

APPROVED

FEB 07 2018

BOARD REPORT

BOARD OF RECREATION
AND PARK COMMISSIONERS

NO. 18-016

DATE February 07, 2018

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

AP Diaz	_____	V. Israel	_____
R. Barajas	_____	S. Piña-Cortez	_____
H. Fujita	_____	*N. Williams	<u>NDW</u>



General Manager

Approved X

Disapproved _____

Withdrawn _____

RECOMMENDATIONS

1. Authorize the appropriation of Eight Million Two Hundred Five Thousand Dollars (\$8,205,000.00) from Fund 302, Department 88, subject to approval by the Mayor, to various accounts as follows:

FROM:

Unreserved and Undesignated Fund Balance	\$8,205,000.00
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TO:

Fund 302/88/1070 – Salaries, As-Needed	\$3,800,000.00
Fund 302/88/1090 – Salaries, Overtime	200,000.00
Fund 302/88/1100 – Salaries, Hiring Hall	800,000.00
Fund 302/88/1120 – Fringe Benefits, Hiring Hall	400,000.00
Fund 302/88/3040 – Contractual Services	2,000,000.00
Fund 302/88/3160 – Maintenance Materials and Supplies	5,000.00
Fund 302/88/8304 – Refuse Collection Services	400,000.00
Fund 205/88/88PPA1 – Youth Recreation	100,000.00
Fund 302/89/89712H – Computer System Development	<u>500,000.00</u>
TOTAL	<u>\$8,205,000.00</u>

2. Authorize and direct the General Manager, to reserve One Million Dollars (\$1,000,000.00) in the Unreserved and Undesignated Fund Balance (UUFB) as part of the Fiscal Year 2017-18 budget as directed by the Mayor and Council, and to work with the Controller's Office to meet the department budget mandate; and,

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3. Authorize the General Manager or the Chief Accounting Employee to make technical or clerical corrections as necessary, consistent with the intent of this Report.

SUMMARY

Budgeted funds appropriated to the Department of Recreation and Parks (RAP) that are uncommitted or unencumbered at the end of the Fiscal Year (FY) revert to RAP's UUFB. UUFB funds are also made available due to disencumbered items from prior years, residuals due to discounts later received, items not delivered, closing of inactive accounts, etc.

UUFB funds are generally used to meet RAP's urgent and/or unforeseen funding needs, or are re-appropriated in the current Fiscal Year for uses that were authorized in a prior year. 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 the operational needs in FY 2017-18.

Salary Accounts - \$5,200,000.00

RAP anticipates additional appropriations needed in Salaries, As-Needed (Account 1070), Salaries, Overtime (Account 1090), Salaries, Hiring Hall (Account 1100), and Fringe Benefits, Hiring Hall (Account 1120) due to shortage of full-time employees, fire watches, extreme weather, as well as other unexpected program and event needs. So far this Fiscal Year, RAP has incurred additional labor costs due to the La Tuna, Creek and Skirball fires. RAP staffed various shelter sites as a result of these fires. RAP also staffed a shelter site in January as a result of the storms.

Therefore, RAP requests additional appropriations to cover the shortages in the following labor accounts.

- Salaries, As-Needed (Account 1070) - \$3,800,000.00
- Salaries, Overtime (Account 1090) - \$200,000.00
- Salaries, Hiring Hall (Account 1100) - \$800,000.00
- Fringe Benefits, Hiring Hall (Account 1120) - \$400,000.00

Contractual Services - \$2,000,000.00

Additional funding in the amount of Two Million Dollars (\$2,000,000.00) in Contractual Services (Account 3040) is needed to cover the Fire Life Safety Program, bus rentals, a one-time funding reduction in the current Fiscal Year, and other facility repairs and maintenance needs.

Funding in the amount of Five Hundred Thousand Dollars (\$500,000.00) is needed to cover the costs of the Fire Life Safety Program through the end of the current Fiscal Year. RAP is required to conduct annual fire alarm and sprinkler inspections, and to make repairs in order to be in compliance with the State of California (State) and City of Los Angeles (City) regulations and requirements related to public facilities. Specifically, State Fire Code Sections 7-1.1.4, 7-1.2. and 7-1.2.2, National Fire Protection Association 71 (1999 edition), and the City Chief

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Regulation 4 (Reg 4) governing Fire Life Safety requirements in the City. Out of the parks that RAP currently maintains, more than 200 facilities are subject to these requirements. RAP uses a combination of City staff (electricians and plumbers) to perform some or all of the Reg 4 inspections and minor repairs, subject to the availability of City personnel. Existing Citywide Fire Life Safety contractors may be needed to assist in complicated repairs and supplement City staff to perform additional Reg 4 inspections.

Funding in the amount of Five Hundred Thousand Dollars (\$500,000.00) is needed to cover the cost of bus rentals enabling fieldtrips for under-served and economically disadvantaged recreation centers.

Funding in the amount of Five Hundred Thousand Dollars (\$500,000.00) is needed to cover the shortage in Department-wide photocopy machines as a result of one-time budget reduction in the FY 2017-18 Budget.

Funding in the amount of Five Hundred Thousand Dollars (\$500,000.00) is needed to cover shortages in facility repairs and maintenance, such as roofing, air conditioning, plumbing, carpentry, pools, and playgrounds.

Maintenance Materials and Supplies - \$5,000.00

RAP received a Five Thousand Dollar (\$5,000.00) donation from the LA Parks Foundation to be used for the Playground Crew. RAP requests that this funding be appropriated to Maintenance Materials and Supplies (Account 3160).

Refuse Collection Services - \$400,000.00

Funding in the amount of Four Hundred Thousand Dollars (\$400,000.00) in Refuse Collection Services (Account 8304) is needed to cover the costs in the current Fiscal Year due to the rate increases by the Bureau of Sanitation. Additional rate increases for refuse collection are anticipated through July 1, 2020.

Youth Recreation (LA Kids) - \$100,000.00

Funding in the amount of One Hundred Thousand Dollars (\$100,000.00) is needed in Youth Recreation (Account PPA1) to support the LA Kids program. This program was funded with residual grant funds that have ceased. The LA Kids program is geared towards children aged 3 – 15 years old. It is free and offers many of the cultural and arts programs in the communities. This program is vital to achieving equity in low income and disadvantaged communities.

Computer System Development - \$500,000.00

Funding in the amount of Five Hundred Thousand Dollars (\$500,000.00) is needed in the Computer System Development for RAP labor and acquiring professional Information Technology services, software licenses and hardware equipment to establish and continuously maintain and support a RAP data analytics program. This program will identify, collect, organize

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and design a consolidated database from disparate data sources such as electronic files, smart devices and various business applications that capture information of RAP operations.

FY 2017-18 Budget Requirement - \$1,000,000.00

In accordance with the adopted FY 2017-18 Budget as approved by the Mayor and Council and to meet the operational needs of the department, RAP is requesting to reserve One Million Dollars (\$1,000,000.00) from the UUFB as a self-funding source to RAP's FY 2017-18 budget.

FISCAL IMPACT STATEMENT

The appropriation of Eight Million, Two Hundred Five Thousand Dollars (\$8,205,000.00) is needed in Fiscal Year 2017-18 for RAP operations.

This Report was prepared by Charles Wilkie, Senior Management Analyst I, Finance Division.