

NO. 04-148

REPORT OF GENERAL MANAGER

CD _____

DATE May 5, 2004

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: TRANSFER OF FUNDS WITHIN RECREATION AND PARKS TO AUGMENT THE BUDGETED AMOUNTS IN THE APPROPRIATION ACCOUNTS.

K. Chan	_____	M. Mariscal	_____
J. Combs	_____	F. Mok	<u>am</u>
H. Fujita	_____	K. Regan	_____
J. Kolb	_____	G. Stigile	_____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board authorize:

1. The transfer, subject to approval by the Mayor, of \$630,000 within the Recreation and Parks Fund 302 as follows:

From: Account 2539, Unreserved and Undesignated Fund Balance	\$570,000
Account 6020, Operating Expenses	\$60,000

To: Account 1070, Salaries, As Needed	\$30,000
Account 1090, Salaries, Overtime	\$500,000
Account 2120, Printing and Binding	\$60,000
Account 3310, Transportation	\$30,000
Account 6030, Leasing	\$10,000

2. The utilization of \$610,000 from the Unreserved and Undesignated Fund balance in Fund 302 to offset the decrease in the General Fund budget allocation for Recreation and Parks, per Council instruction (03-0600-S10);
3. The transfer of \$175,000 from Fund 302, Account 1010, Salaries, General to Fund 301, Account 000B, within Recreation and Parks, for the Youth/Senior Lunch programs, which was included in the mid-year adjustment and financial status report (03-0600-S51).

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SUMMARY:

Additional funding is required for the Salaries As Needed, Overtime, Printing and Binding, Transportation, and Leasing accounts.

The floating holidays that now accrue to the half-time employees need to be funded under Account 1070, Salaries, As Needed, with this transfer. The Overtime Account will have a deficit due to employee separation pay, payoff of overtime that exceeds 80 hours and employees continue working overtime due to severe understaffing caused by the hiring freeze. The amounts budgeted annually for Printing and Binding, Transportation, and Leasing (to pay taxes on those Department properties outside City boundaries), are not sufficient to cover the Department's actual needs through the end of the fiscal year. After these internal transfers, accounts will have sufficient balances to meet department's needs for the rest of the fiscal year.

Per Council action (03-0600-S10), the Controller has decreased the General Fund budget allocation for Recreation and Parks due to citywide reduction of the 2003-2004 fiscal year budget, thereby necessitating the utilization of the Unreserved and Undesignated Fund Balance in Fund 302, as mentioned in Board Report 03-371 for the appropriation from the Unreserved and Undesignated Fund Balance in Fund 302 to various accounts for department operations in fiscal year 2003-2004 and reduction of appropriations from budgeted accounts to match City budget reductions.

Per Council instruction (C.F. #03-0600-S51), \$175,000 was allocated in the Salaries, General Account for the Youth/Senior Lunch Program.

Prepared by: Rose Reyes