

BOARD REPORT

PG. 2 NO. 23-071

SUMMARY

Budgeted funds appropriated to RAP that are uncommitted or unencumbered at the end of the Fiscal Year (FY) revert to RAP's 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.

UUFB funds are generally used to meet urgent and/or unforeseen funding needs, or are re-appropriated in the current FY for uses that were authorized in a prior year. The Board of Recreation and Park Commissioners (Board) authorizes appropriations from the UUFB for a variety of purposes in accordance with Charter Section 343(b). The following appropriations are being recommended to meet current operational needs in FY 2022-23.

Salaries, As-Needed - \$4,500,000; Operating Supplies - \$5,000,000

RAP anticipates additional appropriations needed in the Salaries As-Needed account in the amount of \$4,500,000 and in the Operating Supplies account in the amount of \$5,000,000 to cash flow summer camp activities as well as various grant funded programs and services. RAP receives, among other grants, grant funding from the Los Angeles Organizing Committee for the 2028 Olympic and Paralympic Games (LA 2028) and also received the Californians For All grant in 2021 to provide much needed funding for the provision of services. As with most program grants, these grants do not provide upfront funding prior to the completion of the provision of services, as they are awarded on a reimbursement basis, requiring the provision of services to be completed prior to receiving any cash from the funding agency.

The additional appropriations in the Salaries As-Needed account is also needed due to increased maintenance activities as a result of various climate events. Severe weather has caused RAP to activate Winter Shelter sites with greater frequency. Damage caused by storms as well as additional shelter activations have increased RAP's maintenance costs.

Overtime General - \$150,000; Hiring Hall Salaries - \$400,000; Benefits Hiring Hall - \$170,000

RAP anticipates additional appropriations needed in the Overtime General account in the amount of \$150,000, in the Hiring Hall Salaries account in the amount of \$400,000 and in the Benefits Hiring Hall account in the amount of \$170,000. These appropriations are needed due to upcoming seasonal programming which includes summer recreational and aquatic programming (e.g. preparation for RAP's summer 2023 pool operation), summer camps, and other special assignments and unforeseen events (e.g. extreme weather and fire watch). These appropriations are also needed to meet requirements, deadlines and RAP's other operational needs for this fiscal year which included responding to storm and other weather related issues, supporting shelter activations, and increased facility repair activities including many roof repairs.

FY 2022-23 Budget Requirement - \$3,575,000.00

In accordance with the allocation of unreserved and uncommitted funds from the FY 2021-22

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Budget and to meet the operational needs of the Department. Staff requests the Board authorize and direct RAP to reserve \$3,575,000.00 from the UUFB as a self-funding source to the Department's FY 2022-23 adopted budget.

FISCAL IMPACT

The appropriation of \$10,220,000 is needed in FY 2022-23 to support RAP's operations as described in this Report. The \$3,575,000.00 reserved in the RAP General Fund will be appropriated to revenue to support the RAP General Funded operations.

STRATEGIC PLAN INITIATIVES AND GOALS

Approval of this Report advances RAP's Strategic Plan by supporting:

Goal No. 6: Build Financial Strength & Innovative Partnerships

Outcome No. 1: RAP's operating budget meets the needs of the park system for all Angelenos

This Report was prepared by Charles Wilkie, Senior Management Analyst I, Finance Division.

ATTACHMENT:

1) Resolution

RESOLUTION NO. _____

WHEREAS, the Department of Recreation and Parks (RAP) anticipates additional appropriations needed in its Salaries As-Needed account in the amount of \$4,500,000 and in its Operating Supplies account in the amount of \$5,000,000 to cash flow summer camp activities as well as various grant funded programs and services; and

WHEREAS, RAP receives, among other grants, grant funding from the Los Angeles Organizing Committee for the 2028 Olympic and Paralympic Games (LA 2028) and also received the Californians For All grant in 2021 to provide much needed funding for the provision of various services; and

WHEREAS, with most program grants, these grants do not provide upfront funding prior to the completion of the provision of services, as they are awarded on a reimbursement basis, requiring the provision of services to be completed prior to receiving any cash from the funding agency; and

WHEREAS, the additional appropriations in the Salaries As-Needed account is also needed due to increased maintenance activities as a result of various climate events; and

WHEREAS, severe weather has caused RAP to activate Winter Shelter sites with greater frequency; and

WHEREAS, damage caused by storms as well as additional shelter activations have increased RAP's maintenance costs; and

WHEREAS, RAP anticipates additional appropriations needed in the Overtime General account in the amount of \$150,000, in the Hiring Hall Salaries account in the amount of \$400,000 and in the Benefits Hiring Hall account in the amount of \$170,000; and

WHEREAS, these appropriations are needed due to upcoming seasonal programming which includes summer recreational and aquatic programming (e.g. preparation for RAP's summer 2023 pool operation), summer camps, and other special assignments and unforeseen events (e.g. extreme weather and fire watch); and

WHEREAS, these appropriations are also needed to meet requirements, deadlines and RAP's other operational needs for this fiscal year which included responding to storm and other weather related issues, supporting shelter activations, and increased facility repair activities including many roof repairs; and

WHEREAS, the requested appropriations from the Unreserved and Undesignated Fund Balance (UUFB) are needed to provide the funds noted above for the Salaries, As-Needed account, Overtime General account, Hiring Hall Salaries account, Benefits Hiring Hall account and Operating Supplies account to meet RAP's operational needs; and

WHEREAS, in accordance with the allocation of unreserved and uncommitted funds from the FY 2021-22 Budget and to meet the operational needs of the Department. Staff requests the Board authorize and direct RAP to reserve \$3,575,000.00 from the UUFB as a self-funding source to the Department's FY 2022-23 adopted budget;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Recreation and Park Commissioners (Board) authorizes the appropriations from Fund 302, Department 88 to various accounts as follows:

FROM:

Unreserved and Undesignated Fund Balance (UUFB) \$10,220,000.00

TO:

Account 1070 – Salaries, As-Needed	\$4,500,000.00
Account 1090 – Overtime General	150,000.00
Account 1100 – Hiring Hall Salaries	400,000.00
Account 1120 - Benefits Hiring Hall	170,000.00
Account 6020 – Operating Supplies	<u>5,000,000.00</u>

Total \$10,220,000.00

BE IT FURTHER RESOLVED, that the Board authorizes and directs RAP's General Manager, or designee, to reserve Three Million, Five Hundred Seventy-Five Thousand Dollars (\$3,575,000) in the Unreserved and Undesignated Fund Balances as part of the Fiscal Year 2022-2023 budget as directed by the Mayor and Council and to work with the Controller's Office to meet the department budget mandate.

BE IT FURTHER RESOLVED, that the Board authorizes RAP's General Manager, Chief Accounting Employee, or their respective designee to make technical corrections as necessary to those transactions referenced herein to carry out the intent of these resolutions.

I HEREBY CERTIFY, that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Recreation and Park Commissioners of the City of Los Angeles at its Regular Meeting held on April 6, 2023 (Board Report No. _____).

TAKISHA SARDIN, BOARD SECRETARY

RESOLUTION NO. _____