

2011 - 2012 Seattle City Council Green Sheet

Approved

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99	1	A	2

Budget Action Title: Increase the Parks Department use of fund balance by \$455,000, Reduce GSF transfer to the Parks Department by a like amount and generate GSF savings of \$455,000, all in 2011

Councilmembers: Budget Committee

Staff Analyst: Kieu-Anh King

Council Bill or Resolution:

Budget Committee Vote:

Date	Result	SB	BH	SC	TR	JG	NL	RC	TB	MO
11/12/2010	Pass 9-	Y	Y	Y	Y	Y	Y	Y	Y	Y

Summary of Dollar Effect

See the following pages for detailed technical information

	2011 Increase (Decrease)	2012 Increase (Decrease)
General Subfund		
<i>General Subfund Revenues</i>	\$0	\$0
<u><i>General Subfund Expenditures</i></u>	(\$455,000)	<u>\$0</u>
<i>Net Balance Effect</i>	\$455,000	\$0
Other Funds		
<i>Park and Recreation Fund</i>		
<i>Revenues</i>	(\$455,000)	\$0
<u><i>Expenditures</i></u>	<u>\$0</u>	<u>\$0</u>
<i>Net Balance Effect</i>	(\$455,000)	\$0
Total Other Funds	(\$455,000)	\$0
Total Budget Balance Effect	\$0	\$0

Budget Action description:

This green sheet increases the use of fund balance at the Department of Parks and Recreation (DPR) by \$455,000 in 2011 and reduces the GSF transfer to DPR by the same amount. This green sheet would reduce the expected balance from \$955,000 to \$500,000 in the Park and Recreation Fund in 2011.

Background.

As an operating fund department, the Parks Department maintains its own fund, separate from the City's General Subfund. Each year since 2005, the Parks Department has had an unreserved, unrestricted fund

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balance, which it typically uses as a revenue source to balance its subsequent-year budget. These fund balances are the result of a combination of under-expenditures (budget savings) and revenues exceeding budgeted levels.

In 2009 the Park and Recreation Fund had a year-end balance of \$2.6 million, of which it used \$1.6 million to meet its budget savings target for 2010 and 2011. Parks has an informal policy of retaining \$1.0 million in fund balance at the end of a year. The purpose of retaining this fund balance is to provide a higher probability of achieving a positive year-end fund balance in future years despite revenue and expense streams that vary significantly with factors such as the weather.

Reducing this fund balance to \$500,000 will provide \$455,000 of funding for Council priorities and will allow Parks to retain a prudent fund balance in 2010.

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Budget Action Transactions

Budget Action Title: Increase the Parks Department use of fund balance by \$455,000, Reduce GSF transfer to the Parks Department by a like amount and generate GSF savings of \$455,000, all in 2011

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
1	Increase DPR's use of Fund Balance, to generate GSF savings				DPR	Use of Fund Balance	379100	10200	2011	\$455,000	
2	Reduce GSF revenue at DPR, to generate GSF savings				DPR	General Subfund Support	587001	10200	2011	(\$455,000)	
3	Reduce GSF transfer to DPR, to generate GSF savings				FG	Parks and Recreation Fund	Q5971020	00100	2011		(\$455,000)