

REPORT OF GENERAL MANAGER

NO. 01-456

DATE November 28, 2001

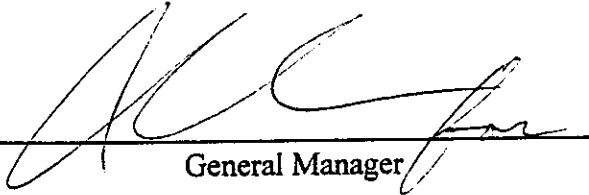
C.D. _____

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EXPOSITION PARK INTERGENERATION COMMUNITY CENTER (EPICC)
EMERGENCY CASH FLOW

J. Combs _____
A. Corrales _____
J. Duggan _____
J. Kolb _____

H. Fujita _____
*M. Tamuri _____
M. Matthews _____


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

It is recommended that the Board approve and authorize the Chief Accounting Employee to transfer \$600,000 from the Golf Surcharge Account, Fund 302, Department 89, Account D931 to the EPICC account, Fund 302, Department 89, Account 9980 to provide temporary cash flow for the EPICC project.

SUMMARY:

The Department is awaiting a \$2 million draw down of the Proposition A funds committed to the EPICC project. Unfortunately, the funds will not be available until December 13, and the EPICC project management firm informed the Department Monday, November 26, 2001, that the payroll for December 1 will be short \$600,000 unless an emergency cash flow loan is approved. The Board has previously authorized a loan of \$300,000 from the Concession Improvement Account to provide for project cash flow.

The EPICC project is a public-private partnership that combines public funds with private donations for the construction effort. All of the public funds are available on a reimbursement basis and to date the \$300,000 loan from the Concession Improvement Account has been adequate for the project. The project management firm and the EPICC Director are reviewing the reimbursement process to expedite the cash flow and remove the need for borrowing. As soon as a timely reimbursement schedule can be guaranteed the \$600,000 loan will be repaid.

Report prepared by: John Duggan, Chief Financial Officer