


CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

May 2, 2012

TO: BOARD OF RECREATION AND PARK COMMISSIONERS
FROM: 
JON KIRK MUKRI
General Manager
SUBJECT: OVERVIEW OF THE MAYOR'S PROPOSED FISCAL YEAR 2012-13
DEPARTMENT OF RECREATION AND PARKS BUDGET

On April 20, 2012, the Mayor of the City of Los Angeles released his proposed budget for Fiscal Year 2012-13. Included in the Mayor's Budget is a \$188.3 million appropriation for the Department of Recreation and Parks (RAP) (Attachment A). The budget proposes an increase of approximately \$8.7 million over Fiscal Year 2011-12.

The proposed budget includes projected increased additional funding of \$2 million from the City's Charter Mandated property tax revenue allocation. The proposed budget also includes \$4 million in one-time funding of grant recovery/reimbursement from Proposition A capital grants projects. The Housing Authority of the City of Los Angeles (HACLA) and City General Fund will reimburse RAP an additional \$1.1 million over Fiscal Year 2011-12 to fully reimburse the costs to provide recreational and maintenance services at seven (7) of its sites. The remaining increase in funds is from self-generated revenue such as fees generated from permitting our recreation centers. RAP will have to closely monitor these increases and, if necessary, reduce expenditures if funding from any of these sources should fall short.

It should be noted that these increases will not provide for additional discretionary programming or other services to City residents as these funds are dedicated. Approximately \$4 million of the increase is allocated for employee compensation adjustments. As previously stated, \$2.1 million is dedicated to fully fund and continue services for the seven HACLA owned sites. Another \$2.6 million is allocated for the maintenance of new and expanded facilities (including increased costs for maintaining City Hall Park and the Police Administration Building, as well as parks established under the 50 Parks Initiative).

RAP's payment of indirect costs (water and electricity, employee pensions and health benefits, and trash disposal) remains at approximately \$43 million. Since RAP began paying indirect costs in Fiscal Year 2007-08 and through Fiscal Year 2012-13, RAP will have contributed

approximately \$154 million towards solving the City of Los Angeles' \$1 billion budget shortfall. The \$154 million has resulted in service cuts which are detailed in Attachment B.

The proposed budget deletes 96 vacant full-time RAP positions for a total of \$5.3 million in funding. At this time, RAP does not foresee layoffs in existing RAP staff. However, it is unknown how Citywide layoffs (those employees who may return to RAP with reversion rights) will affect RAP.

Also, in Fiscal Year 2010-11, the Golf Division reorganized into a self-sustaining organization (i.e. the Division receives no City or RAP General Fund subsidy). The Golf Division's Fiscal Year 2012-13 budget remains substantially the same at \$23.8 million which covers all the Division's operational expenditures, contribution to their capital improvement fund and reimbursement for all indirect costs as well as \$1 million to the RAP General Fund in support of non-golf recreation (Attachment C).

The Mayor's proposed budget is currently under review by the City Council and should be approved in the next few weeks. Another report will be presented to the Board once the adopted budget is complete. It should be noted that future RAP budgets, that may continue to include charge backs of indirect costs, may not be sustainable and greatly hamper and impact RAP's ability to provide programs and services to City residents.

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

**DEPARTMENT OF RECREATION AND PARKS (RAP)
FISCAL YEAR 2012-13 MAYOR PROPOSED BUDGET**

Attachment A

SOURCE OF FUNDING		
APPROPRIATION	FY 2012-13	Percentage of Total Appropriation
Charter Mandated Appropriation	\$ 140,294,701	74.49%
RAP Self-Generated Revenue		
Proposition K-Maintenance	\$ 2,953,248	1.57%
Reimbursement from Housing Authority	\$ 1,600,000	0.85%
Reimbursement From Harbor Department	\$ 5,700,000	3.03%
Reimbursement From Golf Operations*	\$ 9,000,000	4.78%
In-House Capital Delivery Plan	\$ 3,300,000	1.75%
Concessions/Facility Use Fees/Permits/Other	\$ 19,475,000	10.34%
City General Fund	\$ 2,624,662	1.39%
El Pueblo	\$ 100,000	0.05%
RAP Self-Financed Revenue	\$ 3,300,000	1.75%
TOTAL APPROPRIATION	\$ 188,347,611	100.00%

SPENDING/EXPENDITURES		
INDIRECT SUPPORT COSTS	FY 2012-13	Percentage of Total Appropriation
Water	\$ 6,000,000	3.19%
Electricity	\$ 9,000,000	4.78%
Retirement Costs	\$ 22,681,436	12.04%
Flex Benefits	\$ 2,397,040	1.27%
Trash Services	\$ 3,400,000	1.81%
ERIP Payout	\$ -	0.00%
TOTAL INDIRECT SUPPORT COSTS	\$ 43,478,476	23.08%
DEDICATED		
DEDICATED	FY 2012-13	Percentage of Total Appropriation
Harbor Department	\$ 5,700,000	3.03%
El Pueblo	\$ 100,000	0.05%
Public Buildings	\$ 2,184,662	1.16%
HACLA Sites	\$ 2,100,000	1.11%
TOTAL DEDICATED COSTS	\$ 10,084,662	5.35%
MANDATED		
MANDATED	FY 2012-13	Percentage of Total Appropriation
Cost of Living Increases (COLA) Full-Time Employees	\$ 3,191,696	1.69%
COLA for Part-Time Employees	\$ 985,000	0.52%
Brush Clearance	\$ 1,485,000	0.79%
Property Tax	\$ 36,539	0.02%
Prop K - Maintenance	\$ 2,953,248	1.57%
TOTAL MANDATED COSTS	\$ 8,651,483	4.59%
TOTAL NON-DISCRETIONARY COSTS	\$ 62,214,621	33.03%
TOTAL RAP SERVICE & PROGRAM FUNDING	\$ 126,132,990	66.97%
*Note: Golf Operations were removed from the General Fund in Fiscal Year 2010-11.		

April 20, 2012

**DEPARTMENT OF RECREATION AND PARKS (RAP)
LIST OF SERVICE REDUCTIONS & IMPACTS DUE TO BUDGET REDUCTIONS
FISCAL YEAR 2008-09 TO 2012-13**

- Eliminated Pedal Boat service at Balboa, Echo Park, and MacArthur Lakes.
- Eliminated Licensed Child Care services at 24 sites.
- Eliminated Therapeutic specialized services at three (3) sites.
- Eliminated all Citywide Sports Tournaments.
- Closed Observatory two (2) days per week.
- Closed recreation centers & EXPO on Sundays and Holidays.
- Closed year round pools on Mondays and shortened the summer aquatic season from 10 weeks to eight (8) weeks.
- Reduced Clean and Safe Spaces (CLASS) parks program from 47 to 37.
- Eliminated special event co-sponsorship (i.e. Salute to Recreation, Lotus Festival, etc).
- Eliminated staffing at all skate parks except one.
- Reduced summer bus trips for economically disadvantaged youth and eliminated senior citizen bus trips.
- Implemented fee increases for recreation programs, facility use, and staff support.
- Reduced Ranger services to assignment at Griffith Park only.
- Reduced dedicated staff at Senior Centers (programming conducted by part-time staff).
- Consolidated and clustered recreational staff at centers (less full-time recreational staff dedicated to each site) which lessens the hours and types of programming offered.
- Reduced equity programs such as Girls Play LA, and other low cost opportunities for disadvantaged areas.
- Eliminated RAP Senior Nutrition Program and some social services.
- Eliminated the Retired Senior Volunteer Program.
- Routed maintenance staff which reduces the “presence” of RAP staff at the park which leads to “dead park” situations.
- Reduced maintenance cleaning services provided at recreation centers/ parks including: cleaning of restrooms from three (3) times per day to one-time per day, less frequent detailing of restrooms and buildings, removal of debris and trash, cleaning of gym floors, walls and other areas.
- Reduced land maintenance activities at parks including: routine maintenance, cleaning of children’s play areas, refurbishment of play fields; and closure of other heavily used areas until they can be made safe and sanitary.
- Reduced facility repairs including: roofing, lighting, electrical, graffiti removal, broken windows, etc.
- Reduced hours of operation at region headquarters by one hour.
- Eliminated Wonderful Outdoor World (WOW) camping program.
- Reduced residential summer camp program and boys and girls camps by one day.

- Reduced hours of operation at Banning Museum and Civil War Drum Barracks by three (3) hours a week each.
- Reduced summer youth fishing program at Cabrillo Beach during the summer (last one was in 2008. This was offered to day camp youth from recreation centers throughout the City).
- Cut field supervision (recreation districts by a supervisor) from 13 to 11. Also eliminated the Recreation Supervisor positions that specifically oversaw the services for the Camping Division and the Senior Citizen Division. These responsibilities are now absorbed by field supervisors effective February 28, 2011.
- Eliminated Public Restroom Enhancement Program (PREP).
- Restrooms are being cleaned once a day instead of three (3) times a day and detailing of restrooms and buildings has become less frequent.
- Hiking and equestrian trails do not receive routine maintenance.
- Recreation facilities (interior) receive minimal maintenance (no detail cleaning).
- Hardscape stains remain much longer as we are unable to pressure wash on a regular basis.
- Sandbox maintenance is greatly impacted as sand is screened twice a week instead of three (3) times a week.
- Picnic areas receive minimal attention (unable to remove coals on a regular basis).
- Litter/debris remain much longer on grounds, and trash cans overflow during the summer.
- Harvesting of aquatic vegetation at Machado Lake has not been performed in Fiscal Years 2008-09, 2009-10, nor 2010-11.
- Motor sweeping of RAP parking lots has been reduced.
- List of athletic fields to be refurbished has been reduced by 25%.
- Line trimming and detailing of planter beds now occur on an as-needed basis instead of weekly.
- Grading of ball diamonds now takes place on an as-needed basis instead of monthly.
- Tree work is only being done on demand and on an emergency basis. The Forestry Division has been forced to abandon all preventative tree maintenance. This is exposing both our staff and patrons to an increased risk due to potential tree hazards. Additionally, due to reduced tree care staff, our backlog of tree-related emergencies has grown and our ability to respond in a timely manner has been compromised significantly.
- Loss of pest control staff has forced us to drastically reduce our preventative gopher and ground squirrel control operations as well as insect and rodent control services at our recreation centers. The result has been an increase in the number of County Health citations received by the Department.
- RAP's ability to meet its water conservation goals has been compromised due to the reduction in trained staff to make irrigation system repairs and adjustments in a timely manner. The delays result in a waste of water and/or loss of turf and plant material.

RECREATION AND PARKS GOLF OPERATIONS

The Golf Special Fund was established for the purpose of receiving all revenues derived from the operation of the City's municipal golf courses. All costs and expenses incurred in the operation of the golf courses, including related costs, will be disbursed from the Golf Special Fund. In accordance with Charter Section 591, the Board of Recreation and Park Commissioners shall have the power to manage and control the Golf Special Fund.

A statement of the operating revenues and expenditures from golf operations is presented below. The proposed full-time staffing for the City's 13 golf courses is presented in the next page.

	Fiscal Year 2012-13
REVENUES	
Green Fees.....	\$ 18,101,400
Golf Carts.....	3,016,000
Other Golf Course Revenues.....	368,000
Reservation Fees.....	327,600
Tregnan Junior Golf Academy.....	172,000
Interest Income.....	250,000
Armand Hammer Trust.....	8,000
Driving Range and Lessons - Self Operated.....	1,108,000
Driving Range, Lessons and Professional Shop Concessions.....	258,000
Food and Beverage Concessions.....	257,000
TOTAL Revenue.....	\$ 23,866,000
EXPENDITURES AND APPROPRIATIONS	
Salaries, General.....	\$ 7,652,000
Salaries, As-Needed.....	2,886,000
Maintenance, Materials and Supplies.....	1,681,000
Contractual Services.....	967,000
Concession Improvements.....	80,000
Utilities.....	1,600,000
Reimbursement of General Fund Costs.....	9,000,000
TOTAL Expenditures and Appropriations.....	\$ 23,866,000

RECREATION AND PARKS GOLF OPERATIONS

2012-13 POSITION AUTHORITIES		
CLASS CODE	CLASS TITLE	COUNT
1513-2	Accountant II	1
1358	Clerk Typist	1
1549-2	Financial Analyst II	1
3141	Gardener Caretaker	40
2458	Golf Manager	1
2457	Golf Operations Supervisor	1
2453	Golf Starter	23
2479-1	Golf Starter Supervisor I	8
2479-2	Golf Starter Supervisor II	2
3913	Irrigation Specialist	7
3523	Light Equipment Operator	5
9184-2	Management Analyst II	2
3145	Park Maintenance Supervisor	9
3147-2	Principal Grounds Maintenance Supervisor II	1
1116	Secretary	1
3143	Senior Gardener	35
3146	Senior Park Maintenance Supervisor	2
2446-1	Senior Recreation Director I	1
1596-2	Systems Analyst II	1
	TOTAL	<u>142</u>

The 2010-12 Adopted Budget included 143 positions, which was subsequently revised by the Board of Recreation and Park Commissioners to 142 positions.