

APPROVED

08-10-2016

BOARD OF RECREATION
AND PARK COMMISSIONERS

BOARD REPORT

NO. 16-181

DATE August 10, 2016

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 _____
K. Regan _____
* N. Williams N. Williams


General Manager

Approved _____
As Amended _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS

One Million, Three Hundred Thousand Dollars (\$1,300,000.00)

1. Subject to approval by the Mayor, authorize the appropriation of ~~One Million, One Hundred Thirty Five Thousand Dollars (\$1,135,000.00)~~ from Fund 302, Department 88, to various accounts as follows:

		\$1,300,000.00
FROM:	Unreserved and Undesignated Fund Balance	\$1,135,000.00
		300,000.00
TO:	Fund 302/88 Account 3040 – Contractual Services	\$ 135,000.00
	Fund 302/89 Account 270K –	
	Sub account LA River Valley Bike Path	\$1,000,000.00
	Total	\$1,135,000.00
		\$1,300,000.00

2. Authorize and direct the General Manager, or Designee, to reserve Two Million, Five Hundred Thousand Dollars (\$2,500,000.00) in the Unreserved and Undesignated Fund Balance as part of the Fiscal Year 2016-17 budget as directed by the Mayor and Council, and to work with the Controller's Office to meet the department budget mandate; and
3. Authorize and direct the General Manager, his Designee, or the Chief Accounting Employee to make technical or clerical corrections as necessary, consistent with the actions of the City Council in adopting the Fiscal Year 2016-17 budget and 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

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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.

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.

Ken Malloy Harbor Regional Park Sewer Line Replacement - ~~\$135,000.00~~ \$300,000.00

This funding is needed for emergency repairs of the sewer line at the Ken Malloy Harbor Regional Park. The existing sewer system has been failing due to the aging infrastructure. Funds will be used to pay for the installation, cleaning, testing and materials related to the replacement of approximately 400 feet of sewer pipeline, a manhole, etc. The work will be performed by United Riggers & Erectors, Inc., an existing as-needed RAP Park Facility Construction contractor. Upon further assessment, it was determined that an additional 600 feet of sewer pipeline needs replacement.

RAP is requesting that ~~One Hundred Thirty Five Thousand Dollars (\$135,000.00)~~ Three Hundred Thousand Dollars (\$300,000.00) be appropriated from the UUFb to Fund 302/88, Account 3040 – Contractual Services for the above mentioned work.

Los Angeles River Trail System - \$1,000,000.00

In our efforts to enhance access and provide unique recreational experiences along the LA River, we are requesting these funds be allocated toward the partial design and support of the Los Angeles River Trail System. These Funds will be used to pay for partial design fees of the Project, which has an estimated total cost of \$60 million dollars including \$6 million for design services. Remaining funding for the design cost will come from various sources including the Los Angeles County (County) Department of Public Works, County Flood Control District, Department of Transportation, Bureau of Sanitation, and Proposition K. The completion of the design phase will substantiate the Project readiness and allow for greater competitiveness toward future grant funding.

The proposed Project includes, but is not limited to, the design and construction of approximately 11 to 12 miles of greenway and bike path along the Los Angeles River in the San Fernando Valley with numerous roadway intersections of the LA River bank and street-end interfaces, filling trail gaps from Vanalden Avenue to the west and Forest Lawn Drive/Zoo Drive to the east in Council Districts 2, 3, 4, 5 and 6. The Project is consistent with the Sustainable City pLAn, City's 2007 LA River Revitalization Master Plan, County's 1996 LA River Master Plan, and other City and County bicycle plans for the area. When complete, the Project will improve regional livability by providing expanded recreation opportunities and active transportation options along the LA River.

RAP is requesting that One Million Dollars (\$1,000,000.00) be appropriated from UUFb to Fund 302, Department 89, Account 270K General Capital , sub account LA River Valley Bike Path for the abovementioned work.

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FY 2016-17 Budget Requirement - \$2,500,000.00

In accordance with the adopted FY 2016-17 Budget as approved by the Mayor and City Council and to meet the operational needs of the department, RAP is requesting to reserve Two Million Five Hundred Thousand Dollars (\$2,500,000.00) from the UUFB as a self-funding source to RAP's FY 2016-17 budget.

FISCAL IMPACT STATEMENT

The appropriation of ~~One Million, One Hundred Thirty Five Thousand Dollars (\$1,135,000.00)~~ ^{One Million, Three Hundred Thousand Dollars (\$1,300,000.00)} is needed in FY 2016-17 for RAP operations. The Two Million, Five Hundred Thousand Dollars (\$2,500,000.00) reserved in the RAP General Fund will be appropriated to revenue in support of the RAP General Funded operations.

There may be future fiscal impacts to RAP operation and maintenance due to the LA River Trail project. RAP intends to request for additional City General Fund as needed through the annual City budget process as phases of the Project complete.

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