

TO: Juvenile Welfare Board Members

FROM: James E. Mills, Executive Director 
Lisa A. Sahulka, Director of Programs & Finance 
Sue Walterick, Finance Director 

Requested Action

The Board is requested to transfer \$180,000 from the Enterprise Fund to the Pinellas Park Fund.

Options

1. Approve the request.
2. Deny the request.
3. Any other action the Board may deem Appropriate.

Recommended Action

1. Transfer \$180,000 from the Enterprise Fund to the Pinellas Park Fund.

Source of JWB Funds

The Enterprise Fund Balance.

Fiscal Impact

The Enterprise Fund Balance would be reduced from \$309,092 to \$129,092.

Narrative

In F/Y 94-95, the JWB acquired the Pinellas Park building and moved headquarters to that site. During F/Y 95-96, the 49th Street building was rented to the Florida Department of Children and Families. For Financial Reporting purposes the Proprietary Fund was created to account for the Pinellas Park building in the Internal Service Fund and the 49th Street building in the Enterprise Fund.

The purpose of these funds is to provide a self-sustaining environment in which to operate these sites. As a result, the rent was set to meet the projected needs of the normal operating expenses for the Pinellas Park building. The 49th Street building rent was agreed upon with the State of Florida based on a state negotiated rate for rental lease & tenant required improvements.

During the last five fiscal years, the Internal Service Fund (Pinellas Park building) has achieved basically a breakeven position through the rent, but has not produced the anticipated reserve for improvements. However, there are currently several needed building projects which need updated that are non-recurring expenses. Those items are estimated as follows:

Replacement Chiller Unit	\$ 119,000
Reception Desk Remodel	5,000
Bathroom Remodeling	4,000
Landscaping	4,000
Washing & Pressure Clean	3,000
Lighting Retrofit	35,000
A/C Update	<u>10,000</u>
TOTAL:	\$ 180,000

During the last three fiscal years, the Enterprise fund (49th Street building) has accumulated a balance of \$309,092. This has occurred due to the negotiated rate and a payback of improvements included in the rent. This rent income has been negotiated through Fiscal Year 2004-05, assuming a continued need for this building by the State.

Staff has recently negotiated new contracts with License Board, Headstart, and CCC for rent in the Pinellas Park building. These new rents include a larger assessment for larger non-recurring projects. In order to accomplish the current needs of \$180,000, staff is recommending to transfer dollars from the Enterprise Fund to the Internal Service Fund. Staff have conferred with Chip Jones from KPMG Peat Marwick and been advised that a transfer is allowed within the Proprietary Fund as long as it is "infrequent" and has Board approval.

Staff Resource Persons: Mike Pitzer, Walt Williams