

APPROVED
SEP 05 2007

REPORT OF GENERAL MANAGER

NO. 07-206

DATE September 5, 2007

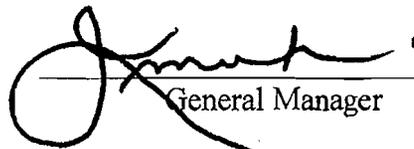
**BOARD OF RECREATION
and PARK COMMISSIONERS**

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



General Manager

Approved

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Subject to approval by the Mayor, approve the appropriation of \$4,675,257 in Fund 302, Department 88, to various accounts as follows:

FROM: Unreserved & Undesignated Fund Balance	\$4,675,257
TO: Account 1070 – Salaries, As-Needed	1,813,815
Account 1090 – Salaries, Overtime	1,500,000
Account 3040 – Contractual Services	739,442
Account 3160 – Maintenance Materials & Supplies	35,000
Account 3310 – Transportation	60,000
Account 6010 – Office and Administrative	462,000
Account 6020 – Operating Supplies	50,000
Account 6030 – Leasing	12,000
Account 7340 – Transportation Equipment	<u>3,000</u>
	\$4,675,257

2. Authorize the General Manager to reserve \$1.25 million in the Unreserved and Undesignated Fund Balance (UUFB) as part of the Fiscal Year (FY) 2007-08 budget as directed by the Mayor and City Council and to work with the Controller's Office to meet the budget mandate; and,

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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 which are uncommitted or unencumbered at the end of the fiscal year revert to the UUFB and are used to meet urgent, unforeseen Department funding needs. The Board authorizes appropriations from the UUFB for a variety of purposes, subject to approval of the Mayor, in accordance with Charter Section 343(b). The following transfers are being recommended to meet currently urgent and unfunded needs:

Asset/Building Maintenance System - \$350,000 - Activity Code 0516

Account 3040	\$ 200,000
Account 6010	150,000
	<u>\$ 350,000</u>

This fund transfer was previously approved in Fiscal Year 2006-07 in Board Report No. 06-238. The Department piggy-backed onto the contract obtained by the General Services Department (GSD) for the Department's Asset/Building Maintenance System; however, the Department cannot begin implementation until GSD completes their implementation in October 2007. These funds need to be reappropriated for use this fiscal year.

Overtime - Account 1090 - \$1,500,000

Due to the nature of the Department's operations for the public, staff is often required to work holidays and weekends. The Department's overtime salary account is currently facing a structural shortfall. This account has not kept up with salary cost of living adjustments and thus provides fewer hours for overtime usage. Our overtime budget is \$404,595, yet the Department has been spending approximately \$2 million in overtime expenses each year. In order for the Department to properly serve the public, this fund transfer is needed to supplement the Department's overtime budget.

Underground Fuel Tanks - Account 3040 - \$352,942.00 – Activity Code 0913

This fund transfer is needed for upgrades to underground fuel tanks used by the Department. The California Air Resources Board has mandated that all underground fuel tank dispensing facilities be upgraded to Enhanced Vapor Recovery Phase II by April 1, 2009. The Department has five sites that

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are affected by this requirement which include the Central Services Yard (CSY), Elysian Park Maintenance Yard, Park Center Maintenance Yard, the Pacific Region Headquarters and the Valley Region Headquarters. A cost proposal was submitted by Prime California, the City's contractor who will be performing the upgrades for all City fueling facilities.

Due to the nature of the Department's operations, a large number of maintenance vehicles use these underground fuel tanks. If this project is not funded now, not only will the project be more costly in the future due to a potential price increase, but this project will be competing with GSD's 40 plus facilities and the other City departments' facilities that will be requiring this upgrade. Consequently, the Department may not meet the State's compliance deadline and possibly may incur monetary penalties and risk shutting down the fueling facilities for an indefinite period of time.

Pedal Boats Operation - Account 1070 - \$36,409 – Activity Code 4470

The transfer of funds is needed to support the Pedal Boat operation at Echo Park and MacArthur Park lakes. The community requested that the Department operate the pedal boats at these sites on weekends during the summer operating season from July 1 to September 2, 2007. This fund transfer will cover part-time salary costs incurred from increasing the operating times for this service.

Salaries, As-Needed - Account 1070 - \$1,750,000 – Various Activity Codes

The Department utilizes a large part-time staff that is critical to its day-to-day operations. The Department's part-time salaries budget reduction for the current fiscal year is \$1.765 million as part of the FY 2007-08 five percent reduction. The Department's part-time salary account was already facing a structural deficit prior to this reduction. This account has not kept up with salary cost of living adjustments and, thus, provides fewer hours than what is needed for the operations of the Department. The part-time salaries budget is \$33,687,806 which is insufficient to support the existing part-time staff. This fund transfer is needed to retain a sufficient number of part-time hours required by the Department's operations.

Grant Writing Services - Account 3040 - \$80,000 – Activity Code 9742

This fund transfer was previously approved in Fiscal Year 2006-07 in Board Report No. 06-365; however, the contracts were not executed on time and the funds reverted to UUFB. This transfer of funds is needed for grant writing services.

GIS Support for Griffith Fire Recovery - Account 3040 - \$100,000 – Activity Code 0900

The transfer of funds is needed for Geographic Information System (GIS) support for the Griffith Park Fire recovery to prevent further damage from the fire and to help Griffith Park recover from

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existing fire damage. Its implementation addresses generic needs such as the collection, management, analysis and output of data. The fire has caused a dramatic increase in the amount of data requiring processing, and the time to process this data has been compressed into a short period of time. Without this GIS support, the Department will not be able to collect the volume of data efficiently or be able to immediately incorporate it into the rest of the database. Furthermore, the Department will not have the ability to create "what if" scenarios, implement complex models, burn intensity maps, burn property maps linked to the Los Angeles County Assessor data, or have the ability to derive a rational runoff mitigation plan and erosion controls suitable to the topography of the area without damaging its natural habitat.

Mileage - Account 3310- \$60,000 – Activity Code 0500

This fund transfer is needed to supplement the Department's mileage budget. The Department's existing budget is insufficient to pay employees on mileage throughout the fiscal year-end, and the Department expects continued field work will be necessary to implement and monitor project compliance.

Finance/Systems LAN/WAN – Account 6010 – \$250,000 – Activity Code 0516

A fund transfer for \$250,000 was previously approved in Fiscal Year 2006-07 in Board Report No. 06-313. Survey and engineering estimates were unavailable from the Information Technology Agency last fiscal year and, as a result, most projects were not completed. These funds need to be reappropriated in order to complete this project.

Novell Licensing - Account 6020 - \$50,000 - Activity Code 0516

The transfer of funds is needed to cover the annual maintenance licensing fees for the Department's Novell and Groupwise software. This will ensure licensing compliance in accordance with Federal law. This transfer will pay for maintenance licenses on all WAN/LAN connected workstations. Presently, there are 1,200 maintenance licenses with an additional 100 new licenses anticipated.

Property Management (Leasing) - Account 6030 - \$12,000 - Activity Code 0912

The Property Management account is used by the Department to pay property taxes on various tracts of land owned by the Department outside of the City of Los Angeles, such as camp sites in the San Bernardino Mountains in San Bernardino County and Sierra Nevada Mountain camp sites and properties in Mono County. The funding in this account has remained the same for some time despite the continued increase of property taxes. Therefore, increased funding is necessary to meet the Department's property tax obligations.

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Part-Time Salaries for DTime – Account 1070 - \$27,406 – Activity Code 0545

The transfer of funds is needed to pay for salaries of part-time employees needed until DTime is fully implemented. DTime is an employee time collection application that is part of the City's payroll system. The part-time staff needed will replace two Accounting Clerks on limited appointments who have transferred to other departments. Since it is anticipated that the Department will fully implement the DTime by December 2007, it will be more cost effective to utilize part-time staff on limited appointments instead of Accounting Clerks.

Training for Auditors – Account 6010 - \$2,000 – Activity Code 0517

The fund transfer is needed for training for Department auditors. This training is coordinated by the Controller's Office for all City department auditors to improve their professional skills.

Network Connectivity – Account 6010 - \$60,000 – Activity Code 0516

This fund transfer is needed for network connectivity at a new warehouse area for the Systems' Installation and Maintenance group and for the Systems Support Section at the Administration trailer at Central Service Yard (CSY). Funding in the amount of \$35,000 is needed for the warehouse to purchase a network rack, switch cabling, phone lines, and conduit work for 24 data port connections. Funding in the amount of \$25,000 is needed for a switch, port, phone lines, and cabling and conduits for 24 data ports at CSY.

Horse for Park Rangers – Account 7340 - \$3,000 – Activity Code 2360

This fund transfer is needed to purchase a horse for the Park Ranger Division.

Horseshoeing – Account 3040 - \$6,500 – Activity Code 2360

The transfer of funds is needed to provide shoeing services for the four horses used by the Park Ranger Division. The horses are shod every four to six weeks at a cost of \$160 per horse.

Signage to Prohibit Smoking and Open Flames – Account 3160 - \$35,000 – Activity Code 0500

This fund transfer is needed to enable the Department to post signs in designated areas in City parks prohibiting smoking and the use of open flames. Los Angeles City Ordinance No. 179058 prohibits smoking in all City parks. Council File No. 07-1687 prohibits open flames in designated City parks located in high fire hazard zones from April 1 through November 1 each year. The Department needs to post signs informing the public of these new restrictions.

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FY 07-08 Budget Requirement - \$1,250,000

As part of the Fiscal Year 2007-08 approved budget, per Recommendation No. 2, the Department was directed by the Mayor and City Council to allocate \$1.25 million from the Recreation and Parks UUFB as a funding source to the adopted budget.

FISCAL IMPACT STATEMENT:

The \$4,675,257 transfer of funds from UUFB will have no impact on the Department's General Fund. Also included in this report is \$1.25 million, a budget mandate item for Fiscal Year 2007-08, to offset this year's approved expenditure plan.

This report was prepared by Evelyn Castillo, Senior Management Analyst I, Budget Section - Finance Division.