

REPORT OF THE GENERAL MANAGER

APPROVED
MAR 03 2010

NO. 10-061

DATE March 3, 2010

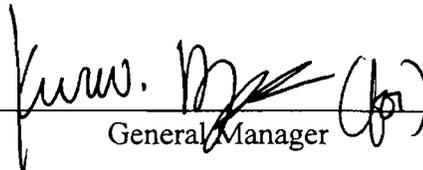
BOARD OF RECREATION
and PARK COMMISSIONERS

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BOARD OF RECREATION AND PARKS COMMISSIONERS

SUBJECT: TRANSFER OF APPROPRIATIONS WITHIN FUND 302 IN THE DEPARTMENT OF RECREATION AND PARKS (RAP) FOR BUDGETARY ADJUSTMENTS

R. Adams _____	J. Kolb _____
V. Israel _____	*F. Mok <u>fm.</u>
H. Fujita _____	K. Regan _____
S. Huntley _____	M. Shull _____



General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Subject to approval by the Mayor, authorize transfer of appropriations within Recreation and Parks Fund 302, Department 88, as follows:

FROM: Account 1070 – Salaries, As-Needed	\$ 3,400,000
Account 3160 – Maintenance Materials, Supplies and Services	\$ 50,000
	<u>\$ 3,450,000</u>
TO: Account 1010 – Salaries General	\$ 3,000,000
Account 1100 – Salaries, Hiring Hall	\$ 400,000
Account 6010 – Office and Administrative	\$ 25,000
Account 6020 – Operating Supplies	\$ 25,000
	<u>\$ 3,450,000</u>

2. Authorize the General Manager or his designee to make technical corrections as necessary to those transactions included in this report to carry out the intent of the transfer as stated in the summary of this report.

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SUMMARY:

Periodic budgetary adjustments are necessary to meet the Department's workload and mandates. Internal budgetary transfers between accounts are necessary because specific types of expenditures must be made from designated appropriation accounts.

Salaries General – Account 1010 – \$3,000,000

Due to the 10% reduced funding in the Fiscal Year 2009-10 Salaries, General Account reflecting the City's shared responsibility and sacrifice, the Department is projecting a deficit of approximately \$3 million through the end of the current fiscal year. A transfer of funds from Salaries, As-Needed to Salaries, General is being requested to ensure funds are available to meet payroll for full time employees through the remainder of the fiscal year.

From: Salaries, As-Needed – Account 1070 - \$3,000,000 – Activity Code 0546
To: Salaries General – Account 1010 – \$3,000,000

Salaries, Hiring Hall – Account 1100 – \$400,000

Due to shortages (from transfers and retirements) in craft-level staff, the Department has had to utilize hiring hall staff to perform skilled labor tasks such as electrical, plumbing, air conditioning and carpentry duties. Hiring Hall staff will also be necessary to prepare the swimming pools for the summer 2010 swim season. The Department is expecting an approximately \$400,000 deficit through the end of the current fiscal year.

The Department has identified \$3,400,000 in Salaries, As-Needed Account which may be transferred to the Salaries General and Hiring Hall Accounts to cover projected deficits. Funds are available from the Salaries, As-Needed Account due to efficiencies achieved by cancellation of some special events, intermittent closures of some facilities on Sundays and Holidays and reductions in recreational programming. Additionally, stimulus funds will be used to offset some Salaries, As-Needed expenditures.

From: Salaries, As-Needed – Account 1070 – \$400,000 – Activity Code 0546
To: Salaries, Hiring Hall – Account 1100 – \$400,000

CSBG/ARRA Grant – \$50,000

A transfer of appropriations from Maintenance Materials, Supplies and Services to Office and Administrative and Operating Supplies is requested to meet the needs of the Community Services

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Block Grant - American Recovery and Reinvestment Act (CSBG-ARRA) program.

In July 2009, the Department received an original appropriation of two million (the amount was recently reduced to \$1.73 million) dollars as part of the ARRA grant under Council File #09-0648-S9. \$1.95 million was allocated for Part-Time Salaries and \$50,000 for Maintenance, Materials and Supplies. Since the grant funding can only be used for recreation and administrative programming, it is more appropriate to transfer the \$50,000 from Maintenance Materials Supplies and Services to Office and Administrative and Operating Supplies expense accounts. Therefore, the following transfer is requested:

From: Maintenance Materials, Supplies and Services – Account 3160 – \$50,000 – Activity Code 1050

To: Office and Administrative – Account 6010 – \$25,000 – Activity Code 1050

To: Operating Supplies – Account 6020 – \$25,000 – Activity Code 1050

FISCAL IMPACT STATEMENT:

This transfer between accounts is for budgetary adjustments and has a net zero impact on the Department of Recreation and Parks' General Fund.

This report was prepared by Noel Williams, Chief Management Analyst, Finance Division.