

APPROVED

MAY 17, 2017

BOARD REPORT

BOARD OF RECREATION
AND PARK COMMISSIONERS

NO. 17-128

DATE May 17, 2017

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 _____
R. Barajas _____
H. Fujita _____

V. Israel _____
for N. Williams EC



General Manager

Approved

Disapproved _____

Withdrawn _____

RECOMMENDATIONS

1. Subject to approval by the Mayor, authorize the appropriation of Two Million, Five Hundred Seventy-Five Thousand Dollars (\$2,575,000.00) from Fund 302, Department 88, to various accounts as follows:

FROM:

Unreserved and Undesignated Fund Balance \$2,575,000.00

TO:

Fund 302/88/1070 – Salaries, As Needed	\$1,325,000.00
Fund 302/88 Account 3040 – Contractual Services	\$ 750,000.00
Fund 302/89 Account 704H-FL – Reg 4, Fire, Life Safety Expenses	<u>\$ 500,000.00</u>
Total	\$2,575,000.00

2. Authorize the General Manager or his designee, 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 Unreserved and Undesignated Fund Balance (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. Currently as part of City's transitioning from the old Supply Management System (SMS) to the Financial Management System (FMS), RAP Finance Division staff is working with the Department of General Services to clean up obsolete accounts/balances and convert thousands of items from SMS to FMS.

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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 currently urgent and/or unfunded needs in FY 2016-17.

Salaries, As-Needed – \$1,325,000.00

RAP anticipates additional appropriations needed in Salaries, As-Needed (Account 1070) due to shortage of full-time employees, fire watches, extreme weather, as well as other unexpected 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. Additionally for employees covered under Memorandum of Understanding No. 7, there are unbudgeted retroactive salary adjustments and \$0.50 increase per hour for employees working at a recreation facility that is identified as a part of the Gang Reduction and Youth Development (GRYD) program.

Brush Clearance Contract – \$750,000.00

RAP owns, possesses, manages and controls park property for the City of Los Angeles. As such, RAP has a mandatory duty to remove "any hazardous refuse or hazardous weeds, trees or other vegetation which by reason of proximity to a building or structure constitutes a fire hazard" (Los Angeles Municipal Code, Section 57.322.1). The demand and costs have significantly increased in recent years due to expanded park land, environmental compliances, increases in dead trees and vegetation due to drought, infestation and other environmental factors. RAP expects even higher demands in coming months due to the extraordinary growth of brush and debris resulting from the recent and record rains sustained throughout the City this year. The work will be performed by RAP's pre-qualified brush clearance contractors.

Fire Life Safety Program – \$500,000.00

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 Regulation 4 (Reg 4) governing Fire Life Safety requirements in the City. Out of the 439 parks that RAP currently maintains, more than 200 facilities are subject to these requirements. RAP plans to use 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.

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FISCAL IMPACT STATEMENT

The appropriation of Two Million, Five Hundred Seventy-Five Thousand Dollars (\$2,575,000.00) is needed in Fiscal Year 2016-17 for RAP operations.

This Report was prepared by Sondra Fu, Senior Management Analyst II, Finance Division.