

APPROVED

JAN 16 2019

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 19-004

DATE January 16, 2019

C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

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

AP Diaz _____ V. Israel _____
R. Barajas _____ S. Piña-Cortez _____
H. Fujita _____ *N. Williams Time



General Manager

Approved X

Disapproved _____

Withdrawn _____

RECOMMENDATIONS

1. Adopt the Resolution attached hereto as Attachment 1 authorizing the appropriation of \$12,045,672 from Fund 302, Department 88, subject to approval by the Mayor, to various funds and accounts as follows:

FROM:

Unreserved and Undesignated Fund Balance (UUFb) \$12,045,672

TO:

Fund 302/88/001070-Salaries, As-Needed	\$6,436,792
Fund 302/88/001010-Salaries, General	\$ 17,590
Fund 302/88/001100-Salaries, Hiring Hall	\$ 20,290
Fund 302/88/003330-Utilities	\$2,200,000
Fund 302/89/89270K-AP-Algin Sutton Pool Project	\$ 416,000
Fund 302/89/89270K-TBD-Griffith Park Observatory Project	\$ 300,000
Fund 302/89/89270K-AG-Angeles Gate Electrical	\$ 240,000
Fund 302/89/89270K-TBD-Fern Dell Bridge	\$ 55,000
Fund 302/89/89270K-TBD-Westwood Pool Repair	\$ 160,000
Fund 302/89/89712 H-Replacement and Upgrade of Computer Systems	\$1,750,000
Fund 205/88/TBD-Tree Inventory Grant Match	\$ 450,000

TOTAL \$12,045,672

2. Authorize the Department of Recreation and Parks' (RAP) General Manager, Chief Accounting Employee, or designee to make technical or clerical corrections as necessary, consistent with the intent of this Report.

BOARD REPORT

PG. 2 NO. 19-004

SUMMARY

Budgeted funds appropriated to 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 current operational needs or to provide funding for capital projects or repairs.

Salary Accounts

RAP anticipates additional appropriations (\$5,000,000) needed in the Salaries, As-needed (Account 1070), due to shortage of full-time employees, fire watches and response to emergency situations, shelter activations, extreme weather, response to homeless encampments, safety compliance, as well as other unexpected or unbudgeted program and event needs. Although RAP has been working hard and aggressively to hire critically needed full-time employees, the shortage in full-time personnel persists as a result of retirements, transfers, promotions, etc. RAP currently has approximately 230 vacant full-time RAP general funded positions. Additionally, funds are needed to support part-time salaries (\$1,250,000) for the continued operation of the Universal Play Pilot Program at seven (7) sites for Fiscal Year 2018-19 and to appropriate \$186,792 in support of the Summer Night Lights (SNL) program for the remainder of the current fiscal year.

RAP received a donation through the Los Angeles Parks Foundation (LAFD) for the painting of the Rustic Canyon Recreation Center. This project was completed using full-time employees and temporary hiring hall staff. RAP has received the funds from LAFD and the funds need to be appropriated from the RAP revenue account into the Salaries, General Account (\$17,590) and the Salaries, Hiring Hall Account (\$20,290).

The appropriation from UUFB to RAP's various salary accounts totaling \$6,474,672 is recommended to meet the RAP's operating needs through the end of FY 2018-19.

Utilities Account

RAP's FY 2018-19 budget for water and electrical expenses is \$26,060,996. This was an increase of \$1,450,000 from FY 2017-18. It is currently estimated that expenses for water will be approximately \$2,200,000 higher than originally anticipated due to extremely dry summer conditions and less than expected winter rainfall. The costs are primarily related to the amount the Department of Water and Power (DWP) must pay to procure water from non-City of Los Angeles agencies. These costs are then passed on to DWP customers.

BOARD REPORT

PG. 3 NO. 19-004

Capital and Repair Projects

RAP has several capital improvement or urgent repair projects that require funding including: the repair of the Westwood Pool, repair of the Fern Dell Bridge in Griffith Park, replacement of electrical switch gear at Angeles Gate Park, and the Algin Sutton Pool replacement project and the Griffith Park Observatory air conditioning, lighting and street improvement project.

Replacement of Computer Systems

RAP has approximately 1,500 personal computers used by individual employees, recreation centers and computer labs open to the public. The majority of the current inventory of computers utilize Windows 7 as the base operating system. Support for this version of Windows will cease at the end of the calendar year 2019. RAP must procure, install and upgrade computers and software to the Windows 10 operating system (recommended as the City of Los Angeles standard).

Grant Match for Tree Inventory

RAP was awarded a CAL FIRE Urban and Community Forestry Program grant for approximately \$1.3 million. The grant required a minimum 25% matching funds. Staff is recommending that \$450,000 be appropriated for this purpose. This grant is to be used to complete an inventory of all RAP's urban forest, do tree plantings, and conduct educational programs.

FISCAL IMPACT STATEMENT

The appropriation of \$12,045,672 is needed in FY 2018-19 for RAP operations, and to provide funding for capital improvement and repair projects, computer and software replacement and grant matching funds.

This Report was prepared by Noel D. Williams, Chief Financial Officer, Finance Division.

ATTACHMENT:

- 1) Resolution

RESOLUTION NO. _____

WHEREAS, The Department of Recreation and Parks (RAP) needs additional appropriations in various funds and accounts to provide funding for RAP operations, capital improvement and repair projects, computer and software replacement and grant matching funds;

WHEREAS, The requested appropriations are needed to meet the RAP's operational needs through the end of Fiscal Year 2018-19;

WHEREAS, The budgeted funds appropriated to RAP that are uncommitted or unencumbered at the end of the Fiscal Year revert to RAP's Unreserved and Undesignated Fund Balance (UUFb) to be used generally to meet RAP's urgent and/or unforeseen funding needs; and

WHEREAS, The Board of Recreation and Park Commissioners (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).

NOW, THEREFORE, BE IT RESOLVED, that the Board, subject to approval by the Mayor, authorizes the appropriation from Fund 302, Department 88 to various funds and accounts as follows:

FROM:

Unreserved and Undesignated Fund Balance (UUFb)	\$12,045,672
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TO:

Fund 302/88/001070-Salaries, As-Needed	\$6,436,792
Fund 302/88/001010-Salaries, General	\$ 17,590
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Fund 302/89/89712H-Replacement and Upgrade of Computer Systems	\$1,750,000
Fund 205/88/TBD-Tree Inventory Grant Match	<u>\$ 450,000</u>

TOTAL	\$12,045,672
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BE IT FURTHER RESOLVED, that the Board authorizes the General Manager or designee to make technical corrections as necessary, consistent with the intent of the appropriations.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Recreation and Park Commissioners of the City of Los Angeles at its Regular Meeting held on January 16, 2019 (Board Report No. _____).

IRIS L. DAVIS, BOARD SECRETARY