

Date: July 12, 1996

SUBJECT: PARK BOARD CAPITAL AND OPERATING ACCOUNTS - BUDGET TRANSFER

BOARD POLICY

The General Manager is authorized to make transfers up to \$50,000 and \$10,000 per capital account and per operating account respectively. These limits apply only to transfers between accounts. There is no limit for transfers between expenditure type (i.e. wages, supplies, contract services, etc.) within the same account.

Since the approval of the global operating budget (effective January 1, 1992), Council has delegated to the Park Board unlimited authority to transfer funds within the global budget, subject to notification of the City Director of Finance and normal council and charter reporting requirements.

At the meeting of June 20, 1996, the Board amended the above limits by increasing the General Managers authority to make operating transfers (excluding NNR's) from \$10,000 to \$50,000. The transfer limit on NNR funding to remain at \$10,000. Since this change has just been implemented the attached report is based on the old limits of \$50,000 for capital and \$10,000 for operating.

DISCUSSION

The attached report provides information regarding the capital and operating fund transfers for the period from January 1 to June 1996. Due to the late approval of the 1996 operating budget no operating fund transfers were made in the first quarter.

When reviewing this report it may appear that several transfers exceed the \$10,000 (operating) and \$50,000 (capital) limits as outlined above. However, all of these items represent funding allocations which are authorized outside of the General Manager's approval limits as follows:

- 1) Operating transfers over \$10,000 include:
 - i) Allocation of the lump sum Added Basic funding, as approved by the Board, to specific accounts.

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- ii) Transfers between expenditure type within the same account. This is not considered as a re-allocation as the funding remains in the same account for the same purpose.
- iii) Other transfers specifically approved by the Board.

2) Capital transfers over \$50,000 include:

- i) Closing the account for a specific project into another account for the same purpose . In many cases funding for a specific project is provided in more than one years capital budget. This results in two separate approved budget accounts for a single project. Consolidation of the unspent balance into a current account simplifies the overall cost management of that project.
- ii) Allocation of provision for overhead is based on the 1996 operating budget already approved by the Board.

All remaining operating and capital fund transfers listed are within the General Manager's authorized limits and are reported here for the information of the Board.

FOR A COPY OF THE ATTACHMENTS
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