



City of Culver City

Staff Report

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Item #: C-5.

CC - FOUR FIFTHS VOTE REQUIREMENT: Approval of FY 2019/2020 Budget Amendment to Record the Receipt of \$14,190.34 in Los Angeles County Proposition A Maintenance and Servicing Excess Funds for Senior Center Janitorial Services.

Meeting Date: February 10, 2020

Contact Person/Dept: Corey Lakin/PRCS

Phone Number: (310) 253-6682

Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing: **Action Item:** **Attachments:**

Commission Action Required: Yes No **Date:**

Public Notification: (Email) Meetings and Agendas - City Council (02/04/20)

Department Approval: Corey Lakin, PRCS Director (01/29/20)

RECOMMENDATION

Staff recommends the City Council approve a FY 2019/2020 budget amendment to record the receipt of \$14,190.34 in Los Angeles County Proposition A Maintenance and Servicing Excess Funds for Senior Center Janitorial Services (**a budget amendment requires a four-fifths vote**).

BACKGROUND

On August 12, 2019, PRCS Department staff received an email from the Los Angeles County Regional Park and Open Space District (RPOSD) announcing the availability of the 2019/2020 Maintenance and Servicing Excess (M&SE) Funds Program. Program funds were available to agencies whose Proposition A Excess Funds grant-funded projects had been completed and the grants closed. The deadline to submit M&SE application was Thursday, September 5, 2019 by 5:00 p.m.

The Los Angeles County Propositions of 1992 and 1996 (Proposition A) both provided for the annual allocation of "Regular" Maintenance and Servicing Funds (M&SR). The Benefit Assessment for the 1996 Proposition ended in Fiscal Year 2016/2017. Excess Funds have been declared since Fiscal

Year 1998/1999. All of the Excess Funds made available from FY 1999/2000 through FY 2012/2013 were for capital outlay projects only. This was due to the Proposition A mandatory requirement to expend 80% of the assessment revenue for capital outlay projects in the first 20 years. This restriction expired at the end of fiscal year 2012/2013. As a result, the directive in Proposition A of 1996 to allocate 20% of the Available Excess Funds for maintenance and servicing of Excess Fund grant-funded projects was implemented. These funds cannot be used for capital improvement projects. Instead, they must be used for the maintenance, servicing, and under certain circumstances, the repair and replacement of project components.

The List of Eligible Excess Funds Projects was provided by the RPOSD. Due to the short turnaround window and because the RPOSD has been reimbursing Culver City for the cost of Senior Center maintenance (including janitorial services) on a continuing basis since Fiscal Year 2003/2004, staff submitted M&SE Funds applications for Senior Center Janitorial Services via the RPOSD's WebGrants system. The amount of \$73,853.25 was requested for Fiscal Year 2017/2018 Senior Center Janitorial Services and \$61,801.98 was requested for Fiscal Year 2018/2019 Senior Center Janitorial Services. These expenditures had been planned to be reimbursed by the City's M&SR Funds. However, it was anticipated that if M&SE Funds were approved, then the M&SR Funds could be used toward other eligible projects.

DISCUSSION

On September 24, 2019, staff received an email from the RPOSD which read, in part:

*Due to the overwhelming response to the program, which has resulted in eligible submissions exceeding \$8 million dollars for a program with only \$946,900 in available funds, we will require your agency to **select only one** of your eligible submissions to continue processing in the program. **Please note that your agency may only receive a prorated portion of the selected eligible funds.***

In response, staff selected the submission for \$73,853.25 for Fiscal Year 2017/2018 Senior Center Janitorial Services. On September 26, 2019, staff was informed that Culver City's share was \$14,190.34. On December 26, 2019, PRCS staff was notified by the Finance Department that an electronic funds transfer (EFT) in this amount had been received from the RPOSD.

FISCAL ANALYSIS

There is no direct fiscal impact to the City's General Fund. Staff is requesting a budget amendment to Acct# 41460903.346330 (Building Maintenance / Prop A: Maintenance and Servicing) in the amount of \$14,190.34 in revenue. M&SR Fund requests for the remaining amount of Fiscal Year 2017/2018 Senior Center Janitorial Services expenditures and for the expenses incurred during Fiscal Year 2018/2019 are currently being processed by the RPOSD.

ATTACHMENTS

None.

MOTION

That the City Council:

Approve a budget amendment to record the receipt of \$14,190.34 in Los Angeles County Proposition A Maintenance and Servicing Excess Funds for Fiscal Year 2017/2018 Senior Center Janitorial Services (a budget amendment requires a four-fifths vote).