REPORT OF GENERAL MANAGER

DATE December 11, 2008

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

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RECOMMENDATION:

That the Board:

1. Subject to approval by the Mayor, approve the appropriation of $2,065,000 in Fund 302, Department 88, to various accounts as follows:

   FROM: Unreserved & Undesignated Fund Balance $2,065,000

   TO: Account 1090 - Salaries, Overtime 1,000,000
       Account 1100 - Salaries, Hiring Hall 90,609
       Account 3040 - Contractual Services 401,000
       Account 3310 - Transportation 70,000
       Account 6010 - Office and Administrative 453,391
       Account 6020 - Operating Supplies 50,000

   $2,065,000

2. Authorize the General Manager to reserve $1,500,000 in the Unreserved and Undesignated Fund Balance as part of our Fiscal Year 2008-09 budget as directed by Mayor and Council and to work with the Controller’s Office to meet our budget mandate; and,

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 Department’s Unreserved and Undesignated Fund Balance (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, and in accordance with Charter Section 343(b). The following transfers are being recommended to meet currently urgent and unfunded needs:

Cal-OSHA Mandated Safety Training - Account 6010 - $58,500 - Activity Code 0590

The Department is requesting $58,500 to provide mandatory Cal-OSHA safety training to maintain the certification of employees operating certain equipment such as forklifts, cranes, and aerial lifts. In addition, certain work assignments require advanced safety training to ensure they are performed without compromising employee safety (e.g., hearing protection, confined space, fall protection, trenching/shoring, blood borne pathogens, respiratory protection, and scaffolding training). These funds would also be used to provide safety training to implement the Department’s Injury Illness Prevention Program.

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.

Finance/Systems LAN/WAN - Account 6010 - $145,191 - Activity Code 0516

A fund transfer of $250,000 was previously approved in Fiscal Year 2007-08 under Board Report No. 07-206. Of the approximately 25 RAP locations that did not have Internet connections at that time, implementation of T1 lines is now complete at 13 locations. The last phase of the networking project will complete the connections to all RAP locations. The completion of the networking project will enable synchronization of departmental communications and give all RAP locations the ability to use the Citywide and departmental information systems for better fiscal accountability and financial control. The remaining unspent funds in the amount of $145,191 reverted to UUFB and need to be re-appropriated in order to finish this project.

Underground Fuel Tanks - Account 3040 - $361,000 - Activity Code 0913

All five of the underground fuel tank dispensing facilities maintained and operated by the Department failed their Senate Bill 989 tests (SB 989 Secondary Containment Testing). These funds will be used to determine the root causes for the failed tests and to take the necessary corrective actions to bring the systems into compliance. Corrective actions must be implemented this fiscal
year before the fuel sites are due for their next SB 989 tests in 2009 to avoid having the fuel sites shut down for an indefinite period and to avoid costly penalties from regulatory enforcement actions (up to $60,000 a day).

For clarification, the funding approved last fiscal year under Board Report 07-206 for the same amount was for upgrading all five underground fuel tank facilities with Enhanced Vapor Recovery Phase II systems (new dispensers, new vent lines, etc.) to meet the State's April 2009 deadline. This project is in progress with an estimated completion date of January 2009 in order to meet the State's deadline.

Specialized GIS Support Software - Account 6010 - $249,700 - Activity Code 0900

Funding is needed for various GIS support software that will improve the efficiency, accuracy, and productivity of the Planning and Development staff. Listed below are the needed licenses:

- Funding is needed for ArcGIS maintenance, AutoDesk license renewals, Adobe Photoshop Suite, and TOPO Pro Suite Mapping software to allow integration with ArcGIS projects for environmental analyses.
- GeoCortex software is required to create the framework of the web-based GIS Intranet application and will allow Planning and Development staff to create and save layers.
- The ability to obtain, load, and link pictometry (oblique photo) images will allow viewing from different angles, which will improve analysis of Department properties, planning and development, and property assessment.
- GIS support is needed two days a week for upgrading ArcGIS software, loading the LAR-IAC images, and generating region maps. This will also improve our ability to provide supporting information for special requests such as the Playful City entry; to get information requested by our consultants; to generate fire hydrant maps; to download aerial images in CAD format for architects; and to prepare for meetings with Council Districts.
- Funding will be used to develop a GIS Intranet application for staff to identify, mark and capture digital images of trails into the GIS database for downloading and printing.

Grant Writing Services - Account 3040 - $40,000 - Activity Code 9742

Funds are needed to hire grant writers for two upcoming Prop 84 competitive grant programs. The number of grants to be submitted has not yet been finalized, which will dictate the number of grant writers needed. However, it is anticipated that no more than 10 total grants would be submitted. Each grant writer would be paid $4,000 per grant.

Overtime - Account 1090 - $1,000,000

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
deficit. This account has not kept up with salary cost of living adjustments and thus provides fewer hours for overtime usage. Historically, the Overtime account has been underfunded. Our overtime budget is $404,595 yet we spend an average of approximately $2 million in overtime expenses each year. This fund transfer is needed to supplement the Department's overtime budget. A fund transfer of $500,000 was previously approved on August 20, 2008 under Board Report No. 08-234.

Pool Cleaning Labor - Account 1100 - $13,000 - Activity Code 4490
Pool Painting Labor - Account 1100 - $77,609 - Activity Code 1216

Prior to opening in the summer, swimming pools must undergo a thorough cleaning and painting process to prepare them for use by the public and to ensure safety of participants. This is a seasonal process which requires craft personnel for a limited time.

Mileage Reimbursement - Account 3310 - $70,000 - Activity Code 0500
The Department reimburses employees for mileage expense incurred for utilizing their private vehicles in the course and scope of performing their duties. Additional employees have been placed on mileage due to the 10% reduction of RAP's vehicle and equipment fleet. These funds are needed to ensure funds are available for the remainder of the current fiscal year.

FY 08-09 Budget Requirement - $1,500,000

As part of our Fiscal Year 2008-09 approved budget, this Department was directed by Mayor and Council to allocate $1.5 million from the Recreation and Parks UUFB as a funding source to our adopted budget. This item is presented for approval for us to reserve these monies and to work with the Controller's Office to take the necessary actions to meet our budget mandate.

FISCAL IMPACT STATEMENT:

The $2,065,000 appropriation of funds from UUFB will have no impact on the Department General Fund and $1,500,000 is a budget mandate item for Fiscal Year 2008-09.

This report was prepared by Noel Williams, Chief Management Analyst, Finance Division - Budget Section.