

APPROVED
OCT 14 2008

REPORT OF GENERAL MANAGER

NO. 08-287

DATE October 14, 2008

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GOLF DIVISION - FISCAL YEAR 2008-2009 GOLF SURCHARGE EXPENDITURE PLAN

R. Adams _____	J. Kolb _____
H. Fujita _____	F. Mok _____
S. Huntley _____	*K. Regan _____
V. Israel _____	M. Shull _____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the Fiscal Year 2008-2009 Golf Surcharge Expenditure Plan as attached;
2. Authorize the Chief Accounting Employee to establish Sub-Accounts 932-HC for Harbor Cart Barn Construction and 932-AN for As Needed Labor; and
3. Authorize the Chief Accounting Employee to transfer funds within the Golf Surcharge Account 321K sub-accounts to fund Golf capital improvements, routine maintenance and repairs, and operational expenses for Fiscal Year 2008-2009, as in the attached Expenditure Plan.

SUMMARY:

Since the mid-1960s, the Department of Recreation and Parks has had in place a surcharge on golf course green fees. Funds obtained by way of the surcharge are used to renovate and improve existing facilities, construct new facilities at the Department's 13 golf courses, fund routine maintenance and repairs, and for other operational expenses that are not funded through the City budget process. No funds from the City's Capital Improvement Program or from the City's General Fund are allocated to make improvements to the golf courses. As of September 23, 2008, the total balance of the Golf Surcharge Account was \$12,208,767.84. The Golf Surcharge Account currently generates

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approximately \$4.0 million per year.

The Golf Surcharge Account 321K, Fiscal Year 2008-2009 Expenditure Plan is attached. Allocations to certain sub-accounts are required to fund:

1. Capital projects that have had CEQA reviews performed and are at various stages of design, planning, and/or construction;
2. Routine maintenance and repairs utilizing existing staff and/or contract vendors;
3. Materials and supplies (i.e. fertilizer, pesticides, irrigation supplies);
4. Mandated water expenses; and
5. Various golf employee salaries, including as needed (part time) labor to compensate for the reduction in budgeted as needed labor funding.

Funding from the Golf Surcharge Account is used to supplement the Department's General Fund allocation provided in the FY 2008-2009 City budget for routine maintenance and repairs, supplies, and golf employee salaries. Additionally, some Golf Division employees are completely special funded through the Golf Surcharge Account.

The proposed expenditure plan was developed after consultation with the Department's Golf Advisory Committee and other Golf Division operations and maintenance staff.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's General Fund, since funds will be paid from the Golf Surcharge Account, Fund 302, Department 89. No funds from the City's Capital Improvement Program or from the City's General Fund will be used.

This report was prepared by James N. Ward, Golf Manager.

**CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS
Golf Surcharge Account 321K
Fiscal Year 2008-09 Expenditure Plan**

Account	Sub-Account Name	Type of Expense	Balance as of 9-23-2008	Amount to Transfer From "Unallocated"	New Sub- Account Balance
321K-CP	Cart Paths	Routine Maintenance & Repairs / Materials and Supplies	\$ 100,434.60	\$ 49,565.40	\$ 150,000.00
321K-CS	Rancho Golf Clubhouse Renovation	No Funds Allocated for FY 2008-09	\$ 1,600,000.00	\$ -	\$ 1,600,000.00
321K-CU	Golf Equipment	No Funds Allocated for FY 2008-09	\$ 150,000.35	\$ -	\$ 150,000.35
321K-DC	Wilson/Harding Greens	Routine Maintenance & Repairs / Materials and Supplies	\$ (1,948.50)	\$ 1,948.50	\$ -
321K-FA	Metro Region General	Routine Maintenance & Repairs / Materials and Supplies	\$ (50,128.21)	\$ 199,999.99	\$ 149,871.78
321K-FB	Pacific Region General	Routine Maintenance & Repairs / Materials and Supplies	\$ (39,749.71)	\$ 201,242.42	\$ 161,492.71
321K-FC	Valley Region General	Routine Maintenance & Repairs / Materials and Supplies	\$ (166,558.27)	\$ 349,188.12	\$ 182,629.85
321K-GF	Golf Fairway Improvements	Routine Maintenance & Repairs / Materials and Supplies	\$ 300,000.00	\$ 70,000.00	\$ 370,000.00
321K-GG	Griffith Golf Clubhouse Renovation	No Funds Allocated for FY 2008-09	\$ 96,903.00	\$ -	\$ 96,903.00
321K-GI	Golf Course Electronic Irrigation Upgrade	Routine Maintenance & Repairs / Materials and Supplies	\$ (48,724.62)	\$ 548,724.62	\$ 500,000.00
321K-GM	Golf Management	Routine Maintenance & Repairs / Materials and Supplies	\$ 300,975.96	\$ 376,575.78	\$ 677,551.74
321K-HI	Hansen Dam Golf Course Irrigation System and ADA Upgrades	Capital Project (CEQA Review Performed, Under Construction)	\$ 663,257.25	\$ 195,856.75	\$ 859,114.00
321K-LC	Landscape Crew	Salaries	\$ (338,263.49)	\$ 1,178,882.13	\$ 840,618.64
321K-RI	Roosevelt Golf Course Irrigation System	No Funds Allocated for FY 2008-09	\$ 1,618,375.00	\$ -	\$ 1,618,375.00
321K-SC	Sepulveda Basin - Golf Parking	Capital Project (CEQA Review Performed, Planning Phase)	\$ 398,432.40	\$ 1,101,567.60	\$ 1,500,000.00
321K-SU	Service Yard Upgrades	No Funds Allocated for FY 2008-09	\$ 548,172.59	\$ 51,827.41	\$ 600,000.00
321K-TL	Golf Tee Leveling	No Funds Allocated for FY 2008-09	\$ 700,000.00	\$ -	\$ 700,000.00
321K-TT	Tree Trimming	Routine Maintenance & Repairs / Materials and Supplies	\$ 300,000.00	\$ -	\$ 300,000.00
321K-WC	Water Conservation	Mandated Water Expenses	\$ -	\$ 1,000,000.00	\$ 1,000,000.00
321K-HC	Harbor Cart Barn Construction	Capital Project (Pre-Design Phase)	\$ -	\$ 500,000.00	\$ 500,000.00
321K-AN	As Needed Labor	Salaries	\$ -	\$ 250,000.00	\$ 250,000.00
321K-00	Unallocated		\$ 6,077,589.49	\$ (6,075,378.72)	\$ 2,210.77
Total			\$ 12,208,767.84	\$ -	\$ 12,208,767.84