino. The facility contains a main office, a six-lane, 25-yard swimming pool (120,000 gallons), bathhouse (including 2 restrooms and 2 showers), snack bar, kitchen, and recreational hall.

With the recent replacement of the swimming pool in 2005, there are currently no major infrastructure deficiencies. However, the District has stated that the current anticipated needs include, but are not limited to: replacing the toddler/child playground equipment, parking lot improvements, replacement fencing and signage, and new roofing. Additionally, the District's main office was built for residential purposes; therefore, many of the electrical fixtures and plumbing requires upgrades to service a commercial-oriented property. The District makes plumbing and electrical upgrades when a specific need arises. However, there are no current plans to upgrade the overall plumbing and electrical infrastructure to commercial standards.

The District identifies cost-savings opportunities, which include grant funding and the use of volunteers. The District allows community groups such as Boy Scouts, soccer teams, and homeowners associations to meet in its recreational hall to hold meetings on an as-needed basis.

## **18.4 SERVICE REVIEW DETERMINATIONS FOR RANCHO RINCONADA RECREATION AND PARK DISTRICT**

The service review guidelines prepared by the State Office of Planning and Research recommend that issues relevant to the jurisdiction be addressed through written determinations called for in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 1985 (CKH Act). Based on the above information, following are the written determinations for the District.

### **Infrastructure Needs and Deficiencies**

1. There are currently no major infrastructure deficiencies. However, the District has stated that the current anticipated needs include, but are not limited to: replacing the toddler/child playground equipment, parking lot improvements, replacement fencing and signage, and new roofing.
2. The District's main office was built for residential purposes; therefore, many of the electrical fixtures and plumbing requires upgrades to service a commercial-oriented property. The District makes plumbing and electrical upgrades when a specific need arises. However, there are no current plans to upgrade the overall plumbing and electrical infrastructure to commercial standards.

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<sup>1</sup> Phone Interview, Levita Weaver, Office Manager, February 28, 2007.

### **Growth and Population**

1. The District encompasses specific housing developments that are fully developed. The maximum service area of the District is defined by its current boundaries. No new development in the District is anticipated.

### **Financing Constraints and Opportunities**

1. The District has had revenues exceed expenditures for the past several years and has an adequate reserve fund balance. No financing constraints have been identified.

### **Cost-Avoidance Opportunities**

1. The District identifies cost-savings opportunities, which include grant funding and the use of volunteers.

### **Opportunities for Rate Restructuring**

1. Service rates are evaluated annually along with preparation of the budget. The District raises rates as operating costs increase. However, the District has historically chosen not to raise rates whenever possible.

### **Opportunities for Shared Facilities**

1. Opportunities for shared facilities, equipment, or staff may occur if the District were consolidated with the City of Cupertino.

### **Government Structure Options**

1. The District is within the City of Cupertino, which also provides pools and recreation programs. Hence, an overlapping of service provision exists. The following two government structure options have been identified.

- A. Dissolution of the District and consolidation with the City of Cupertino Parks and Recreation Department: The services being provided by the District would be provided by the City's Parks and Recreation Department.

Advantages: The existing overlap of service provision by two different agencies would be eliminated; however, services would continue to be provided. The services currently being provided by the District would be provided by the City. Property tax funds used to fund the District could be redistributed to other agencies, including the City. The cost of operating a separate public agency to provide services would be eliminated.

Disadvantages: A specific share of the property tax funds would not be specifically allocated to the recreational facility located on Chelmsford Drive. Residents of the areas adjacent to the recreational facility may not be governing the use of the facility and the services being offered at the facility.

- B. No change to the existing government structure: The District would continue to provide one recreational facility within the City of Cupertino and receive a share of the property taxes to fund its services.

Advantages: Residents of the areas adjacent to the recreational facility would continue to govern its use and services being provided. The specific allocation of property tax funds provided to the District would ensure that the services currently being provided by the District would receive funding.

Disadvantages: The existing overlap of service provision by two different agencies would remain. Property tax funds used to fund the District would not be redistributed. The cost of operating a separate public agency to provide one recreational facility and the associated services would continue.

### **Evaluation of Management Efficiencies**

1. The overall management of service provision would appear to be more efficient if the District were consolidated with the City of Cupertino and the District were dissolved.

### **Local Accountability and Governance**

1. The District has an elected Board of Directors and notices meetings by typically posting the agenda 3 weeks prior to the meeting date.

## **18.5 SOI RECOMMENDATION FOR RANCHO RINCONADA RECREATION AND PARK DISTRICT**

### **Current SOI Boundary**

The Rancho Rinconada Recreation and Park District encompasses the Rinconada Housing Tract and the Barrington Bridge Housing that are within the City of Cupertino and within Cupertino's urban service area (USA). LAFCO adopted the existing zero SOI for the District in 1982 to recognize that the area should ultimately be served by the City of Cupertino rather than the District.

## **18.6 SOI BOUNDARY RECOMMENDATION**

As LAFCO and County policies regarding service provision have remained the same since adoption of the existing SOI, it is recommended that LAFCO reaffirm the existing zero SOI for the District.

## **18.7 SOI DETERMINATIONS FOR RANCHO RINCONADA RECREATION AND PARK DISTRICT**

As detailed in Section 1.1, Government Code Section 56425 requires written determinations with respect to the following four factors to update an agency's SOI. Based on the information above, the following determinations are provided to update the District's existing SOI.

### **1. The Present and Planned Land Uses in the Area, including Agricultural and Open-Space Lands**

Finding: The District encompasses two fully developed housing tracts. There are no agricultural or open space lands within the District's SOI. As the area is fully developed, planned land uses in the area are consistent with the existing uses.

### **2. Present and Probable Need for Public Facilities and Services in the Area**

The District and its facilities were formed and developed to serve the two housing tracts that encompass the District. As the area is fully developed, the need for additional public services that are provided by the District is not expected to change.

Finding: No new development in the District is anticipated. Hence, the need for additional public services that are provided by the District is not expected to change.

### **3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

Finding: The present level of services provided by the District appears to be adequate.

### **4. Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines that they are Relevant to the Agency**

The District encompasses a specific residential area within the City of Cupertino.

Finding: The District is part of the social and economic community of the City of Cupertino.