

**RANCHO SIMI RECREATION AND PARK DISTRICT
INTEROFFICE MEMORANDUM**

DATE: May 17, 2007

TO: Board of Directors

FROM: General Manager

SUBJECT: Receive and File Correspondence Indicating Park District Obligation
for Utility Services Provided to Township After School Program

SUMMARY

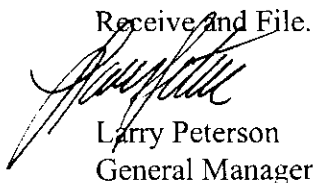
The Park District operates 8 after school club locations in Simi Valley, all of which are on Simi Valley Unified School District ("SVUSD") campuses. SVUSD owns the buildings used at four locations; Crestview, Knolls, Mountain View, and Wood Ranch. The Park District pays rent for each of these locations (which includes utilities) in the current monthly amount of \$440 per month for ten months per year. This rate is adjusted upward by SVUSD, based upon changes in the Consumer Price Index. The total paid for these four locations is currently \$17,600 annually.

The Park District purchased and owns the remaining four after school club buildings, located at; Garden Grove, Vista, Madera and Township. For these locations, SVUSD charges a flat-rate monthly utility fee of \$258.28 per month for 12 months per year. This amount is also adjusted upward by SVUSD, based upon changes in the Consumer Price Index. The total utility charges for these four locations is \$12,397 per year.

Research has demonstrated that SVUSD has not in-fact billed the Park District for utility charges associated with the Township location since August 1989. SVUSD seeks reimbursement for the amount owing from July 2001 through March 2007, in the total amount of \$16,374. Staff believes this is a reasonable compromise. It is and has been Park District practice to pay utilities for buildings that it owns and operates on school campuses. This obligation was not budgeted however, and payment of it will increase the corresponding expense account. Simply put, this expense will place one account over budget. This fact should be remembered when reviewing monthly and year-end financial reports. Unless directed to the contrary, staff will proceed with payment of the expense.

BOARD ACTION

Receive and File.


Larry Peterson
General Manager