

APPROVED

MAY 16 2012

BOARD OF RECREATION  
1 PARK COMMISSIONERS

REPORT OF GENERAL MANAGER

NO. 12-152

DATE May 16, 2012

C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: APPROPRIATION FROM UNRESERVED AND UNDESIGNATED FUND BALANCE IN FUND 302 TO VARIOUS ACCOUNTS IN THE DEPARTMENT OF RECREATION AND PARKS

R. Adams _____	K. Regan _____
H. Fujita _____	M. Shull _____
V. Israel _____	*N. Williams <u>now</u>

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Subject to approval by the Mayor, approve the appropriation of \$660,246 in Fund 302, Department 88, to various accounts as follows:

FROM:	Unreserved & Undesignated Fund Balance	\$660,246
TO:	Account 1010 – Salaries, General	83,882
	Account 1100 – Salaries, Hiring Hall	317,391
	Account 1120 – Fringe Benefits, Hiring Hall	96,679
	Account 3160 – Maint. Materials, Supplies & Services	<u>162,294</u>
	Total	\$660,246

2. Authorize the General Manager to reserve \$3,300,000 in the Unreserved and Undesignated Fund Balance as part of our Fiscal Year 2011-12 budget as directed by Mayor and Council and to work with the Controller's Office to meet our budget mandate; and,
3. Authorize the General Manager or his designee to make technical corrections as necessary to those transactions included in this report.

SUMMARY:

Budgeted funds appropriated to the Department of Recreation and Parks (RAP) which are uncommitted or unencumbered at the end of the fiscal year revert to RAP's Unreserved and Undesignated Fund Balance (UUFb) and are used to meet urgent, unforeseen RAP funding

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needs. The Board authorizes appropriations from the UUFB for a variety of purposes, subject to approval of the Mayor, and in accordance with Charter Section 343(b). The following transfers are being recommended to meet currently urgent and unfunded needs:

Echo Park Recreation Center (RC) Phase II – \$660,246

<u>Account No.</u>	<u>Amount</u>
1010	\$ 83,882
1100	317,391
1120	96,679
3160	162,294

RAP is requesting \$660,246 be provided for the Phase II project at the Echo Park RC. This facility was originally constructed in 1925 and included a one-story unreinforced masonry building with a basement totaling 17,000 square feet and a mezzanine. This facility is located in the Silver Lake/Echo Park/Elysian Valley Community Plan area in Council District 13.

The Phase II project was a Proposition K project. Capital Improvement Expenditure Program (CIEP) funding was provided in Fiscal Year (FY) 2010-11 by Council File No. 10-1099 dated July 10, 2010 and placed in our Department 88 accounts. The funding was provided to perform improvements to this facility which included additional seismic improvements, a new elevator, and improvements to the existing basement space. Improvements to the basement included two staff offices, two multi-purpose club rooms, storage rooms, Americans with Disabilities Act (ADA) compliant restrooms, showers and locker rooms, a gallery space, and upgraded infrastructure including heating, ventilation and air conditioning (HVAC). Improvements to this facility were completed in December 2011. Since the funding provided in FY 2010-11 reverted to the RAP UUFB, it is requested that it be placed in the Department 88 accounts to cover the costs incurred in FY 2011-12.

FY 2011-12 Budget Requirement - \$3,300,000

As part of our FY 2011-12 budget, RAP was directed by Mayor and Council to allocate \$3.3 million from the RAP UUFB as a funding source to our adopted budget. The City of Los Angeles previously utilized the Financial Management Information System (FMIS) as its primary accounting system to record all transactions including: revenue, expenditures, payables, receivables, payroll, etc. The City replaced this system with the new Financial Management System (FMS) in June 2011. In order to have a timely and smooth transition between systems, it was necessary to review all prior year(s) encumbrances recorded in FMIS and to disencumber funds that have not been fully expended. These funds are available for reappropriation to revenue for FY 2011-12. The amount for RAP was \$3.3 million.

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FISCAL IMPACT STATEMENT:

The appropriation of funds from UUFB will have a positive impact on the RAP General Fund. The appropriation of \$660,246 will allow RAP to complete the renovations at the Echo Park RC and the \$3,300,000 transferred to RAP General Fund will be appropriated to revenue to support RAP General Funded operations.

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