

**BUDGET AND FINANCE COMMITTEE
BUDGET MEMOS
2007-2008**

Memo No.

1. Corrections to Pages 248 and 249 of the Revenue Outlook
2. Department of Environmental Affairs Letter to Budget and Finance Committee
3. Bureau of Contract Administration Letter to Budget and Finance Committee dated April 23, 2007
4. Bureau of Street Lighting Letter to Budget and Finance Committee dated April 23, 2007
5. Bureau of Engineering Letter to Budget and Finance Committee dated April 23, 2007
6. Board of Public Works Letter to Budget and Finance Committee dated April 26, 2007
7. Bureau of Sanitation Correspondence on the 2007-08 Proposed Budget
8. Department of Recreation and Parks 2007-08 Proposed Budget – Department Letter to Budget and Finance Committee
9. Department of Transportation Letter to Budget and Finance Committee Dated April 24, 2007
10. Bureau of Street Services Letter to Budget and Finance Committee Dated April 25, 2007
11. Response to Letter from the Director of Planning to the Budget and Finance Committee
12. Los Angeles Housing Department 2007-08 Proposed Budget
13. Department of Aging, 2007-08 Proposed Budget – Department Letter to Budget and Finance Committee
14. Department on Disability, 2007-08 Proposed Budget – Department Letter to Budget and Finance Committee
15. LAPD Sworn Overtime by Category

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16. Sworn Net Hiring Question
17. Library Department 2007-08 Proposed Budget – Department Letter to Budget and Finance
18. Uses of 2006-07 Funding in the Unappropriated Balance for Council –Initiated Planning Projects
19. Letter from the Office of Finance to the Budget and Finance Committee Regarding the 2007-08 Proposed Budget
20. Commission on Children, Youth and Their Families' Memo to the Budget and Finance Committee on Reductions to the Proposed Budget
21. Department of Aging, 2007-08 Proposed Budget – One and Three Percent Budget Reduction Proposals
22. **REVISED** -- Police Department Request for Additional Resources
23. **REVISED** -- Funding for New and Ongoing Community Plans
24. CAO Response to City Clerk Letter of April 23, 2007 Relative to the 2007-08 Proposed Budget
25. Funding for the Los Angeles Fire Department Coldwater Backup Operations Control Dispatch Center (Backup Center)
26. Commission on the Status of Women Memo to the Budget and Finance Committee on Reductions to the Proposed Budget
27. Department of Recreation and Parks 2007-08 Additional Budget Reductions
28. Five-Year Projection of the City Contribution to the Retirement Systems
29. Audits of Development Projects
30. Library Department 2007-08 Proposed Budget – One and Three Percent Budget Reduction Proposals

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31. LAPD Prisoner Transportation and Release
32. City Ethics Commission Letter to Budget and Finance
33. Los Angeles Housing Department Regional and Satellite Office Locations
34. CAO Response to Budget and Finance Committee Request for a Report on Funding the City Clerk at the 2006-07 Budget Level and Salary Adjustment of \$66,106
35. Report Back on the Los Angeles Fire Department: Homeland Security Enhancement, Phase II Status Report
36. Massage Testing and Inspection Contract Reimbursement
37. Office of Finance 1% and 3% Budget Reduction Submission
38. Report Back on General City Purposes Line-Item – The International Visitors Council of Los Angeles
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50. Use of Capital Improvement Expenditure Program (CIEP) Funds at Italian Hall Building and CIEP Priorities
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54. Community Development Department Related Cost Anticipated Shortfalls for 2007-08
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58. Emergency Preparedness Department Proposed FY 2007/08 Budget – Reduction Exercise
59. Bureau of Engineering Response to Questions on 2007-08 Proposed Budget
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61. Response from the Department of General Services Regarding the Status of Public Restrooms Near the Gorilla Exhibit
62. Response from the Department of General Services Regarding the Criteria for Maintenance Service Reduction and Which Facilities Will Be Impacted
63. Bureau of Street Services – Illegal Sign Program
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65. Department of Transportation – Alternative Funding Options to Propositions A and C
66. Department of Transportation – Status of LED Conversion and the Photo Red Light Program
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89. Bureau of Street Services – Response to Budget and Finance Committee – Plan for 2007-08 Resurfacing Budget
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91. Bureau of Street Services – Response to Budget and Finance Committee – Dirt Streets and Alleys
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99. Restoration of Cable Television Production Manager II in ITA
100. Video Conferencing and Connection System Statistics
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102. LATAX Continuing Consultant Costs
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104. Bureau of Street Lighting – Evaluation of Fee Structure
105. Bureau of Sanitation – Status of Commercial Advertising on Sanitation Vehicles
106. Bureau of Sanitation – Reduce Black Bin Refuse
107. Bureau of Sanitation – Pay As You Throw
108. Bureau of Sanitation – Alternative Waste Disposal Technology Study
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111. CAO Response to Information Technology Agency Letter of April 20, 2007 Relative to the 2007-08 Proposed Budget

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114. Department of Neighborhood Empowerment Funding by Neighborhood Councils for a City Planner
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118. Report on Whether Special Funding Can Be Used to Pay for Two LUPAMS Positions Not Included in the 2007-08 Proposed Budget and Fee Analysis
119. Bureau of Street Lighting – Increase Salary Savings Increase by One Percent
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121. ITA Report Back on Budget Questions Regarding LATAX
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129. Letter from the Harbor Department to the Budget and Finance Committee Regarding Living Wage for Harbor Concessions
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131. Department of Recreation and Parks – Healthy Food Choices for Youth and Senior Meal Programs
132. Department of Water and Power to Respond on Light-Emitting Diode (LED) Program Loan Repayment and Fiber Optic Sale Questions
133. Letter from the Harbor Department to the Budget and Finance Committee Regarding the Use of Green Technology on the Expansion of Port Operations
134. Department of City Planning Report on Establishing a City Policy Related to Developers' Paying for EIRs
135. Department of City Planning Report on Why the Department Did Not Include the West LA Community Plan in the List of Plans to be Updated
136. Department of City Planning Report on the Update Cycle of the City's 35 Community Plans
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138. Library Department Report Back on How Many Additional Books Can be Purchased with \$500,000 Increments in Funding
139. Department of Recreation and Parks – Bundy Triangle Located at the Corner of Bundy Drive and Santa Monica Boulevard

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140. Department on Disability – Emergency Planning Grants for City's Senior and Disabled Residents
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142. Bureau of Engineering – One and Three Percent Budget Reductions to the Proposed Budget
143. Department of City Planning Report on Efforts to Reduce Its Caseload Backlog
144. Police Department Report on Home Garaging of Police Vehicles
145. Bureau of Street Services – Off-Budget Construction Work Funded by Grants
146. Report Back on the Convention on the Elimination of Discrimination Against Women (CEDAW)
147. Department of Recreation and Parks – Westchester Junior Golf Program
148. Department of Recreation and Parks – Staffing of Recreation Centers Until Closing Time
149. Personnel Department Various Reports Back to Budget and Finance Committee Regarding Proposed 2007-08 Budget
150. El Pueblo de Los Angeles Report Back on the Total Amount Needed to Maintain Current Expanded Museum Hours
151. Letter from the Harbor Department to the Budget and Finance Committee Regarding Security Needs and Plans and Federal Funding Support
152. El Pueblo de Los Angeles Report Back on Emergency Repairs
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154. Proposition O Funding Commitments
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156. Report Back on the Status of Prop DD and Completed Projects
157. **REVISED** Animal Services Department Animal License Canvassing Program
158. Police Department Report on the Impact of Deferring Fleet Replacement Until 2008-09
159. Los Angeles Homeless Services Authority Available Funding with Overhead Costs
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164. Los Angeles Homeless Services Authority Report on County of Los Angeles Funding for Emergency Shelter Beds
165. Community Development Department Administrative Costs
166. One Fire Assistant Chief Funded by Airports Department
167. El Pueblo de Los Angeles Report Back on the Resources Required for Cataloging Artifacts
168. Los Angeles Homeless Services Authority Report on Funding Sources
169. El Pueblo de Los Angeles Report Back on the Total Cost for Security Services
170. One-Time Revenues and Expenses History
171. Special Studies Report Back
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173. Department of Transportation – Obsolete Accounts and Programs in Proposition A
174. Office of the Treasurer – One Percent Salary Savings Rate Reduction
175. Animal Services Department Proposed FY 2007/08 Budget – Reduction Exercise and Other Budgetary Concerns
176. Zoo – 1% and 3% Budget Reduction Exercise
177. Department of Aging – Request for a Cost-Neutral Personnel Authority Adjustment
178. Office of the Treasurer – One and Three Percent Budget Reductions to the 2007-08 Proposed Budget
179. Housing Authority of the City of Los Angeles Report on an Expenditure Plan for Payment In-Lieu of Taxes Fund
180. Reappropriation of One-Time Funding for Continuation of the 3-1-1 Citywide Service Request System (CSRS)
181. El Pueblo de Los Angeles Report on the Steps Needed to Address the Controller's Concerns
182. Cultural Facilities Overview
183. Operational and Fiscal Impact of Deferring the Fleet Replacement Program in the Los Angeles Fire Department
184. Personnel Department – One and Three Percent Budget Reduction Analysis
185. Department of Neighborhood Empowerment Money Subject to Reversion in the Neighborhood Council Funding Program
186. Los Angeles Fire Department: Cost Analysis of Leasing or Purchasing a Type I Helitanker Aircraft
187. Last 10 Years of Municipal Improvement Corporation of Los Angeles (MICLA) New Money Issuances

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188. Report Back Money Spent or Budgeted of Technology – Related Assets and History on the Lifespan for IT-Related Assets
189. Airports Department Report Back Request
190. 1% and 3% Cut to Mayor's 2007-08 Proposed Budget – City Attorney
191. Increasing Salary Savings Rate by 1% -- City Attorney
192. CAO Response Regarding Cultural Affairs Letter Dated April 23, 2007 Relative to the 2007-08 Mayor's Proposed Budget
193. Department of Neighborhood Empowerment 2007-08 Proposed Budget 1% and 3 % Reduction
194. Response from the Department of Cultural Affairs Concerning Grant Eligibility
195. Report Back on Shared Administrative Services Between the Commission on the Status of Women (CSW), Commission on Children, Youth and Their Families (CCYF), and Human Relations Commission (HRC)
196. Los Angeles Fire Department
197. Personnel Department Various Reports Back to Budget and Finance Committee Regarding Proposed 2007-08 Budget
198. Department of Recreation and Parks – Swimming Pool Operations
199. Commission on the Status of Women Memo Regarding the Mayor's Proposed Budget
200. El Pueblo de Los Angeles 2007-08 Proposed Budget – Department Letter to Budget and Finance Committee
201. Report from the Department of Cultural Affairs Concerning the Music LA Program
202. Cultural Affairs – 1% and 3% Reduction Exercise
203. CPI Adjustment for Third Party Administrator

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204. Liability Claims
205. Letter from the Treasury to the Budget and Finance Committee Regarding the 2007-08 Proposed Budget
206. 2007-08 Capital Projects Bond Reserve Fund
207. Report Back on the Collaborations Between the Commission on Children, Youth and Their Families (CCYF) and the City Attorney's Office
208. In-House Attorneys Vs. Outside Counsel
209. El Pueblo de Los Angeles Report on Steps Necessary to Establish El Pueblo Foundation
210. Operation Bright Future and Kidwatch
211. Addendum to CAO Budget Memo No. 80 – City Attorney Letter to the Budget and Finance Committee Regarding the 2007-08 Proposed Budget
212. Corrections to Pages 62 through 68 of the Special Appropriations for Cultural Affairs
213. El Pueblo de Los Angeles Expenditure Reductions
214. El Pueblo de Los Angeles 2007-08 Proposed 1% and 3% Reduction
215. Shortages in Various Accounts
216. Police Department Sworn Overtime Follow-up
217. Office of the City Administrative Officer – One and Three Percent Potential Reductions to the Proposed Budget
218. Vehicle License Fee Budget and Expenditures
219. Adjusting Police Hiring to Reflect Additional 2006-07 Hiring
220. Votec System Reimbursement

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221. Response from the Department of General Services Regarding City Hall Conference Center Support and Supply Service Support Positions
222. Response from the Department of General Services Regarding Deployment Criteria for Security Officers
223. Response from the Department of General Services Regarding Particulate Traps and Federal Mandate Compliance
224. Response from the Department of General Services Regarding Make-up of the Fleet and Type of Fuel Used
225. Response from the Department of General Services Regarding the Public Works Building and the Projected \$11 Million in Lease Savings
226. Response from the Department of General Services Regarding "Land Availability Inquiries" Workload Indicator
227. Response from the Department of General Services Regarding Fuel Consortium and Fuel Cost Comparison with MTA by Fuel Type
228. Response from the Department of General Services Regarding Off-Peak Delivery Policy
229. Report Back on General City Purposes Line-Item – the Downtown on Ice and Festival of Lights
230. Budget Memo Number Intentionally Left Blank
231. Taser Deployment and Possible Debt Financing
232. Mayor's Office Small Business Assistance
233. Bureau of Street Services – Off-Budget Construction Work Funded by Grants – Addendum to Memo 145 (May 7, 2007)
234. Information Provided by the Mayor's Office Regarding the Performance Management Unit in the 2007-08 Proposed General City Purposes (GCP) Budget

Memo No.

- 235. Department of Neighborhood Empowerment Input on Projects Currently in the Planning Phase
- 236. Department of Fire and Police Pensions' Response to Budget Reduction Information Request
- 237. Department of Neighborhood Empowerment List of Outreach Activities
- 238. Police Department Response to Questions on Photo Red Light Intersection Selection and Taser Deployment Options
- 239. New Grant Guidelines
- 240. Response From Department of Water and Power

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 1

1000
11-21

Date: May 1, 2008

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LIABILITY CLAIMS**

The Committee requested information on whether or not funds could be set aside in the Liability Account for May Day.

The City Attorney recommended in their Proposed 2008-2009 Budget a reduced level of funding in the amount of \$30 million for the Liability Claims account based on a trend in litigation successes. At the same time, they requested that \$2 million be provided in a specific account within the Liability Claims.

	Adopted Budget 2007-08	City Attorney Proposed	Proposed Budget 2008-09
Liability Claims \$100,000 and under	\$10,000,00		\$10,000,000
Liability Claims over \$100,000	\$27,000,000	(\$7,000,000)	\$22,000,000
May Day Account		\$2,000,000	
Total	\$37,000,000		\$32,000,000

We have provided an additional \$2,000,000 to the Liability Claims over \$100,000 line item for anticipated May Day related settlements. The \$2,000,000 is inclusive of the overall \$32,000,000 allocated to this account. We do not believe that a separate account is necessary. If the Committee would like us to track these settlements separately, we can report on this outside of a separate account.

KLS: IR:04080127

Question No.52

F-151

0590-00098-3412-1

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 2

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF ENVIRONMENTAL AFFAIRS LETTER TO BUDGET AND FINANCE COMMITTEE**

The Department of Environmental Affairs indicated that they did not submit a letter to the Budget and Finance Committee expressing any general concerns, issues or new items regarding their proposed budget.

KLS:EOS:06070170

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 3

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **BUREAU OF CONTRACT ADMINISTRATION LETTER TO BUDGET AND
FINANCE COMMITTEE DATED APRIL 23, 2007**

The Bureau of Contract Administration indicated that they have no general concerns, issues or new items regarding their proposed budget.

The Bureau requested that the committee consider reinstating an undesignated number of the positions held vacant in their Five Percent Reduction Package should unforeseen increases in workload arise in the future.

KLS:EOS:06070171

Attachment

CITY OF LOS ANGELES
CALIFORNIA

BOARD OF PUBLIC WORKS
MEMBERS

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PAULA A. DANIELS
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JAMES A. GIBSON
EXECUTIVE OFFICER



ANTONIO R. VILLARAIGOSA
MAYOR

JOHN L. REAMER, JR.
Inspector of Public Works
and
Director

Bureau of
CONTRACT ADMINISTRATION
1149 South Broadway, Suite 300
Los Angeles, CA 90015

(213) 847-1922

www.lacity.org/bca

Honorable Bernard Parks, Chair
Budget and Finance Committee
c/o Lauraine Braithwaite
200 North Spring Street, Room 395
Los Angeles, CA 90012

April 23, 2007

Dear Councilmember Parks:

BUREAU OF CONTRACT ADMINISTRATION'S COMMENT ON THE MAYOR'S
PROPOSED BUDGET FOR FISCAL YEAR 2007-08

The Bureau of Contract Administration recognizes the severity of the City's financial condition, and the reality that the City cannot afford to provide for all the needs of every department. We have reviewed the Mayor's proposed budget and are satisfied we can operate our existing programs with the resources allocated.

As part of the Mayor's budget, the Bureau was asked to propose a five percent reduction of its budget. The Bureau proposed a reduction of inspection staffing which was commensurate with reductions in other City department programs. The Bureau would like to have the committee consider reinstating some of these positions in the future if unforeseen increases in workload arise.

If you have any questions or need additional information, please contact Larry Williams at (213) 847-2466 or Katherine O'Connell at (213) 847-2483.

bc: J. Reamer
W. Bradley
H. Choi
L. Williams
K. O'Connell
Subject File
Chrono File (4/23/07)

Sincerely,

JOHN L. REAMER, JR., Director
Bureau of Contract Administration

c: Sally Choi, Deputy Mayor of Finance and Performance Management
Karen L. Sisson, City Administrative Officer
Cynthia Ruiz, President - Board of Public Works



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 4

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF STREET LIGHTING LETTER TO BUDGET AND FINANCE
COMMITTEE DATED APRIL 23, 2007**

The Bureau of Street Lighting indicated that they have no general concerns, issues or new items regarding their proposed budget.

KLS:EOS:06070168

Attachment

BOARD OF PUBLIC WORKS
MEMBERS

CYNTHIA M. RUIZ
PRESIDENT

DAVID SICKLER
VICE PRESIDENT

PAULA A. DANIELS
VALERIE LYNNE SHAW

JAMES A. GIBSON
EXECUTIVE OFFICER

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
PUBLIC WORKS

BUREAU OF
STREET LIGHTING
1149 S. BROADWAY, STE. 200
LOS ANGELES, CA 90015

ED EBRAHIMIAN
DIRECTOR

(213) 847-2020
FAX: (213) 847-1860

E-mail: streetlighting@lacity.org
World Wide Web (WWW): <http://www.lacity.org>

April 23, 2007

Budget and Finance Committee
c/o Lauraine Braithwaite
City Clerk
Room 395 City Hall
Los Angeles, CA 90012

Honorable Members of the Budget and Finance Committee:

2007-2008 PROPOSED BUDGET

After careful review of the 2007-2008 Proposed Budget for the Bureau of Street Lighting, I find it acceptable as written.

This budget, developed in close cooperation with the Mayor's office and the Board of Public Works, provides the resources needed for delivering and maintaining the lighting of our streets and public ways.

If you have any questions, please call me at (213) 847-2020.

Sincerely,

Ed Ebrahimian, Director
Bureau of Street Lighting

EE:cm

C: Cynthia M. Ruiz, President, Board of Public Works
Sally Choi, Budget Director, Office of the Mayor
Karen Sisson, CAO
David Hirano, CAO
Elaine Owens-Sanchez, CAO

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 5

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF ENGINEERING LETTER TO BUDGET AND FINANCE
COMMITTEE DATED APRIL 23, 2007**

The Bureau of Engineering indicated that they have no general concerns, issues or new items regarding their proposed budget.

KLS:WYL:06070165

Attachment

BOARD OF PUBLIC WORKS
MEMBERS

CYNTHIA M. RUIZ
PRESIDENT

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COMMISSIONER

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CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
PUBLIC WORKS
BUREAU OF
ENGINEERING

GARY LEE MOORE, P.E.
CITY ENGINEER

1149 S. BROADWAY, SUITE 700
LOS ANGELES, CA 90015-2213

<http://eng.lacity.org>

April 23, 2007

Bernard C. Parks, Councilmember 8th District
Chairperson, Budget & Finance Committee
c/o Lauraine Braithwaite
City Clerk's Office
City Hall, Room 395
Los Angeles, CA 90012

Re: Bureau of Engineering FY 2007-08 Proposed Budget

Dear Councilmember Parks:

In accordance with your memo dated March 20, 2007, this is the response for the Bureau of Engineering. We have reviewed the proposed budget and we are satisfied that it does provide the resources needed for us to carry out our work program for the coming year. We thank you for the opportunity to have input into the process. We are gratified that funding was provided for initiatives such as the Public Way Reservation System that will lessen the impact on traffic flow by streamlining and coordinating non-emergency street closures caused by excavation work as well as providing funding for Bureau services in support of other bureaus and departments such as the Bureau of Sanitation and LADOT. In addition, the funding and regularization of 6 resolution authorities performing construction management services for the Recreation & Cultural Facilities Program and identifying funding for Zoo Bond project management provides us with more certainty in addressing the continuing need for recreational facilities

I'd like to take this opportunity to briefly point out some of the Bureau's accomplishments during the current fiscal year:

- Through aggressive cost recovery efforts, the Bureau will again exceed our revenue targets for the year.
- The Bureau has remains committed to delivering a wide array of projects on time and on budget despite the challenge of increasing cost of materials and construction. We currently have 206 projects in construction with a combined value of approximately \$1.5 billion. Among the projects completed this year are the \$10 million Rio de Los Angeles Park (Taylor Yard) Project, the Santa Monica Blvd. Transit Parkway and the Griffith Observatory as well as the completion of numerous wastewater; storm drains; streets; libraries; fire stations; parks; cultural; recreational; and other municipal facilities projects.
- Construction has started on projects such as the Police Administration Building and widening of the 1st St. Viaduct. Several other projects are in the design stage.



- The Bureau released the initial draft of the LA River Revitalization Master Plan, which has gone through extensive public review, and the final report should be released shortly.

In the coming year we expect to see significant accomplishments in many of our construction programs and here, just to name just a few projects;

- Reach 40% construction completion for the Police Administration Building project.
- Complete the last of the 43 FEMA projects in the Storm Damage Recovery Program
- Start construction of the final projects in the Zoo Bond Program - Rainforest of the Americas, Reptile and Insect Center and the final phase of the Pachyderm Exhibit Expansion project
- Award the Avenue 45 Arroyo Drive Relief Sewer Project and the North Outfall Sewer Rehabilitation Project
- Complete design on 12 Proposition O projects with an estimated construction value of \$39.9 million.
- Complete the construction of the Hansen Dam Golf Course Improvements.
- Numerous other numerous wastewater; storm drain; street, municipal facility; and parks and recreational facilities projects will be in the design and construction stages.

If there is any information that you or members of your committee require from us please do not hesitate to contact me.

Yours truly,



Gary Lee Moore, P. E.
City Engineer

cc: Sally Choi, Mayor's Office
Karen Sisson, City Administrative Officer
Cynthia M. Ruiz, Board of Public Works
Valerie Lynne Shaw, Board of Public Works

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 6

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BOARD OF PUBLIC WORKS LETTER TO BUDGET AND FINANCE
COMMITTEE DATED APRIL 26, 2007**

The Board of Public Works indicated that they have no general concerns, issues or new items regarding their proposed budget.

KLS:LPL:06070167

Attachment

BOARD OF PUBLIC WORKS
MEMBERS

CYNTHIA M. RUIZ
PRESIDENT

DAVID SICKLER
VICE PRESIDENT

PAULA A. DANIELS
PRESIDENT PRO TEMPORE

VALERIE LYNNE SHAW
COMMISSIONER

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

OFFICE OF THE
BOARD OF PUBLIC WORKS

200 NORTH SPRING ST.
Room 361, CITY HALL
LOS ANGELES, CA 90012

JAMES A. GIBSON
EXECUTIVE OFFICER

GENERAL INFORMATION

Tel: 213-978-0261

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April 26, 2007

Councilmember Bernard Parks, Chair
Budget and Finance Committee
City of Los Angeles
200 N. Spring Street, Room 460
Los Angeles, CA 90012

RE: MAYOR'S PROPOSED BUDGET FY 2007-08 – BOARD OF PUBLIC WORKS

Dear Councilman Parks:

In recognition of the financial challenges faced by the City in the upcoming fiscal year, the Board of Public Works has reviewed the Mayor's proposed budget for Fiscal Year 2007-08 and at this time refrains from seeking the Committee's consideration of any additional funding and/or resources beyond that provided for in the Mayor's budget. The Board Office appreciates the Committee's efforts to address its budget concerns and also acknowledges the City's need to exercise fiscal discretion in the coming year. Therefore, at this time, the Board Office is not seeking additional consideration by the Committee with regard to the Mayor's proposed 2007-08 Budget.

Should you have any further questions regarding the Board's proposed budget, please contact me at (213) 978-0251, or Jim Gibson at (213) 978-0250.

Sincerely,

CYNTHIA M. RUIZ, President
Board of Public Works

cc: Karen L. Sisson, City Administrative Officer



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 7

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **BUREAU OF SANITATION CORRESPONDENCE ON THE 2007-08 PROPOSED BUDGET**

The Bureau of Sanitation indicates in their correspondence dated April 25, 2007 addressed to the Budget and Finance Committee that they are pleased with the Mayor's Proposed Budget for 2006-07, and requests additional consideration of the following:

- Refuse Collection Truck Operators (RCTO) for Roll-Off Services – Four positions (\$227,684) were requested for roll-off bin services provided to various departments. The Bureau currently uses existing resources to provide this service. However, if demand for this service increases next year, there may be a negative impact to regular operations if insufficient resources are available.
- Tip Fees – Subsequent to the completion of the Mayor's Proposed Budget, the Bureau became aware of factors which indicate a need for an additional \$4 million for Tips Fees. Costs are projected to increase due to anticipated increases in green waste processing contracts which are currently under negotiation (\$3 million). Also, the Tip Fee for tonnage disposed of in the Los Angeles County (County) portion of the Sunshine Canyon Landfill is increasing by \$2.98 per ton pursuant to a Replacement Conditional Use Permit (RCUP) recently approved by the County (\$965,000).
- Refuse Collection Truck Operators and Refuse Collection Supervisors – Sixteen RCTOs (\$910,736) and four supervisors (\$307,888) were requested to meet increasing workloads and improve supervisory ratios. These positions were not included due to budgetary constraints.

CAO Comments

In terms of shortfalls, this Office was made aware of the potential shortfall in Tip Fees upon receipt of the Bureau's correspondence to the Committee. The increase attributed to the RCUP will likely be realized, however this can be monitored as part of the Financial Status Report process and a determination can be made during the year whether this increase can be absorbed or if additional funds are necessary.

Regarding new items, Council approved the implementation of a new fee and program for the collection of bulky items at multi-family residences on April 25, 2007. This Office, in conjunction with the Bureau and the Office of the Chief Legislative Analyst (CLA) will report back with an implementation plan to commence services effective October 1, 2007 and ensure that the program is in compliance with the City's Financial Policies.

The Bureau and this Office will continue to work collaboratively to maximize resources and ensure all goals are met or exceeded to the greatest extent possible.


Attachment

KLS:SMB:06070166

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: April 25, 2007

TO: Councilmember Bernard C. Parks, Chair
Budget and Finance Committee

FROM: 
Rita L. Robinson, Director
Bureau of Sanitation

SUBJECT: PROPOSED BUREAU OF SANITATION BUDGET FOR FISCAL YEAR 2007-08

As requested, this memo is in response to the Mayor's FY 2007-08 Proposed Budget for the Bureau of Sanitation. I am pleased overall with the Mayor's Proposed Budget, which provides adequate funding for the priorities that the Mayor and the City Council set forth relative to the Bureau's Wastewater, Stormwater, and Solid Resources Collection, Disposal and Recycling programs.

However, the Bureau of Sanitation would appreciate further consideration from the Committee and City Council on the following item that was not included in the Mayor's Proposed Budget:

Refuse Collection Truck Operators for Roll-Off Services

Four Refuse Collection Truck Operators (RCTOs) were requested to meet the current and future demand of providing roll-off bins to other City Departments for disposal services. The direct costs of these positions would be \$307,888 and would be fully reimbursed by other City Departments. The Bureau currently services LAWA and the Port of Los Angeles.

Although we are not requesting additional funding at this time, we would like the Committee to note the following items. First, an appropriation may be necessary during the 2008-09 Mid-Year Report due to circumstances that have changed since the budget was submitted in November 2006. Second, we would like to emphasize the importance of considering the addition of RCTOs and Refuse Collection Supervisors in the FY 2008-09 Adopted Budget.

Tip Fees

The Mayor's Proposed Budget provides the requested \$6,075,842 increase for Tip Fees in FY 2007-08 (BB Item #16). The total costs may increase, however, by an additional \$4.03 million based on Green Waste Processing contracts and a Replacement Conditional Use Permit on all tonnages taken to the County's portion of the Sunshine Canyon Landfill. These items were not included in the Tip Fee estimation submitted in November 2006 as they were unknown at that time.

Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
April 25, 2007
Page 2

Green Waste Processing – The Bureau's contract for Green Waste Processing will expire on October 15, 2007. Preliminary discussions of new contractual costs have revealed that this may increase Tip Fees by \$3.0 million in FY 2007-08. We will do everything we can to keep cost increases at a minimum.

Replacement Conditional Use Permit (RCUP) – The County of Los Angeles has imposed a \$2.98 per ton charge on tonnage taken into the County portion of the Sunshine Canyon Landfill. Though negotiations are on-going, Bureau staff has estimated that this could increase costs by as much as \$965,000 in FY 2007-08.

Refuse Collection Truck Operators (RCTO) and Refuse Collection Supervisors

Sixteen RCTO positions were requested to complete a three-year plan to increase RCTO positions by 56 to meet the increased workload associated with the collection of refuse, green waste, and recyclables. Additionally, we have a need to increase the number of Refuse Collection Supervisors by twelve over a four-year period. These supervisors are necessary to begin reducing the span of control from 1:23 to a more reasonable 1:14 by the end of the proposed four-year period. Although I understand the need to defer these items until the City's financial outlook improves, they are among our most urgent needs and will be requested in the next budget.

I appreciate the many challenges the Mayor and Council face in preparing a comprehensive budget and thank you in advance for your continued support of the Bureau of Sanitation. Please feel free to contact Robert Tanowitz of my staff at (213) 485-2374 if you should have any questions.

RLR:RT:WR:cr

- c: Wendy Greuel, Councilmember Second District
Jose Huizar, Councilmember Fourteenth District
Bill Rosendahl, Councilmember Eleventh District
Greig Smith, Councilmember Twelfth District
Sally Choi, Deputy Mayor
Cynthia M. Ruiz, President, Board of Public Works
Karen L. Sisson, City Administrative Officer
Gerry F. Miller, Chief Legislative Analyst
Lauraine Brathwaite, Office of the City Clerk

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF RECREATION AND PARKS 2007-08 PROPOSED BUDGET – DEPARTMENT LETTER TO BUDGET AND FINANCE COMMITTEE**

Your Committee requested this Office to report on the letter dated April 25, 2007 (copy attached for your reference) submitted by the General Manager of the Department of Recreation and Parks (Department) relative to the 2007-08 Proposed Budget. Generally, the Department appears satisfied with the level of funding and resources provided in the Proposed Budget.

The Department letter noted that the Proposed Budget includes a \$4.3 million reduction in the Department's operating budget, which consists of the following:

- Salary savings rate increase from 4.5 percent to 6.5 percent (\$2.1 million)
- As-Needed Salary Account reduction (\$1.7 million)
- Office and Administrative Account reduction (\$100,000)
- Operating Supplies Account reduction (\$340,000)

The Department expressed concern that these reductions would make it difficult for the Department to generate internal savings to fund potential overtime shortfall in 2007-08. In the past, the Department has relied on internal savings to offset shortfalls in its Overtime account.

The Department letter highlighted the following new initiatives to be fully funded by the Los Angeles World Airports (LAWA) and the Department of Water and Power (DWP):

- Westchester Junior Golf Program - \$50,900 – LAWA
- Weather Smart Irrigation Projects - \$975,500 – DWP
- Open Spaces - \$2.03 million – DWP
- Camp Radford Renovation - \$1.0 million – DWP
- "Getting Kids to Camp" Program - \$193,000 – DWP

The Department letter also noted that the proposed golf fee increase would generate additional revenues in the amount of \$1.8 million. Additionally, the Department letter indicated that the Mayor's Adult "Free Swim" Program will be continued in 2007-08.

This memorandum is informational only. There is no fiscal impact.

**BOARD OF RECREATION AND
PARK COMMISSIONERS**

DANIEL GRUNFELD
President

MARY LUEVANO
Vice President

MARIA A. CASILLAS
CANDY SPELLING
JOHNATHAN WILLIAMS

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
RECREATION AND PARKS
1200 WEST SEVENTH STREET
7TH FLOOR
LOS ANGELES, CA 90017

(213) 928-9030
FAX - (213) 928-9031
JON KIRK MUKRI
GENERAL MANAGER

April 25, 2007

Honorable Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
c/o City Clerk, City Hall Room 395
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

Notes on the Fiscal Year 2007- 08 Proposed Budget

The Department of Recreation and Parks (RAP) recognizes the City's economic conditions and budgetary constraints due to the revenue shortfall projected for Fiscal Year 2007-08. In light of this situation, we submitted realistic budget proposals for next fiscal year for programs that are critical to our operations and the services we are providing to the public and other City departments.

In cooperation with the Mayor's Office and the City Administrative Officer, RAP submitted budget reduction proposals to do our part in helping the City meet its financial issues. We also worked with proprietary departments to obtain additional program funding to apply towards the reduction of gang violence and promotion of youth development.

Following are summaries of a few items included in the Mayor's Proposed Fiscal Year 2007-08 Budget:

Budget Reduction

Fiscal Year 2007-08 proposed budget reductions (\$4.3 Million):

- Increase salary vacancy rate from 4.5% to 6.5% (\$2.1 Million)
- Part-Time Staff Budget Reduction (\$1.76 Million)
- Reduction of Expenses (\$0.44 Million)

Increase in Salary Vacancy Rate

The current salary vacancy rate of 4.5% is equivalent to 101 positions that cannot be filled. The proposal of 6.5% is equivalent to approximately 148 vacant positions. Therefore, RAP cannot fill an additional 47 positions.

In addition to the 148 positions we must hold vacant another 20+ positions vacant to cover sick leave and retirement payouts which are also not budgeted. This is over \$1.1 million.

Part-Time Staff Budget Reduction

The proposed reduction of \$1.76 million out of \$34.9 million in our As Needed Salary account is equivalent to 5% of the Department's part-time staff hours. This is approximately 129 part-time positions.

We also sustained a 12% budget reduction in Community Development Block Grant funds for our summer youth nutrition program which equates to the reduction of 17 part-time positions.

Reduction of Expenses

Office and Administrative expenses is proposed to be reduced by \$100,000. Operating Supplies expenses is proposed to be reduced by \$340,000.

Proposed Golf Fee Increase

In order to offset budget reductions and to increase revenues, we proposed a \$2 golf fee increase. This is projected to bring in \$1.8 million. This is included in the proposed budget.

Reduce Gang Violence and Promote Youth Development

RAP worked with the proprietary departments identified below to assist in supporting the Mayor's vision to reduce gang violence and promote youth development. In partnership with these proprietary departments, proposed funding was obtained to assist in accomplishing this goal. The following programs are included in the Proposed Budget:

- Westchester Junior Golf Program (\$50,900) – Los Angeles World Airport (LAWA)
- Weather Smart Irrigation Projects (\$975,500; 6 Positions) – Department of Water and Power (DWP)
- Transmission Line Conversion to Open Spaces (\$2,031,500; 13 Positions) – DWP
- Camp Radford Renovation (\$1,000,000) – DWP
- "Getting Kids to Camp" (\$193,000) - DWP

Continue the Mayor's Adult "Free Swim" Program

The Mayor's "Free Swim" program for adults in Fiscal year 2007-08 is proposed for a second year. Through this program, adults that present library cards at any of our City pools are not charged the standard adult pool admission rate of \$1.50.

Other Issues

We spend over \$2 million in overtime pay annually and have thankfully been able to self-support these expenditures. Our overtime budget is approximately \$400,000. With the proposed increase in our salary savings factor, reduction in our part-time staff hours funding, and the loss of over \$4.5 million from our budget in the last two fiscal years to aid in covering other City financial deficits, we are going to be hard pressed to self-support our overtime budget again. Also, with having to hold over 160 full-time positions vacant in order to meet our salary obligations this means we will rely more on overtime work to meet our service mandates. We will also have to severely limit those special events that we lead and support and we may have to increase the fees charged for some of the events in order to cover their costs.

Honorable Councilmember Bernard C. Parks
April 25, 2007
Page 3

We will be hard pressed to provide our various services but we will continue to seek efficient means towards making things happen for the City's residents. We recognize our role in the City family and as always will do our best to meet all of our mandates.

Thank you for your continued support of the Department of Recreation and Parks and your consideration of this budget proposal. I look forward to our upcoming budget hearing. Should you have any questions, please contact my staff Faith Mok, Chief Financial Officer at (213) 928-9300 or Regina Adams, Acting Executive Officer at (213) 928-9033.

Sincerely,



JON KIRK MUNKEL
General Manager

JKM:RA:ec:sr

Attachments

cc: Honorable Wendy Greuel, Councilmember Second District
Honorable Bill Rosendahl, Councilmember Eleventh District
Honorable Greig Smith, Councilmember Twelfth District
Honorable Jose Huizar, Councilmember Fourteenth District
Marcus Allen, Deputy Mayor
Jimmy Blackman, Deputy Mayor
Ray Cortines, Deputy Mayor
Sally Choi, Deputy Mayor Finance
Elizabeth Diaz, Mayor's Policy Analyst
Gerry Miller, Chief Legislative Analyst
Dan Grunfeld, President, Board of Recreation and Parks Commission
Tricia Carey, Office of the CLA
Karen L. Sisson, City Administrative Officer
Terry Sauer, Chief Administrative Analyst
Veronica Salumbides, City Administrative Office

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 9

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF TRANSPORTATION LETTER TO BUDGET AND FINANCE COMMITTEE DATED APRIL 24, 2007**

The Department of Transportation (DOT) released a letter dated April 24, 2007 to the Budget and Finance Committee regarding the 2007-08 Proposed Budget (attached). This letter did not address specific funding shortfalls in DOT's proposed budget. However, DOT noted that the 2007-08 Proposed Budget did not include continuation of six resolution position authorities in the Stolen Vehicle Recovery Program. DOT states that not continuing these six positions will negatively impact revenue collection through citation issuance, if the Stolen Vehicle Recovery Program's current level of performance is to be maintained. It should be noted that while the six resolution position authorities were not continued in the 2007-08 Proposed Budget, DOT retains 15 regular positions dedicated to this program.

Additionally, in DOT's letter to the Budget and Finance Committee, DOT requested consideration of four new requests that were not provided in the 2007-08 Proposed Budget. These requests include 12 new positions for a Parking Enforcement Operations Division reorganization, five new positions for an Advanced Planning Division, funding for a next phase of implementation of a Performance Dashboard and Management System, and five positions to establish a Risk and Liability Management Division.

KLS:ALB:06070172c

Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: April 24, 2007

TO: The Honorable City Council
c/o Lauraine Braithwaite, City Clerk, Room 395
Attention: Honorable Bernard C. Parks, Budget and Finance
Committee

FROM: Gloria J. Jeff, General Manager
Department of Transportation



SUBJECT: Comments Regarding the DOT Proposed Budget for FY 2007-08

The Department is pleased that the Mayor fully funded the request for positions to expand the hours of operation of the ATSAC Center and to continue the Transportation Action Plan (TAP). In keeping with the Committee's request for comments relative to the Mayor's proposed budget and the Department's requests for funding, we wish to highlight the following areas where the Department's stated funding priorities are not in alignment with the Mayor's proposed allocation of resources:

Traffic Congestion Management and Parking Enforcement

The department made requests for additional staff to support the re-alignment and re-organization of Parking Enforcement Operations. Specifically, we requested 12 additional positions to keep pace with the demand for services in our District Offices and a Mobile Command Post to be used for emergency deployments of our Traffic Officers during certain special events. With the exception of one position (Traffic Enforcement Manager), none of the other requests were funded.

The department currently has six Traffic Officers assigned to the Stolen Vehicle Recovery Program. In October 2006, LADOT Traffic Officers began to perform non-felony want stolen vehicle recoveries on a City wide basis during their normal course of duties in addition to requests from LAPD and other City agencies citywide. The average LADOT response time to impound stolen vehicles was thirty eight minutes. To date, LADOT Traffic Officers have recovered 8,045 stolen vehicles, which is an estimated savings of approximately 16,000 Police Officer hours. These savings assisted the LAPD in redirecting resources to address higher level criminal activity. The program was designed to be cost neutral due to the fact that the positions also issued parking citations.

The Mayor's proposed budget deleted these six positions. As a result, the Department of Transportation will be required to maintain the current level of service for the recovery of non-felony want stolen vehicles. The anticipated loss of LADOT Traffic Officer patrol hours will negatively impact the citation issuance base.

Operational Efficiencies

The City Controller recently released an audit of the department's Office of Transportation Development and Transit Services. In that audit, 17 recommendations were made that address the department's aspirations on behalf of the City to become a 21st century organization. Specifically, the audit recommended the creation of a transportation policy and planning unit that is responsible for transportation policy, short and long range transportation planning, and capital program management.

The department requested the creation of an "Advanced Planning Division" with five positions using Prop C funding. The Mayor's proposed budget does not support that request.

A significant finding of the audit was that the "...General Manager lacks sufficient staff with the many new initiatives and special projects that the Department must immediately commence..." The department requested additional support staff in the form of four positions, of which, one position would serve as the Chief of Staff to oversee the Performance Dashboard and Management System, establish management level reports, establish budgetary reporting policies and procedures for capital project program management, and to establish a "change management" program within the department. This request was not supported in the Mayor's proposed budget.

The final critical area of operational efficiencies was the creation of the Performance Dashboard and Management System. This project while long recognized as a need by the department was also strongly recommended in the Controller's audit "...The Department should consider several additional components in developing its implementation plan for the Project Reporting System (aka the reporting dashboard)..." Phase I was begun last fall and completed this spring using internal department resources. However, the department has depleted its own resources and made a request in the one position and \$680,000 for hardware and software licenses to complete the project. The request was not supported in the Mayor's proposed budget.

Safety and Emergency Preparedness

The Department currently has the sixth highest rate of liability claims of all city departments and is number four in the area of Workers' Comp injuries and claims. For several years (since fiscal year 2003-04), the department has requested funding to establish a Risk and Liability Management Division to reduce and mitigate the areas of liability that the department faces. The request was in the form of five positions. It should be noted that the CAO supported this request. However, it was not included in the Mayor's proposed budget.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF STREET SERVICES LETTER TO BUDGET AND FINANCE COMMITTEE DATED APRIL 25, 2007**

The Bureau of Street Services provided comments regarding programs and funding in the 2007-08 Budget as follows:

- Tree Trimming Contract - Street Services expressed concern that the proposed reduction of \$1 million in funding from the Street Lighting Assessment Fund would increase the tree trimming cycle from 8.8 years to 10.1 years. This will potentially increase the number of dropped tree limbs that will need to be cleared from the public-right-of-way caused by summer limb drops and wind storms. Overtime and liability costs could reduce the \$1 million in savings.
- Illegal Signs Program - Street Services expressed concern that the proposed elimination of the Illegal Signs Program will adversely impact the visual appearance of communities with illegally-posted sign problems. Even with this reduction, Street Services stated during the budget hearings it will still have the ability to remove a limited number of signs. If funding is provided for this program the issue of the collection of fines will need to be addressed. For 2005-06 and 2006-07, approximately 10 percent of the amount billed for fines issued was actually collected.
- Dirt Alley Program - Street Services proposes to reduce the funding provided for the Paving of Unimproved Streets and Alleys by \$1.7 million to provide \$1 million for tree trimming and \$700,000 for the Illegal Sign Program. This reduction in funding will reduce the amount of alleys to be paved from ten miles to five miles.
- Off-Budget Construction Projects - Street Services requests a change in the mix of positions provided for Off-Budget construction to provide 13 positions instead of three for design of the projects. This office recommends that the Council delegate authority to the CAO to work with Street Services to review, evaluate the need for, and approve the positions and the relevant source of Off-Budget funding for the projects.
- Street Services did not address any shortfalls.

KLS:BLT:06070168

Attachment

BOARD OF PUBLIC WORKS
MEMBERS

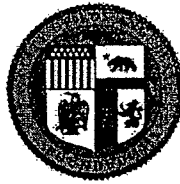
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DAVID SICKLER
VICE PRESIDENT

PAULA A. DANIELS
PRESIDENT PRO TEMPORE

VALERIE LYNNE SHAW
COMMISSIONER

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF PUBLIC WORKS
BUREAU OF STREET SERVICES

WILLIAM A. ROBERTSON
DIRECTOR
NAZARIO SAUCEDA, ASST. DIRECTOR
RON OLIVE, ASST. DIRECTOR

1149 S. BROADWAY, SUITE 400
LOS ANGELES, CA 90015

REQUESTS FOR SERVICE
3-1-1 ~or~ (800) 996-CITY
Email: BoSS@lacity.org
TDD: (213) 473-6600
FAX: (213) 485-9482

April 25, 2007

Honorable Bernard C. Parks, Chair
Honorable Budget and Finance Committee Members
c/o Lauraine Braithwaite
City Clerk, Room 395, City Hall
Los Angeles, CA 90012

2007-08 PROPOSED BUDGET

Honorable Councilmember Parks:

The 2007-08 Proposed Budget for the Bureau of Street Services (BSS) includes a 10.6 percent reduction in funding from 2006-07. The services impacted by this reduction include the following:

- Street Resurfacing – reduced funding of \$13.6 million and 25 miles (total program of 175 miles proposed in 2007-08);
- Tree Trimming – reduced funding of \$1 million, increasing the tree trimming cycle from 8.8 years to 10.1 years;
- Illegal Sign Removal – elimination of 23 positions and funding of \$1.2 million; and,
- Paving of Dirt Alleys – reduced funding of \$2 million and 6 miles (total program of 10 miles proposed in 2007-08).

The Street Resurfacing Program is essential to maintaining the quality of our streets and the transportation needs of the City. The proposed funding provides approximately 155 miles of street resurfacing. An additional 20 miles is generated through efficiencies in using the Cold-In-Place equipment (11 miles) and effective management of streets programmed for resurfacing (9 miles). BSS must be provided with sole discretion for the selection of streets in the resurfacing program to create the efficiencies necessary to produce 175 miles of street resurfacing.

The Slurry Seal Program is provided with additional funding in the amount of \$1.9 million for 100 miles of slurry sealing (total program of 400 miles). While the additional miles of slurry seal will provide a benefit to the maintenance effort of our street system, sustaining 400 miles of slurry seal in future years is not recommended. Additional funding in subsequent budget years must be identified for resurfacing of streets to maintain the current quality of the street system.

In the 2006-07 Mid-Year adjustment report, \$1 million from the Street Lighting Assessment Fund (SLAF) was eliminated for tree trimming contracts. Due to the reduction in the number of trees that would be trimmed, the tree trimming cycle was increased from 8.8 years to 10.1 years. The Proposed Budget continues the reduced funding of \$1 million from SLAF for tree trimming contracts and therefore the 10.1 year tree trimming cycle is maintained in 2007-08. The impact of the increased tree trimming cycle is the potential for increased activity to clear tree limbs in the public right-of-way caused by summer limb drop and wind storms as experienced in 2006-07.

The removal of illegal signs improves our communities by eliminating the visual blight caused by the proliferation of illegal signs. Improving the visual appearance of our communities is necessary to create a positive environment and encourage community support and participation in maintaining safe neighborhoods. In 2006-07, approximately 300,000 illegal signs will be removed. The 2007-08 Proposed Budget eliminates the Illegal Sign Program.

The Dirt Alley Program was implemented in 2006-07 to complete the paving of the remaining dirt alleys (35 miles) in the City, 16 miles in each of the first two years with the balance to be completed in 2008-09. Due to budget constraints, funding for the dirt alley program was reduced by \$2 million, representing a reduction of 6 miles from the 16 miles programmed (total program of 10 miles in 2007-08).

Paving of the remaining dirt alleys in the City is a goal for BSS. However, given the critical need to address the maintenance of the street system, BSS proposed reducing the program in 2007-08 to 5 miles with funding in the amount of \$1.6 million. The Council may consider reducing the proposed funding of \$3.3 million for 10 miles of dirt alley paving to provide 5 miles of dirt alleys in 2007-08 to release \$1.7 million. The \$1.7 million in available funds could then be used to restore funding of \$1 million for tree trimming and offset the costs of restoring the Illegal Sign Program.

The 2007-08 Budget provides 26 unfunded resolution authority positions (15 new, 11 existing) to complete off-budget construction projects funded from various sources, including but not limited to transportation grant funds, the Community Redevelopment Agency (CRA) and Neighborhood Block Grant funds. The 15 new resolution position authorities provide 3 design staff and 12 construction staff. It is critical to ensure that construction design drawings are completed and available to keep pace with construction activities. Therefore, an adjustment to the proposed staffing that would continue 11 existing positions, provide 13 design staff and defer 2 construction staff to be hired in subsequent budget years is recommended.

I look forward to discussing the 2007-08 Proposed Budget in the upcoming Budget and Finance Committee deliberations.

If you need additional information, please contact Joseph Cruz, Chief Management Analyst, at 213-847-2822.

Sincerely,



William A. Robertson, Director
Bureau of Street Services

cc: Gerry Miller, Chief Legislative Analyst
Karen Sisson, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 11

Date: April 27, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **RESPONSE TO LETTER FROM THE DIRECTOR OF PLANNING TO THE BUDGET AND FINANCE COMMITTEE**

The Director of Planning has submitted a letter to the Budget and Finance Committee identifying additional resources that could be considered for the Department if funds are available in the 2007-08 Budget (attached). Given the budgetary challenges facing the City, this Office does not recommend that these items be funded.

The Department stated that there is inadequate overtime funding to support the eight ongoing and three new community plans included in the Proposed Budget. In addition, the Department stated that the \$720,000 included in the proposed Budget for studies associated with the three new community plans and the Cornfields Specific Plan is inadequate to complete all four projects. Rather than requesting additional funds, the Department instead proposed using this \$720,000 to fund overtime associated with all community plans, to complete the Cornfield Specific Plan, and to complete one, rather than three, new community plans.

The Department has also suggested that additional staff be considered. Unspecified additional staff was requested to work on the new community plan. In addition, the Department requested that two additional City Planner positions be considered, one to act as a neighborhood council liaison, and the other as a public information and training officer. The Proposed Budget includes 35 new positions for the Department. Planning should absorb these proposed functions until all new positions are filled. Once filled, it can be determined whether additional resources are required.

KLS:JWW:02070221c

Attachment

DEPARTMENT OF
CITY PLANNING
200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801

CITY PLANNING COMMISSION

JANE ELLISON USHER
PRESIDENT
WILLIAM ROSCHEN
VICE-PRESIDENT
DIEGO CARDOSO
REGINA M. FREER
ROBIN R. HUGHES
SABRINA KAY
FR. SPENCER T. KEZIOS
CINDY MONTAÑEZ
MICHAEL K. WOO
GABRIELE WILLIAMS
COMMISSION EXECUTIVE ASSISTANT
(213) 978-1300

ANTONIO R. VILLARAIGOSA
MAYOR

EXECUTIVE OFFICES

S. GAIL GOLDBERG, AICP
DIRECTOR
(213) 978-1271

EVA YUAN-MCDANIEL
ACTING DEPUTY DIRECTOR
(213) 978-1399

FAX: (213) 978-1275

INFORMATION
(213) 978-1270

www.lacity.org/PLN

April 23, 2007

Budget and Finance Committee
of the Council of the City of Los Angeles
Room 395, City Hall
200 N. Spring Street
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant
City Clerk

SUBJECT: DEPARTMENT OF CITY PLANNING'S COMMENTS RELATIVE TO THE
MAYOR'S PROPOSED BUDGET FOR FISCAL YEAR 2007-08

Dear Honorable Committee Members:

In response to your March 20, 2007, correspondence concerning the upcoming budget hearings, the Department of City Planning hereby provides the following comments relative to the Mayor's proposed budget for Fiscal Year 2007-08.

While it is evident that the Mayor's office and the CAO have given full consideration to our budget needs and have presented fair recommendations given the constraints of the current economic climate, there remain a few funding issues that will negatively impact service levels over the next fiscal year if not appropriately addressed.

However, from the outset, we would like to acknowledge that we are delighted with the support we have received thus far in the budgetary process, and are grateful for all the hard work that has been done on our behalf. To the extent that available funding remains, and in light of the overall needs of the City, we submit our short list of significant outstanding issues for your consideration. These items have been summarized as follows:

- Inadequate overtime funding in support of the existing eight (8) New Community Plans
- Inadequate resources for the Cornfields Specific Plan and the proposed New Community Plans identified to begin in FY08
- No staff for the Public Information/Training Officer function
- No staff for the Certified Neighborhood Council support function

Overtime Funding in Support of the Existing New Community Plans

We requested a total of \$126,500 in overtime funding in the budget to support a total of twelve (12) New Community Plans anticipated in FY08. Each of these plans has a significant outreach component associated with it. If only the existing eight (8) New Community Plans are authorized in FY08, this total overtime need could be reduced to \$85,000.

Without this overtime funding we would be forced to hold positions vacant in order to generate salary savings sufficient to cover this need. However, when we hold positions vacant we are only generating a greater need for overtime in other areas of the department and negatively impacting our work program.

Proposed New Community Plans and Cornfields Specific Plan

The Department proposed to start four (4) New Community Plans in FY08 (Sunland, West Los Angeles, Central City, and Central City North). The budget package for these four New Community Plans included staffing (four City Planning Associates, two City Planners, and three Management Analysts), overtime, consultant services, and other incidental costs. The Department also proposed in FY08 to prepare a Cornfields Specific Plan in concert with the River Improvement Overlay (RIO) Project. The budget proposal for the Cornfields Specific Plan included consultant services, as-needed salaries, overtime, and other incidental costs.

The proposed budget recommends \$720,000 in consultant services for three (3) New Community Plans (West Los Angeles, Sunland, and Central City) and the Cornfields Specific Plan. None of the other budgetary needs were addressed.

The Department believes that the recommended funds of \$720,000 would be adequate to (1) prepare the Cornfields Specific Plan, (2) fund the technical studies for one additional New Community Plan, and (3) pay for the overtime needs in FY08 for the eight New Community Plans that are currently in process. However, additional staff would be required to support this one additional New Community Plan proposed to be initiated in FY08.

We appreciate the difficult decisions that lie ahead for your committee as you are challenged to balance the needs of the entire City. If you require additional information from us prior to our scheduled hearing date, please let us know. We would be glad to assist in any way we can.

Sincerely,

S. Gail Goldberg, AICP
Director of Planning

SGG:jpk

cc: Jacob Wexler

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 27, 2007

To: The Budget and Finance Committee

From: Karen L Sisson, City Administrative Officer *KLS*

Subject: **LOS ANGELES HOUSING DEPARTMENT 2007-08 PROPOSED BUDGET**

In its correspondence to the Budget and Finance Committee dated April 23, 2007, the Los Angeles Housing Department (LAHD) anticipates no shortfalls. However, the LAHD is concerned over shrinking resources provided through its federal grant and fee funding sources and funding for its Moderate Income Homebuyer Program.

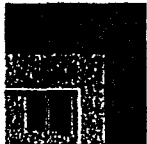
Federal grant funds have been reduced or increased at levels not in step with annual cost increases. Revenue streams for the code enforcement and rent stabilization programs have also decreased due to higher employee benefits and citywide administrative costs. It is anticipated that during 2007-08, the LAHD will study the code and rent fee structure for possible implementation in 2008-09. Because of the change in the real estate market, the LAHD's Moderate Income Homebuyer Program has been successful to the point that without new unrestricted funding, the program may need to be suspended.

There are no new programs in the 2007-08 Proposed Budget. However, the LAHD is focusing on investing in systems enhancements to achieve efficiencies and maximize grant and fee revenue. Each of the following systems efficiencies are proposed to be funded through 2007-08 savings rather than new appropriations.

Enhancements are proposed to the Code and Rent Information System (CRIS) to allow landlords and tenants to pay fees and make complaints online. In 2007-08, CRIS will be interfaced with the Housing Information Management System (HIMS) and other City systems, leading to further workflow efficiencies within the LAHD. CRIS is also being enhanced to include an emergency response component, which will allow housing inspectors to make property damage assessments and transmit this information to the Emergency Operations Center from the field more efficiently and accurately.

The LAHD is also enhancing HIMS to include a Citywide Housing Production System (CHPS) which will centralize the tracking and reporting of citywide housing development information by all departments involved in these activities.

The LAHD Budget is fully funded through fee revenue and grant allocations, not the General Fund.



OFFICE OF THE GENERAL MANAGER
 Los Angeles Housing Department

LAHD

1200 W. 7th Street, 9th Fl., Los Angeles, CA 90017
 tel 213.808.8808 | fax 213.808.8616
 www.lacity.org/lahd



Antonio R. Villaraigosa, Mayor
 Mercedes Márquez, General Manager

SDE
 cc: MTM
 ACA

April 23, 2007

The Honorable Bernard C. Parks
 Chair, Budget & Finance Committee
 Los Angeles City Council
 C/O City Clerk
 200 N. Spring Street, Room 395
 Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

**RE: LOS ANGELES HOUSING DEPARTMENT
 FISCAL YEAR 2007-08 BUDGET**

Dear Councilmember Parks,

In developing our Fiscal Year 07/08 Budget, the Los Angeles Housing Department (LAHD) has been mindful of the pressures on both the federal and local funding sources that comprise our budget. While in the past few years the LAHD has aggressively pursued new programs and funding, we recognize that this coming year must be focused instead on implementing existing programs as efficiently and effectively as possible.

In key respects, the LAHD is different from most City departments in that our funding sources are largely outside the City's General Fund: in particular, our Regulatory Compliance and Code programs are funded by fees specific to those programs and our Housing Development programs are funded by federal grants. While in the past this has given us some degree of flexibility and freedom from the citywide competition for General Funds, this year we are facing challenges due to limitations on those funding sources.

Nevertheless, we are proud of what the LAHD has achieved in the past year and are eager to move forward with program efficiencies to even better maximize the use of these scarce funds.

Federal Grant Funds for Housing Development – CDBG, HOME, ESG and HOPWA

As has been the trend for several years, the federal grant funds awarded to the City of Los Angeles, of which LAHD is a key recipient and administrator, continue to shrink or increase so nominally that they do not keep up with annual cost increases.

In the Home Investment Partnerships ("HOME") program, for example, LAHD will have to absorb a 4% reduction in administrative funds due to reduced receipts. The administration of the Emergency Shelter Grant ("ESG") and Housing Opportunities for Persons with AIDS ("HOPWA") programs continue at the same level but must continue to be subsidized by our Community Development Block Grant ("CDBG") allocation because all or most of administrative funds are passed through to the service providers.

In the CDBG program budget, the LAHD has been awarded less than anticipated for three key programs, including Homeownership and Single-Family Rehabilitation. We look forward to demonstrating that these programs are highly successful when we return later this year during the CDBG reprogramming exercise. I would like to note that our Rehabilitation and Homeownership programs were the engine that drove the LAHD's CDBG Expenditure Rate success last January.

Despite these limitations on our federal funding, as described below, we are eager to duplicate our great successes this year:

Broaden and Deepen the Continuum of Affordable and Workforce Housing

Affordable Housing Trust Fund and the Permanent Supportive Housing Program

In late 2006, LAHD released two Notices of Funding Availability (NOFA) for nearly \$120 million.

The first NOFA for the Permanent Supportive Housing Program (PSHP) was issued in October, with \$50 million in funding, provided through the unique partnership of City agencies, LAHD, CRA, HACLA and LADWP.

LAHD received and reviewed five PSHP projects containing 274 units, and has recommended that Letters of Commitments for \$22.5 million be approved, which will leverage \$58 million in outside funding sources (\$2.6 for each \$1 invested by the City). In addition, \$28 million in operation funds have been provided by HACLA in the form of vouchers.

The AHTF NOFA for over \$69 million was issued in November.

LAHD received and reviewed 29 Affordable Housing Trust Fund (AHTF) applications requesting over \$111 million for development of 1,684 units of affordable housing. Twenty-one proposed developments with 1,222 units have been recommended for Letters of Commitment for \$82 Million, which will leverage \$309 Million in outside funding sources (\$3.74 for each \$1 invested by the City).

From 2003 through 2006, LAHD has made commitments to 97 projects representing \$204 million, of which 68 percent subsequently received outside leveraged financing and were able to move forward. As of December 31, 2006, 1,769 new units of affordable housing have been completed, 1,333 are in construction and 1,420 are in predevelopment.

LAHD was able to handle the dramatic increase in applications for the two NOFAs because of the positions you approved in last year's budget, for which we are very appreciative. It demonstrates the effective use of the AHTF administrative funds -- to get the money 'out on the street'.

In the 2007-08 Fiscal Year, based on our Consolidated Plan and General Fund requests, we anticipate submitting for your approval Trust Fund commitments to build an additional 538 units of affordable rental housing. As in FY 06/07, the Mayor's Budget includes an \$8 million allocation in General funds to the AHTF. We are thankful for the Mayor's support for the AHTF, and hope to have the City Council's support as well.

Low-Income Homeownership and Single-Family Rehabilitation Assistance

From April 2006 through March 2007, LAHD's homeownership assistance programs for low-income borrowers (those at or below 80% of Area Median Income) served 46 first-time homebuyers utilizing over \$4.9 million of CDBG, which assisted the City in its efforts to meet CDBG timeliness requirements. An additional 30 low-income homebuyers were assisted with \$3.1 million of HOME and ADDI funds.

The Department's single family (1-4 units) rehabilitation loan program has committed funds to rehabilitate 69 units in 61 properties in the 2006-07 year, nearly all of which are owner-occupied. Over \$6.8 million in CDBG funds will be utilized for this purpose.

Competitive grant seeking

In 2006, LAHD received grant awards of nearly \$7.7 million from the State Department of Housing & Community Development, Proposition 46-funded programs, which will leverage the AHTF and LAHD's homebuyer assistance programs. The Building Equity and Growth in Neighborhoods (BEGIN) Program grant of \$4,110,000 will enable LAHD to assist low income first time homebuyers to purchase units in new for-sale developments. And \$3,575,594 was awarded by the Workforce Housing Rewards Grant Program, based on the City's production of new affordable housing, which will support new affordable housing development.

Fortunately, because Proposition 1C was approved by California voters in March, these and other programs will continue. LAHD has been active at the state level in shaping the design of a new Prop 1C program with \$850 million for housing and infill incentives, which will be created through new legislation at a later date, to be funded with \$850 million.

Regulatory Code and Compliance

Similarly, the Regulatory Code and Compliance programs have achieved significant milestones and successes.

Systematic Code Enforcement Program (SCEP)

At the end of 2005, LAHD finished its first round of routine, systematic inspections of the City's multi-family rental housing stock to make sure it complies with state health & safety codes. This program effectively limits the practice of 'deferred maintenance' and resulting deterioration that had plagued the City's housing stock in the 1990s.

As of the end of the first cycle (December 2005), SCEP has cited, and caused the correction of more than 1.9 million habitability violations. This number does not include those cited by the complaint-based system. As a result of the repairs required, an estimated \$1.7 billion has been invested by owners in the City's existing housing stock.

The SCEP program is currently on schedule to complete the second cycle of SCEP inspections on all covered properties in the city within four (4) years.

Eastside Regional office opened

Over the past several years, LAHD has opened five regional and two satellite offices to provide better customer service to City residents and property owners, reduce the need for trips downtown, and thus reduce traffic congestion. Most recently, LAHD opened a regional office in the City's eastside in 2006. Thirty percent (30%) of LAHD staff are now stationed in offices throughout the City to serve the public.

Rent Stabilization

As part of LAHD's ongoing efforts to assess program effectiveness and make improvements, it became clear that a number of changes were needed in the Rent Stabilization Division. In the mid-1990s, LAHD's civil-service exempt rent investigators were folded into the Management Analyst class. Unfortunately, that class proved to be unsuited for this work, resulting in tenant complaints about lack of subject matter expertise and as well as excessive staff turnover.

To address part of the problem, LAHD augmented its regular staff with paralegals through an arrangement with the City Attorney, and learned that their skills enabled them to better resolve landlord-tenant issues. They also required less training and guidance from supervisors.

For the past two years, LAHD has worked with the Personnel Department to develop a new Housing Investigator class to better enforce the Rent Stabilization Ordinance and the housing code. We're very pleased to report that the first cadre of Housing Investigators will be hired within the next month.

Fiscal Responsibility and Efficiency

As with our federal grant funded programs, our fee-funded operation is also facing challenges in FY 07/08. Although the fees for both the SCEP and Rent programs were increased in 2005, escalating operation costs, mainly due to employee benefits and citywide administrative expenses, have pushed the revenue streams beyond their capacity. Although not included in this budget request, the LAHD recognizes that in this coming year, the City will need to revisit the fee rates in time to accommodate similar operational increases that will come in FY 08/09.

For this reason, we are not proposing any new fee-funded programs and are instead focusing on investing in systems enhancements which will achieve new efficiencies and maximize our fee and grant revenue. Each of the systems efficiencies described below will be funded through salary savings in the next year rather than through new appropriations.

Code and Rent Information System

For the past two years, LAHD's Code Enforcement and Rent Stabilization operations have been aggressively pursuing office automation through continuing development of the Code and Rent Information System (CRIS). This system supports the entire line of Code Enforcement and Rent

Stabilization operations. Currently, more than 300 internal users and many external vendors use this system. In FY 07/08, the number of users is expected to significantly increase when CRIS becomes accessible to the public via the LAHD Internet site; we expect that by June 2008, 10% of fee payments will be handled and 10% of customer requests and complaints will be submitted online via the new Customer Portal.

The development of CRIS has significantly improved the Code and Rent fee billing and collection operations of LAHD, resulting in a consistent annual increase of revenue over the past three years. This is due to more accurate billing data and a more efficient collection process via the use of CRIS. The work planned for 2007-08 includes programming to further integrate CRIS as well as design interfaces with HIMS ("Housing Information Management System", the CRIS counterpart on our Housing Development side) and other external systems. The document management capabilities of CRIS will be enhanced to improve workflow and provide more intelligent scanning. LAHD plans to utilize salary savings and other available resources to implement this work.

Improve City and Residents' Capacity to Respond to an Emergency

LAHD's award-winning SCEP program is responsible for the inspection of all multi-unit residential buildings in the City. In the event of a disaster, such as an earthquake, we must be able to respond swiftly and effectively. The City's Emergency Preparedness Department (EPD) recently provided seed money to enable all 120 of LAHD's housing inspectors to be trained and State-certified as earthquake and flood damage assessment experts, ready to serve the City when the next disaster hits. However, they currently lack some of the resources they will need to fully perform the roles they will be asked to play, and thus we are proposing to procure the equipment, software, and hardware they need to be ready.

Besides purchasing equipment, LAHD is proposing to develop an ATC 20 (earthquake) and ATC 45 (flood) damage-assessment software module for the inspectors to use in the field. This new system will be wireless. Staff will be able to transmit property damage and other disaster-related data from the field, freeing them from the need to travel to an office to upload data from handheld PDAs into LAHD's CRIS System.

Such a wireless system will enable LAHD to better coordinate and manage its resources during a disaster, as well as provide 'real-time data' to the City's Emergency Operations Center (EOC). LAHD inspectors will not only be more productive, but can also collect field data more accurately and promptly for the purpose of requesting State and Federal disaster declarations and funding, which require estimates of property damage. This enhancement will also facilitate LAHD's response to other, smaller emergency situations in the City.

LAHD plans to utilize salary savings and other available resources, and will also seek grant funding for eligible aspects of the proposal through the City's next round of Homeland Security grants. We have already been assisted by the City's Emergency Operations Fund to provide training and purchase protective gear for the inspectors.

Citywide Housing Production System

Last year, the Mayor instructed LAHD to take a leadership role in the new Housing Coordinating Team (HCT), a collaborative of 11 local government agencies. The HCT has been charged with the development of a proposed citywide affordable housing policy that will coordinate

department policies and procedures to facilitate housing construction, financing, and preservation, including strategies to facilitate smart-growth and transit-oriented development. Each member agency will identify the resources they can offer to carry out the City's housing goals and generate more opportunities for development.

As you know, affordable housing production is financed by various City agencies, each of which monitors their projects separately with databases that do not communicate with each other, making it impossible to ensure consistent data throughout the City's housing development operations. In addition, LADBS approves permits and tracks construction of both new affordable and market-rate housing, and then provides the raw data to City Planning, which analyzes it.

Therefore, LAHD is proposing to develop a tool to facilitate the work of the HCT – the Citywide Housing Production System (CHPS), which will be developed as a major enhancement to our Housing Information Management System (HIMS). The purpose of CHPS is to centralize the tracking of the citywide housing development information by all the departments involved in such activities, who are also members of the HCT. CHPS will be the main tool through which they will be able to track results and report on the status of our efforts.

In addition to the development of the CHPS, we plan to complete other enhancements to HIMS, which will allow LAHD to automate many of the functions of the Housing Development Branch and improve its operational efficiency. These enhancements include 1) the completion of the loan servicing and occupancy monitoring modules; 2) the consolidation of other essential standalone databases used in the loan process, 3) the development of a customer web portal for LAHD's borrowers to pay bills and manage accounts; and 4) workflow automation of the loan application process. HIMS will replace the current Capital Budget Tracking System/Loan Tracking System (CBTS/LTS), a 15-year-old legacy system that runs on outdated technologies.

HIMS' successful implementation will directly increase LAHD's effectiveness in collecting loan receivables from its \$750 million housing loan portfolio. Those revenues are reported as CDBG and HOME program income, which can then be reprogrammed to support new City priorities. The CDBG program income revenue contributes to the overall annual entitlement amount, against which the Public Service and Administrative caps are calculated. The higher the annual entitlement, the more funds are available for those budget categories.

Moderate-Income Homeownership Program

The LAHD has experienced tremendous success with the Moderate Income Homeownership Program, which was approved, by the City Council and Mayor in December 2004. The Program is one of the few, or perhaps the only homeownership program in the State that provides homeownership opportunities to individuals and families earning up to 150% of Area Median Income ((AMI). Without this assistance, homebuyers currently benefiting from the program, such as police officers, teachers, firefighters and nurses, would be unable to afford homes in the City.

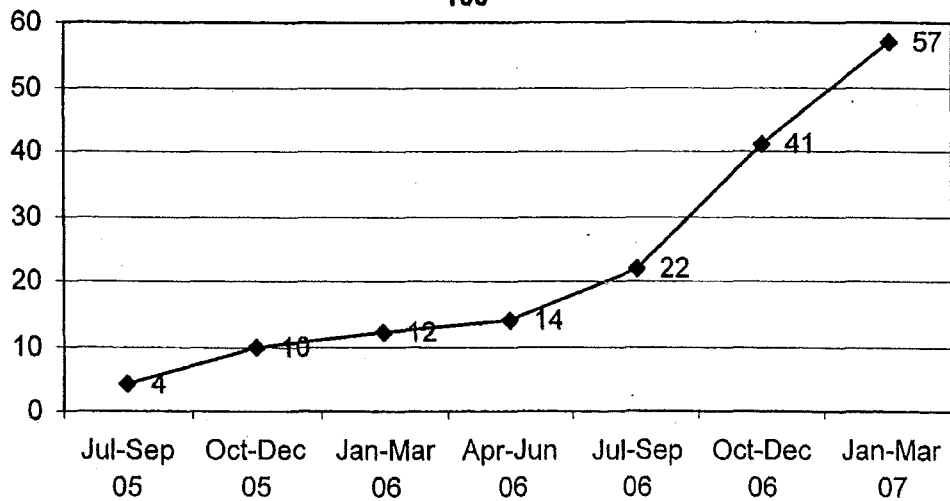
Eligible borrowers are required to obtain first mortgage pre-qualification with an LAHD participating lender. LAHD funds are available on a first-come, first-served basis and are provided in the form of a second mortgage and can be used to pay for down payment and closing costs and gap assistance (the difference between the sales price of the home and first mortgage). No monthly payments are required of the LAHD loan. The full amount of the loan is due at the end of thirty years or when the property is sold or transferred. Borrowers are not charged interest on the LAHD loan, but LAHD loans contain a shared equity component which allows the City to capture a percentage of the property's appreciation (based upon the amount of LAHD assistance provided at the time of purchase) upon its resale. All borrowers are required to attend at least 8 hours of homebuyer education. LAHD does not allow subprime first mortgage loans to be used with its program.

LAHD's Moderate Income Homeownership Program also includes the Forward Commitment Program, to support the construction of new for-sale housing. A forward commitment is the contractual promise by LAHD to homebuilders to provide purchase assistance funds to the eventual buyers of homes at proposed developments.

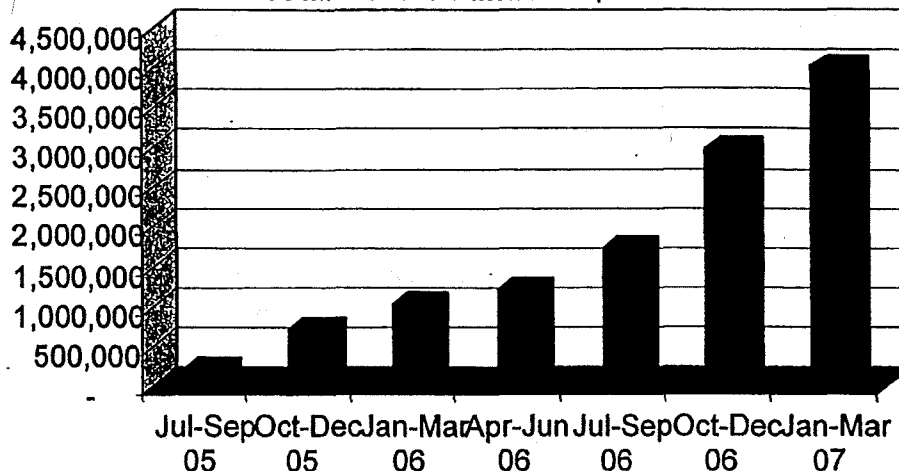
A total of \$21,704,495 has been allocated to LAHD's moderate-income homeownership program. The funds allocated to the program -- Municipal Housing Finance Funds and City General Funds -- are rare, in that they carry no income restrictions. Federal and most state funds require first time buyers to earn less than 80% of the median area income, and thus cannot be used to assist moderate income buyers. Since the inception of the Program in April 1, 2005, LAHD has funded 160 moderate-income loans. As shown below, program activity has significantly accelerated in the past 9 months.

Moderate-Income Homeownership Program

Total Loans =
160



**Moderate-Income Homeownership Program
 Total Dollars Funded = \$12 million**



Program Funding

In December 2004, the City Council and Mayor approved \$10 million for LAHD's Moderate Income Homeownership Program and the Forward Commitment Program. The \$10 million was provided by Municipal Housing Finance Funds generated by tax-exempt bond issuance fees and repayments, which carries no income restrictions.

In November 2006, the City Council and Mayor approved an additional over \$11.7 million for these programs, comprised of \$5,958,976 of Affordable Housing Trust Funds (General Funds) and \$5,745,519 of Municipal Housing Finance Funds.

Los Angeles Area Homeownership Market

Housing prices in the Los Angeles region remain at historically high levels. The median priced home in the Los Angeles region is \$565,000. Although current housing prices, on average, are not appreciating at the double digit levels of past years, housing prices in the Los Angeles area region are appreciating at a rate of 5-6%. Los Angeles' vibrant economy and job market, limited supply of homes for sale, climate, entertainment and cultural sites are among the many reasons housing prices remain historically high. Mortgage interest rates, which also remain at low levels, also contribute to the continuing rise of housing prices. Although real estate data indicates that sales volume has dropped by 22% in the Los Angeles area from the previous year and homes are on the market for longer periods of time before they are sold, it is not anticipated that housing prices in the Los Angeles region will drop, but will appreciate at lower, single-digit percentage levels.

LAHD Outreach and Marketing to Moderate Income Homebuyers

Since the launch of the Moderate Income Homeownership Program in April 2005, LAHD has undertaken an assertive educational and marketing approach to the Program. LAHD hosted meetings on a monthly basis with lenders, real estate agents and brokers, real estate professional groups, homebuyer education providers and non-profit organizations to ensure their familiarity with the program. At the invitation of various organizations, LAHD attended numerous home buying fairs, posted information on its website and distributed information to City libraries, City Recreation and Parks facilities, the Los Angeles Police and Fire Departments and made presentations in various settings. LAHD also obtained, via attendance at the above events, valuable feedback which we have utilized to improve program effectiveness and efficiency. As a result of these activities, program activity has significantly increased in recent months.

LAHD works closely with its partners (participating lenders, real estate agents, homebuyer education providers, home builders, non-profit organizations, and government entities) to help first time homebuyers achieve homeownership. LAHD also leverages its moderate-income homeownership funds with other resources provided by private and government homebuyer assistance programs.

LAHD has leveraged its moderate income homebuyer funds extensively with other homebuyer assistance programs offered by private, non-profit and government entities. These include federal Mortgage Credit Certificates (MCCs), Building Equity and Growth in Neighborhood (BEGIN) State grant funds and first and second mortgage products from the California Housing Finance Agency (CalHFA). A partnership between LAHD and CalHFA allows LAHD's homeownership programs to be used in conjunction with the first and second mortgage homeownership programs offered by CalHFA. By issuing tax-exempt bonds, CalHFA is able to offer below market interest rate first mortgages in addition to second mortgage products. Approximately 90% of the loans funded by LAHD utilize CalHFA's first and second mortgage products which are available to low and moderate income homebuyers.

Future Requirements of the Moderate Income Homeownership Program

LAHD anticipates continued strong demand for the Moderate Income Homeownership Programs. Homeownership is expected to remain extremely costly in the City and the price of housing is expected to continue to rise in the coming years. LAHD has witnessed that even first time homebuyers earning up to 150% of Area Median Income such as police officers, teachers, firefighters, nurses, paramedics and other medical professionals, require LAHD's assistance at the current maximum of \$75,000 in order to buy homes in the City. The Moderate Income Program is currently funding about 14 loans per month, requiring \$1 million per month. Moreover, the Forward Commitment Program to developers is increasing in popularity.

We have identified \$4 million in General Funds that the Council had previously authorized for another purpose but is now available for this use. In addition, just under \$1 million in new Municipal Housing Finance funds is available for this program next year. At the current reservation rate of \$1 million per month, an additional \$7 million dollars are needed. Without an infusion of these unrestricted dollars, this highly successful program will need to be suspended.

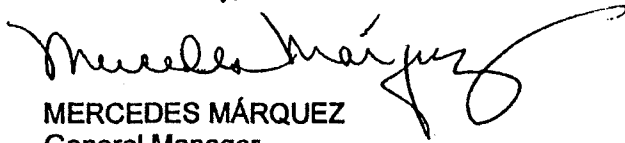
Honorable Bernard Parks
April 23, 2007
Page 10

Conclusion

Thank you for your consideration of the Department's budget proposal for FY 2007-08. We believe our new information technology proposals will not only increase efficiency and revenue collection, but also provide better communication tools to the public and facilitate disaster response, recovery and reconstruction. We are also eager to continue to assist more Angelenos in their pursuit of the American Dream through homeownership.

I look forward to meeting with you and the other Committee members to discuss these proposals as well as all our goals for next year.

Yours sincerely,



MERCEDES MÁRQUEZ
General Manager

cc: Karen Sisson, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 13

Date: April 30, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **DEPARTMENT OF AGING, 2007-08 PROPOSED BUDGET – DEPARTMENT
LETTER TO BUDGET AND FINANCE COMMITTEE**

Your Committee requested this Office to report on the attached letter dated April 23, 2007, which was submitted by the General Manager of the Department of Aging, relative to the Department appropriations provided in the 2007-08 Mayor's Proposed Budget.

The referenced letter states that the City's funding support is critical to the continuation of Department-administered senior service programs. However, the Department does not specifically request additional City funding, but rather indicates that program funding (inclusive of grant funds) has failed to keep pace with growth within the City's senior resident population. The current-year funding gap is estimated as \$404 million nationally and \$8.4 million locally (local funding gap projected to increase to \$40.5 by 2009-10). Supporting data, relative to the senior service funding gap is attached to the Department letter.

The Department references a prior-year proposal to establish a new volunteer-based program of senior participants, but does not request City appropriations for this purpose. Instead, the Department reports on collaborative efforts with the County of Los Angeles and ongoing strategic planning, relative to addressing the needs of the local senior population. In addition, the Department reports efforts to develop partnerships with private industry as another response strategy.

This memorandum is provided for informational purposes. There are no fiscal impacts reported.

KLS:BCH:08070309

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 23, 2007

To: Honorable Bernard C. Parks, Chair
Budget and Finance Committee

Attention: Lauraine Braithwaite, Legislative Assistant II
Office of the City Clerk

From: Laura Trejo, General Manager
Department of Aging *Laura Trejo*

Subject: **DEPARTMENT OF AGING RESPONSE TO PROPOSED FISCAL YEAR
2007-2008 BUDGET**

The Department of Aging thanks the Mayor's Office and the City Council for the support of Older Adult and Caregiver programs as represented in the proposed Fiscal Year 2007 - 2008 Budget. The City's funding support for the Department is critical to the continuation of these programs. In addition, as the attached data indicates (Attachment 1), grant budgets have not increased, even as the increasing numbers of older adults and the need for such services increases in the City of Los Angeles. National projections identify a \$404 Million funding gap for 2007, while locally it will be \$8.4 Million (Attachment 2). In three years the 2010 funding gap for the City will be \$40.5 Million.

In the last year's budget deliberations, the Department outlined its strategy of enhancing service levels with partnerships and volunteerism. The Department has since initiated regional planning with the Los Angeles County Area Agency and Aging (AAA) which combined with the City AAA represents one-third of the State's senior population. In keeping with the need for ongoing strategic planning to meet the needs of an aging society, the Department recently co-hosted the Senior Centers Knowledge Fair Conference which brought together over 100 senior centers within the greater Los Angeles area. The Department has also engaged in developing partnerships with private industry to address the growing challenges of aging in place.

We look forward to working with you in assisting us better carry out our critical service mission. If you have any questions, please call me at (213) 252-4023.

LT:JD:kā:m106-07/Response to Proposed 2007-08 Budget

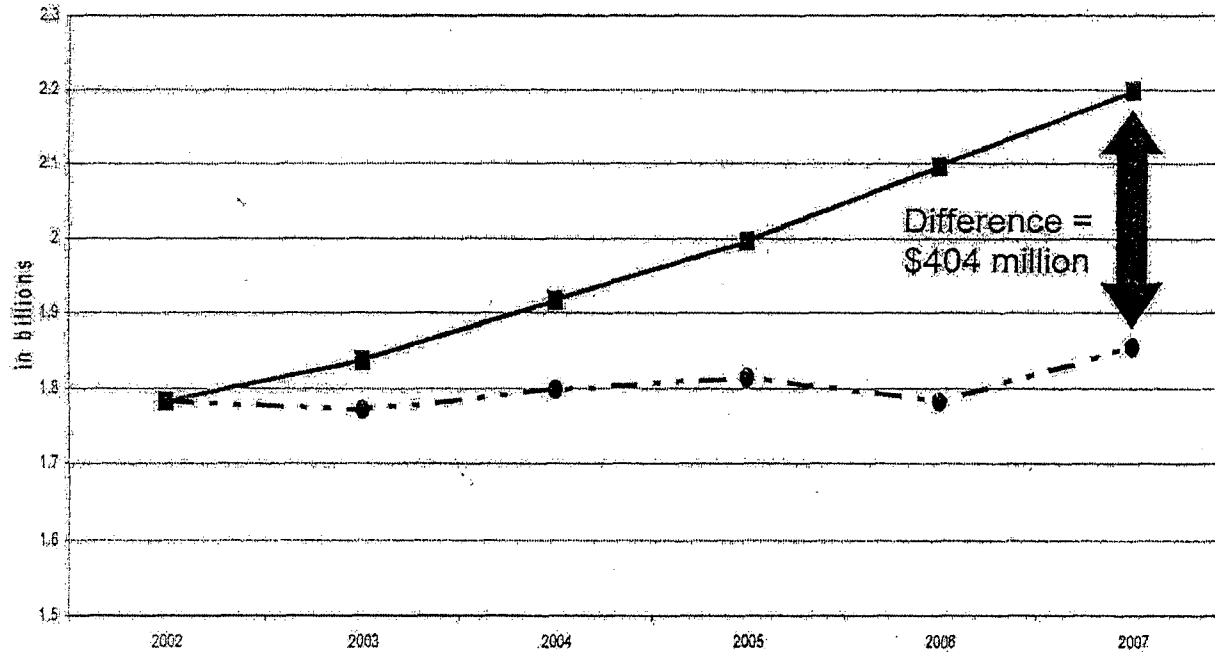
Attachments

C: Karen Sisson, City Administrative Officer

OAA Funding Increases Adjusted for CPI* and Population 60+

Gap between actual appropriation and amount needed to keep up with inflation and population increase since FY 2002

(based on data from the Center for Budget and Policy Priorities)



*CPI= Consumer Price Index

FY 2002 through FY 2007



NOTE: The FY 07 amounts include a mandatory adjustment for SCSEP to cover an expected increase in the federal minimum wage.

SUPPORT OUR SENIORS

INCREASE FUNDING FOR FOOD, JOBS & CARE

Funding for the Older Americans Act (OAA) has been stagnant for years. The over-60 population keeps growing and inflation takes a big bite, but OAA funding for basic needs—like food, jobs and care—is frozen.

If funding since 2002 had simply kept pace with inflation and the increasing number of seniors, it would be more than \$400 million higher this year. During the same period Congress cut taxes for millionaires by \$378 billion (yes, billion).

Doesn't this make you MAD?? Don't you want to do something about it? Now you can!

The National Council on Aging needs your help in urging Congress to increase Older Americans Act funding by 10% for 2008, and to provide start-up funding for new initiatives added in the 2006 reauthorization—so please join our campaign! The campaign will include call-in days, organizing tools, fact sheets, conference calls and other activities.

HERE ARE THREE WAYS YOU CAN PARTICIPATE:

- E-mail your three Members of Congress (one Representative, two Senators) on this important matter once every month for the rest of the year. Use NCOA's website to send your letter, www.ncoa.org. Just click on "Support our Seniors," enter your ZIP code and you can send a message to all your Members of Congress.
- Invite your Members of Congress to visit your center or program that provides OAA-funded services. If one accepts, contact NCOA staff about messages during the visit.
- Encourage others—including seniors you serve—to join this campaign and to contact their Members of Congress in support of a 10% increase in OAA funding.

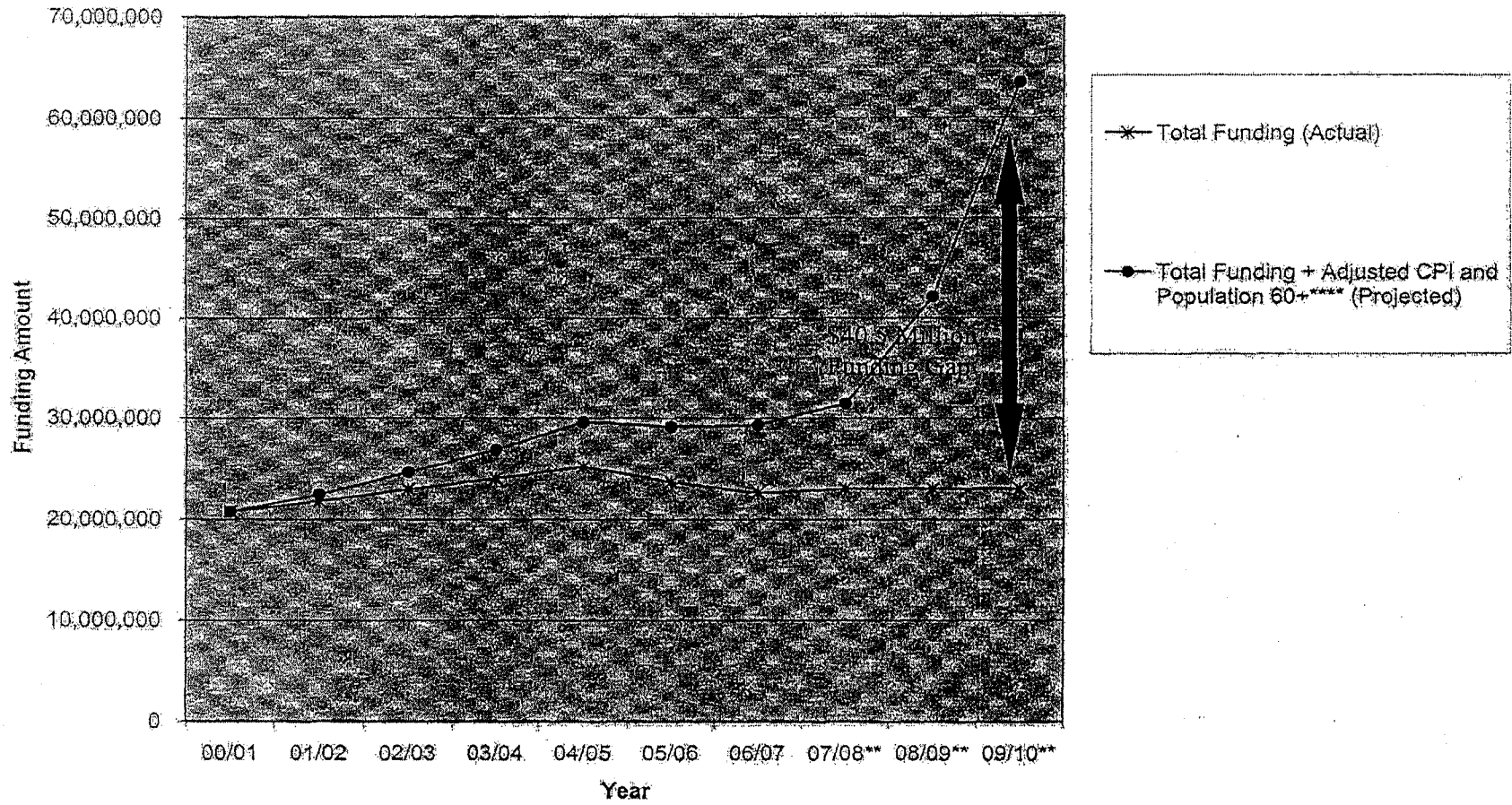
Don't wait! Get started today. (1) Visit NCOA's "Support Our Seniors" booth in the exhibit hall and e-mail your Members of Congress. (2) Join the workshop on the campaign on Friday at 2:00 in the Chicago River Salon at Embassy Suites.

For campaign materials and additional information on how you can participate, go to www.ncoa.org, or e-mail Robert Tiller at Robert.tiller@ncoa.org, or call 202-479-6658.

NCOA
NATIONAL COUNCIL
ON AGING

OAA Funding Increases Adjusted for CPI and Population 60+

Gap between actual appropriation and amount needed to keep up with inflation and population increases since FY2000-2001



OAA Funding and CPI Projection

Year	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08**	08/09**	09/10**
Federal Funding	14,163,439	14,195,119	14,937,777	15,573,707	16,253,351	15,936,350	15,133,205	15,170,421	15,170,421	15,170,421
State Funding	1,069,269	1,358,180	1,281,737	1,080,157	1,170,139	1,231,617	1,304,240	1,213,620	1,213,620	1,213,620
CDBG	2,970,000	3,704,861	3,413,470	3,413,470	3,175,536	3,057,359	2,283,817	3,145,502	3,145,502	3,145,502
Prop A	2584200	2,557,955	3,359,481	3,992,192	4,626,878	3,483,000	3,905,592	3,501,328	3,501,328	3,501,328
Total Funding (Actual)	20,786,908	21,816,115	22,992,465	24,059,526	25,225,904	25,708,326	22,626,854	23,030,871	23,030,871	23,030,871
Total Funding + Adjusted CPI and Population 60+**** (Projected)	20,786,908	22,461,872	24,687,010	26,908,174	29,650,528	29,206,287	29,367,394	31,457,867	42,139,273	63,575,522
Difference	0	(645,757)	(1,694,545)	(2,848,648)	(4,424,624)	(5,497,961)	(6,740,540)	(8,426,996)	(19,108,402)	(40,544,651)

From 2000 to 2010 Actual Funding increased by \$2,243,963 (11%). However, taking into account CPI & 60+ population increase, for the same period, funding should have increased by \$42,788,614 (206%). And by FY 2009/2010 the City will have a projected shortfall of \$40,544,651 (176%).

*Multiples Used to Calculate CPI & Population Growth Provided by the Center for Budget and Policy Priorities

** Projections made with average taken from previous years' data

***Federal funding does not include 3-E, which began in FY 01/02

****Adjusted funding calculated from total funding from 2000/2001 increased by combined annual percent increase

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 30, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KSL*

Subject: **DEPARTMENT ON DISABILITY, 2007-08 PROPOSED BUDGET – DEPARTMENT LETTER TO BUDGET AND FINANCE COMMITTEE**

Your Committee requested this Office to report on the attached letter dated April 25, 2007, which was submitted by the General Manager of the Department on Disability, relative to the Department appropriations provided in the 2007-08 Mayor’s Proposed Budget.

The Department indicates an overall ability to continue to provide services at current-year levels, despite a \$22,033 or 18.12 percent reduction in General Fund appropriations. The Department indicates its intent to obtain new revenue sources that would be used to mitigate the noted funding reduction and provide funding for new program services.

The Department advises that sign language interpreter costs are escalating because of a state-wide shortage of interpreters. The Department proposes to explore alternative methods to provide sign language interpretation. The Department also references a new service proposal to provide on-demand sign language interpretation services through the installation of video phone devices at police stations throughout the City. However, no requests are made for additional City funding.

In the attached supplemental letter dated April 27, 2007, the Department requests the following adjustments to the contractual services allocations reflected in the 2007-08 Supplemental Schedules publication:

Contractual Services:	2006-07 Allocation	2007-08 Allocation	Fiscal Year Variance	Corrected 2007-08 Allocation	Requested Allocation Adjustments
1. Disabled Employee Assistance	\$99,000	\$84,000	\$(15,000)	\$99,000	\$15,000
2. Regents of the University of California (UCLA)*	90,000	48,800	(41,200)	33,800	(15,000)
3. Zatz and Renfrew Consulting	**	15,000	15,000	15,000	-
4. Contract for Heavy-Duty Copier	20,400	20,400	-	20,400	-
5. Studies for AIDS Program	52,000	52,000	-	52,000	-
Totals:	<u>\$261,400</u>	<u>\$220,200</u>	<u>\$(41,200)</u>	<u>\$220,200</u>	<u>\$ -</u>

* Formerly, Living Independently in Los Angeles.
** In 2006-07, this item received \$15,000 from the UCLA allocation.

This memorandum is provided for informational purposes. There are no fiscal impacts reported.

KLS:BCH:08070310

Attachments

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CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

**DEPARTMENT
ON DISABILITY**

333 SOUTH SPRING STREET
SUITE D2
LOS ANGELES, CALIFORNIA 90013

(213) 485-6334
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(213) 485-8052 (FAX)
www.lacity.org/dod

REGINA HOUSTON-SWAIN
EXECUTIVE DIRECTOR

April 25, 2007

Honorable Bernard Parks, Chair
Budget and Finance Committee
c/o Lauraine Braithwaite
Office of the City Clerk
Room 395, City Hall

PROPOSED BUDGET FISCAL YEAR 2007-08

Thank you for the opportunity to provide comments regarding our proposed budget allocation:

Pursuant to receipt of the Mayor's Proposed Budget for fiscal year 2007-08, we have been allocated \$1,858,154 for the continuation of programs and services for people with disabilities residing in the City of Los Angeles.

Due to rising sign language interpreter costs and a state-wide sign language interpreter shortage, our proposed budget included a request for a staff sign language interpreter position and funds to purchase interactive video phones for the implementation of a new program in collaboration with LAPD. Pursuant to mandated budget reductions and potential budget shortfalls that the City may incur, we will explore various options and alternative methods of providing funding for the rising sign language interpreter costs e.g. requiring City Departments to assist in subsidizing the service.

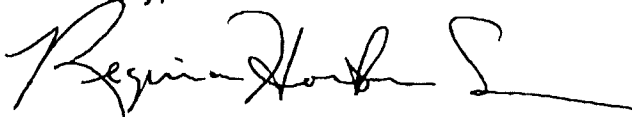
We have determined that the Department on Disability will be able to continue operating existing programs and providing services to persons with disabilities and their families, within the parameters of the Mayor's proposed recommendations. The Department will

Honorable Bernard Parks
April 25, 2007
Page 2

continue to try to mitigate general fund reductions by seeking new sources of revenue to implement new programs and services.

If you have questions please contact me at (213) 847-9227.

Sincerely,

A handwritten signature in black ink, appearing to read "Regina Houston-Swain". The signature is fluid and cursive, with a long horizontal stroke at the end.

Regina Houston-Swain
Executive Director

cc: Thomas Saenz
Gabriel Sandoval
Bernyce Hollins

CITY OF LOS ANGELES

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CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT ON DISABILITY

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REGINA HOUSTON-SWAIN
EXECUTIVE DIRECTOR

April 27, 2007

Honorable Bernard Parks, Chair
Budget and Finance Committee
C/o Lauraine Braithwaite
Office of the City Clerk
Room 395, City Hall

2007 APR 27 PM 3:02
CITY ADMINISTRATIVE OFFICER

PROPOSED BUDGET FISCAL YEAR 2007-08: SUPPLEMENTAL INFORMATION

In addition to our letter of April 25, 2007, I respectfully submit for your consideration the reallocation of funds within the Department on Disability's fund 3040 as shown in the attached table. This reallocation will maintain current year funding levels for the Disabled Employee Assistance fund, a critical function that provides sign language interpreting, assistants for disabled employees, and other related services.

If you have any questions, please contact me at (213) 847-9227.

Sincerely,

RHS by T.M.

Regina Houston-Swain
Executive Director

Cc: Thomas Saenz
Gabriel Sandoval
Sally Choi
Bernyce Hollins

ATTACHMENT

Proposed Reallocation of Department on Disability Account 3040

Contractual Services:	06-07 Allocation	07-08 Allocation	Fiscal Year Variance	07-08 Proposed Department Alloc.	Proposed Adjustments
1. Disabled Employee Assistance	\$99,000	\$84,000	(\$15,000)	\$99,000	\$15,000
2. Regents of the University of California (UCLA)*	\$90,000	\$48,800	(\$41,200)	\$33,800	(\$15,000)
3. Zatz and Renfrew Consulting	**	\$15,000	\$15,000	\$15,000	\$0
4. Contract for heavy-duty copier	\$20,400	\$20,400	\$0	\$20,400	\$0
5. Studies for AIDS Program	\$52,000	\$52,000	\$0	\$52,000	\$0

* formerly Living Independently in Los Angeles

** In 2005-06, item was funded with \$15K from the UCLA line item

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 15

Date: April 30, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LAPD SWORN OVERTIME BY CATEGORY**

The Committee requested that this Office provide a two-year history of Police Department Sworn Overtime Usage by category.

Attached is a summary of Sworn Overtime Usage for 2004-05, 2005-06 and 2006-07 year-to-date (through the pay period ending April 14, 2007). Total overtime hours worked and percentage of the Department-wide total are shown for each activity code. The activities are broken down into two main sections: Reimbursable and Non-Reimbursable. The sections are further broken down to isolate LAX Overtime and Other Adjustments.

KLS:MC:04070158

Attachment

**LOS ANGELES POLICE DEPARTMENT
SWORN OVERTIME USAGE BY ACTIVITY**

Activity	Code	2004-05		2005-06		2006-07 Through 4/14	
		Hours Worked	% of Total Hours	Hours Worked	% of Total Hours	Hours Worked	% of Total Hours
LAX							
LAX Response	64	14,933	0.9%	14,537	0.8%	13,730	0.9%
LAX Security	52	235,280	14.4%	228,608	12.5%	185,494	11.9%
LAX		250,213	15.3%	243,145	13.3%	199,224	12.8%
Grants and Other Reimbursable							
Bandit Taxicab	57	0	0.0%	10	0.0%	3,925	0.3%
CLEAR Grant	56	4,249	0.3%	7,623	0.4%	5,018	0.3%
Community Project Restoration Grant	98	4,071	0.2%	1,566	0.1%	783	0.1%
FBI - Gang Fugitive Task Force	92	5,366	0.3%	6,176	0.3%	8,209	0.5%
Harbor Port Security	65	40	0.0%	125	0.0%	15	0.0%
HIDTA Grant	97	3,611	0.2%	3,318	0.2%	2,945	0.2%
LA Impact Narcotics Task Force	93	5,460	0.3%	9,230	0.5%	8,885	0.6%
LETP 04 Grant	38	391	0.0%	4,921	0.3%	5	0.0%
Metro-Rail Project	94	2	0.0%	-3	0.0%	0	0.0%
Miscellaneous Grants	85	7,242	0.4%	19,299	1.1%	9,034	0.6%
MTA - Bus Enforcement	63	20	0.0%	8	0.0%	0	0.0%
MTA - Rail Enforcement	53	4	0.0%	14	0.0%	0	0.0%
NBA Task Force	55	10	0.0%	145	0.0%	10	0.0%
NEST Grant	73	1,367	0.1%	1,169	0.1%	13	0.0%
Prop Q	82	170	0.0%	180	0.0%	15	0.0%
Schiff-Cardenas Grant	91	6,726	0.4%	5,803	0.3%	6,260	0.4%
SHSGP 04 Grant	37	10	0.0%	195	0.0%	21	0.0%
STC Grant	74	0	0.0%	19	0.0%	1	0.0%
Task Force Regional Auto Theft	71	2,759	0.2%	1,835	0.1%	1,103	0.1%
Terrorism Alert Activities	59	211	0.0%	6,387	0.3%	1,727	0.1%
Traffic Safety Grant	84	0	0.0%	17,847	1.0%	6,683	0.4%
UASI 03 WMD Training	31	7,210	0.4%	40,992	2.2%	37,117	2.4%
UASI 04 Grant	30	883	0.1%	4,316	0.2%	1,817	0.1%
VLF Crime Suppression	42	14,663	0.9%	20,148	1.1%	117	0.0%
Grants and Other Reimbursable		64,463	3.9%	151,321	8.3%	93,701	6.0%
Total Reimbursable OT		314,676	19.2%	394,465	21.5%	292,925	18.8%

**LOS ANGELES POLICE DEPARTMENT
SWORN OVERTIME USAGE BY ACTIVITY**

Activity	Code	2004-05		2005-06		2006-07 Through 4/14	
		Hours Worked	% of Total Hours	Hours Worked	% of Total Hours	Hours Worked	% of Total Hours
Non-Reimbursable							
Backfill - POST Training	46	404	0.0%	560	0.0%	374	0.0%
Care and Grooming of Animals	12	10,291	0.6%	10,878	0.6%	8,887	0.6%
Community Relations	13	9,495	0.6%	10,645	0.6%	10,087	0.6%
COMPSTAT - Crime Analysis	58	1,746	0.1%	1,543	0.1%	1,597	0.1%
Consent Decree	40	898	0.1%	1,971	0.1%	1,110	0.1%
Court - Direct Reporting	14	179,017	10.9%	166,258	9.1%	135,577	8.7%
Court - On Call	15	242,322	14.8%	244,530	13.3%	202,853	13.0%
Court - On Call Appearance	16	2,981	0.2%	2,679	0.1%	1,973	0.1%
Court (Felony) - Unneeded Direct Report	17	0	0.0%	0	0.0%	7	0.0%
Subtotal Court Overtime		424,320	25.9%	413,466	22.6%	340,410	21.8%
Department Administration	18	57,542	3.5%	72,077	3.9%	64,757	4.2%
Detective Operations	72	72,873	4.4%	85,812	4.7%	97,473	6.3%
DRE - Drug Recognition Expert	81	95	0.0%	108	0.0%	42	0.0%
Firearms Qualification	21	1,012	0.1%	1,192	0.1%	844	0.1%
Firearms/Explosive Incident	20	9,582	0.6%	12,071	0.7%	8,423	0.5%
Fiscal Support	70	14	0.0%	52	0.0%	102	0.0%
Gang Activities	23	37,975	2.3%	38,588	2.1%	32,403	2.1%
Gathering Intelligence	24	28,816	1.8%	15,036	0.8%	14,172	0.9%
HACLA Detail	96	25,794	1.6%	28,867	1.6%	25,939	1.7%
Homicide Investigation	25	97,470	5.9%	106,035	5.8%	85,431	5.5%
Lab Services	78	64	0.0%	162	0.0%	108	0.0%
Medical Examination	28	18,951	1.2%	14,489	0.8%	11,843	0.8%
Narcotics Activities	29	76,396	4.7%	80,227	4.4%	69,945	4.5%
OVB Violent Crime Task Force	66	0	0.0%	0	0.0%	1,758	0.1%
Pacific Beach Detail	51	10,285	0.6%	9,531	0.5%	7,030	0.5%
Permit Investigation	33	409	0.0%	582	0.0%	432	0.0%
Personnel - Recruitment	35	2,027	0.1%	1,642	0.1%	2,207	0.1%
Personnel Complaints	34	27,320	1.7%	30,774	1.7%	23,333	1.5%
Preliminary Investigations	10	81,222	5.0%	102,967	5.6%	71,740	4.6%
Property Booking Inventory	86	9	0.0%	2	0.0%	2	0.0%
Public Figure Security	36	5,063	0.3%	5,360	0.3%	6,456	0.4%
Rampart - Board of Inquiry	75	7	0.0%	8	0.0%	5	0.0%

**LOS ANGELES POLICE DEPARTMENT
SWORN OVERTIME USAGE BY ACTIVITY**

Activity	Code	2004-05		2005-06		2006-07 Through 4/14	
		Hours Worked	% of Total Hours	Hours Worked	% of Total Hours	Hours Worked	% of Total Hours
Non-Reimbursable (Continued)							
Routine Patrol	39	151,528	9.2%	180,720	9.9%	216,160	13.9%
Special Events	41	6,901	0.4%	7,692	0.4%	6,827	0.4%
Special Events Detail	61	8,972	0.5%	7,808	0.4%	7,126	0.5%
Staples Center Arena	54	13,622	0.8%	11,759	0.6%	6,668	0.4%
Tactical Alert - Citywide	48	6,502	0.4%	21,595	1.2%	439	0.0%
Tactical Situation	43	38,471	2.3%	47,245	2.6%	41,466	2.7%
Task Force Support	90	1,008	0.1%	1,041	0.1%	608	0.0%
Technical Support	44	7,201	0.4%	9,618	0.5%	8,119	0.5%
Traffic Enforcement	45	34,439	2.1%	36,124	2.0%	31,592	2.0%
Use of Force Investigations	32	31,762	1.9%	40,782	2.2%	37,951	2.4%
Vice Activities	50	19,355	1.2%	24,870	1.4%	18,191	1.2%
Non-Reimbursable		1,319,838	80.6%	1,433,897	78.3%	1,262,054	81.0%
Other Adjustments							
Lt to Cpt Payoff	00	4,207	0.3%	3,152	0.2%	4,112	0.3%
OLOTS Adjustments	95	-360	0.0%	612	0.0%	-480	0.0%
Other Adjustments		3,847	0.2%	3,764	0.2%	3,631	0.2%
Total Non-Reimbursable OT		1,323,686	80.8%	1,437,661	78.5%	1,265,685	81.2%
Total OT		1,638,362	100.0%	1,832,127	100.0%	1,558,610	100.0%

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 30, 2007
To: Budget and Finance Committee
From: Karen L. Sisson, City Administrative Officer *KLS*
Subject: **SWORN NET HIRING QUESTION**

The Committee requested clarification on budgeted net hiring for the Police Department in 2007-08, specifically in relation to the sworn staffing figures on Page 315 of the Blue Book.

The budgeted net hiring for 2007-08 is 226, consisting of hiring of 780 and attrition of 554. The figures on Page 315 of the Blue Book reflect total authorized staffing, not actual bodies filled.

KLS:MC:04070157

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 17

Date: May 1, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LIBRARY DEPARTMENT 2007-08 PROPOSED BUDGET - DEPARTMENT LETTER TO BUDGET AND FINANCE**

Your Committee requested this Office to report on the letter dated April 23, 2007 submitted by the General Manager of the Library Department relative to the 2007-08 Proposed Budget. Generally the Department appears satisfied with the level of funding and resources provided in the Proposed Budget.

The Department letter noted that the Proposed Budget includes a \$2.6 million reduction in the Department's Library Materials Account. The Department expressed concern that this reduction would make it difficult to supply the libraries with new materials with the increasing costs of books and the expanded capacity of many of the libraries. There are four new libraries and 32 libraries have doubled in size over the last five years when this account received funding of approximately \$11 million annually.

This memorandum is informational only. There is no fiscal impact.

KLS:MCD

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ANTONIO R. VILLARAIGOSA
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FONTAYNE HOLMES
CITY LIBRARIAN

2007 APR 23 AM 11:12
CITY ADMINISTRATIVE OFFICE

cc: MTS
MCI

April 23, 2007

The Honorable Bernard C. Parks
Chairperson, City Council Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
City Hall, Room 395
Los Angeles, CA 90012

Re: PROPOSED LIBRARY BUDGET, FY 2007-08

Dear Councilmember Parks:

The library plays a critical role in helping children succeed in school, giving them an alternative to gangs and enriching the lives of their families.

We accomplish this with a network of new libraries, a collection of current books, technology that bridges the digital divide, and a wide range of free services including the city's largest after-school program.

As a result, the library is more popular than ever before, with more than 14 million people visiting the Central Library and 71 branches last year alone.

In a citywide library survey and at 200 community meetings, people told us that they need *more books, computers and library hours*. These needs became the core of the 2007-08 library budget requests.

We appreciate the Mayor's strong support for critical library service hours. The Mayor's proposed budget will:

- Continue funding 53 FTE positions for increased service hours at 24 branches.
- Regularize seven positions for maintaining the library's essential technology infrastructure.
- Purchase furniture, equipment and books for the new, larger Exposition Park-Dr. Mary McLeod Bethune Regional Branch.

However, the proposed budget decreases the Library book budget by 22.7% from \$11,429,111 to \$8,830,111.



April 23, 2007

The Library is losing ground in the struggle to meet public demand for books:

- Requests for 400,000 books placed through our reservation system went unfilled last year.
- The number of books checked out has more than doubled in 10 years to 15.5 million items.
- The demand is huge for new books and information resources for homework assignments, jobs, health, parenting and other essential subjects.

We recognize the city's limited resources. But we sincerely ask that you consider restoring \$2.6 million to the book budget to maintain our current funding for books.

The average annual book budget over the past five years has been approximately \$11 million. The proposed \$8.8 million is comparable to the book budget of eight years ago when the Los Angeles Public Library was a much smaller library system. Since then we have:

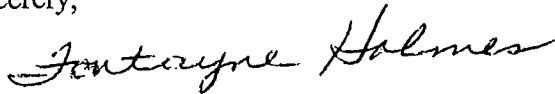
- Established four additional libraries.
- Doubled the size of 32 libraries in newly constructed facilities.

Our libraries have expanded and increased, the cost of books has escalated, and public use of the library's vital resources continues to grow.

I want to thank you for considering our request and for your support for libraries.

If you have any questions, please call me or Assistant General Managers Kris Morita and Patricia Kiefer at (213) 228-7515.

Sincerely,



Fontayne Holmes
City Librarian

cc: Honorable Members, Budget and Finance Committee
Board of Library Commissioners
Robin Kramer, Chief of Staff, Office of the Mayor
Ray Cortines, Deputy Mayor, Office of the Mayor
Sally Choi, Budget Director, Office of the Mayor
Karen Sisson, City Administrative Officer
Mark Davis, Finance Specialist, CAO
Gerry Miller, Chief Legislative Analyst
Sharon Tso, Executive Officer, Chief Legislative Analyst
Lynne Ozawa, Assistant Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 1, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **USES OF 2006-07 FUNDING IN THE UNAPPROPRIATED BALANCE FOR COUNCIL-INITIATED PLANNING PROJECTS**

The Budget and Finance Committee requested a report on the uses of the 2006-07 funding in the Unappropriated Balance for Council-Initiated Planning Projects, and on whether additional funds should be appropriated in the 2007-08 Budget for this purpose. The 2006-07 Budget included \$440,000 for this purpose of which \$290,000 has been spent and \$150,000 remains. It is recommended that this \$150,000 be used to fund a comprehensive study of all of Planning's fees (C.F. 06-0600-S68).

Council File	Purpose	Amount	Comments
06-0600	Initial 2006-07 Appropriation	\$ 440,000	
<i>2006-07 Expenditures</i>			
06-0466	Hollywood Comm. Plan Transp. Study	\$ 70,000	Approved 7/14/06
06-0600-S74	Reduce funding to offset deficit	120,000	Approved 4/18/07
	Hollywood Comm. Plan studies	100,000	
<i>Total Spent</i>		\$ 290,000	
<i>Remaining Current Balance</i>		\$ 150,000	
<i>Pending Expenditures</i>			
06-0600-S68	Funding for Planning fees study	\$ 150,000	Recommend approval
04-1880	Salary funding for Northeast ICO	\$ 47,000	No longer needed (can be covered by Dept. salary savings)

No additional funding is included in the Proposed 2007-08 Budget for this purpose. Adding funding for this purpose would either require additional resources to become available, or reductions in other parts of the Budget.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 19

Date: May 1, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LETTER FROM THE OFFICE OF FINANCE TO THE BUDGET AND FINANCE COMMITTEE REGARDING THE 2007-08 PROPOSED BUDGET**

The Office of Finance letter dated April 23, 2007 to the Budget and Finance Committee raises no issues or concerns.

KLS:TAB:01070062c



ANTONIO R. VILLARAIGOSA
MAYOR

April 23, 2007

Honorable Members of the Budget and Finance Committee
C/o Lauraine Braithwaite, Legislative Assistant II
City Clerk, Room 395 City Hall

OFFICE OF FINANCE – FY 2007-2008 PROPOSED BUDGET

I would like to thank the Mayor, City Administrative Officer and their staff for consideration and support of our proposed budget. Our budget focuses on a continuation of achieving operational improvements, attaining our revenue goals and providing an optimum level of service to City of Los Angeles residents and the business communities.

As we approach the seventh year the Office of Finance has been in existence, we have made significant gains in revenue collection. For example, business tax revenue has grown from \$317.3 million in FY 1999-00 to \$459.1 million by fiscal year end. This represents a 45% or \$141.8 million increase, and is net of the over \$70 million in tax relief resulting from business tax reform. We have made great strides in the overall efficiency of our department through solid leadership, automation and operational restructuring. As a result we have been able to reduce our workforce by 15 positions since FY 2004-05.

Our 2007-08 budget proposal includes four operational improvement programs that simultaneously increase services and provide over \$6.3 million in new annual revenue opportunities for the City. We are absorbing the nine associated required positions, valued at \$611,000, through internal efficiencies and staff realignments. The expansion of the Citywide Billing and Collection program will further our efforts to standardize and improve collection practices at all City departments. Furthermore, the Contractor Compliance and the Business Tax Exemption Certification Programs represent new discovery programs that efficiently monitor and effect compliance through standardized processes. Our proposal to secure the Los Angeles Unified School District's (LAUSD) participation in the City's Use Tax Rebate Program secures additional City and LAUSD resources to benefit LAUSD youth. These programs represent new permanent revenue streams that are achieved without additional staff, raising taxes, or reducing services.

In closing, I would like to thank my staff for their dedication and hard work. The Office of Finance's programs and continuing operational improvements will assist in ensuring the City's long-term fiscal health and make the City a more attractive place to do business.

I look forward to working with you and your committee on our FY 2007-08 budget proposal. Should you have any questions, or require additional information, please contact me at (213) 978-1774.

Sincerely,

Antoinette D. Christovale
Director of Finance

AC:JW:cc

cc: Sally Choi, Deputy Mayor, Mayor's Office of Finance and Performance Management
Todd Bouey, Finance Specialist II, City Administrative Office
Lynne Ozawa, Assistant Chief Legislative Analyst, Office of the Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 20

Date: May 1, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **COMMISSION ON CHILDREN, YOUTH AND THEIR FAMILIES' MEMO TO THE BUDGET AND FINANCE COMMITTEE ON REDUCTIONS TO THE PROPOSED BUDGET**

The attached letter from the Commission on Children, Youth and their Families responds to the Committee's one percent and three percent cuts to the Mayor's Proposed Budget.

The Commission proposes to reduce Salaries As-Needed, Account 1070, by either one percent or three percent. The proposals are highly feasible given that the majority of part-time functions will be absorbed by new full-time staff that will receive 9-month or 12-month funding.

The Commission does not generate revenue currently, and does not anticipate new revenue in the coming year.

KLS:ND:02070227

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: April 30, 2007

TO: Gerry Miller, Chief Legislative Analyst
Karen Sisson, City Administrative Officer

FROM: Rafael López, Interim Executive Director
Commission for Children, Youth and Their Families (CCYF)

SUBJECT: City Council Committee on Budget and Finance 1-3 %
Departmental Reduction Request

As directed by the City Council Committee on Budget and Finance, I am submitting the Commission for Children, Youth and Their Families response regarding a 1-3% reduction request from the base budget contained in the Mayor's 2007-2008 proposed budget.

First, I want to reiterate that a 1-3% reduction on an already small operating and staffing budget is extremely difficult for a department of CCYF's size. Given this, I want to clarify that the following potential scenarios make one important assumption: that the entire total of the proposed budget (\$1,741,048) should not be used as a base to calculate this, or any other potential reduction.

Rather, I suggest that the funding that is ultimately passed through CCYF to the Joy Picus Child Development Center operational vendor contract (\$196,152) and the Van Nuys Childcare Subsidy contract (\$5,000) be deducted from this base total in order to more accurately reflect what is ultimately within CCYF's budget. These two contracts are simply pass-through funds through CCYF's budget. Based on this assumption, the following proposed scenarios are opportunities for discussion.

Proposed CCYF budget	\$1,741,048
-Joy Picus Child Development Center Contract	\$ 196,152
-Van Nuys Childcare Subsidy Contract	\$ 5,000
<hr/> Total Adjusted Base	<hr/> \$1,539,896

1% Reduction Amount from Adjusted Base	\$ 15,398
3% Reduction Amount from Adjusted base	\$ 46,196

1% REDUCTION OPTION

Reduce As-Needed Staffing (1070 account) by 1% so as not to impact regular or resolution authority, full time employees. The reduction would be prioritized within the Administrative Intern allocation estimated at \$17,330 annually per position.

<u>Reduce As-Needed Staffing</u>	<u>\$ 15,398</u>
Total 1% Reduction Option	\$ 15,398

3% REDUCTION OPTION

Eliminate majority of As-Needed Staffing (1070 account) allocation so as not to impact regular or resolution authority, full time employees. Both Administrative Intern positions would be eliminated (valued at \$34,600). The remainder of the reduction would be derived from a reduction of the funding for the remaining As-Needed Project Assistant allocation.

Eliminate 2 As-Needed Positions	\$ 34,660
Reduce funding for remaining	
<u>As-Need Project Assistant Position</u>	<u>\$ 11,536</u>
Total 3% Reduction Option	\$ 46,196

I look forward to discussing these issues with you in more detail. Please let me know if you would like me to provide additional information.

c: Nancy Duong, CAO Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 21

Date: May 1, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **DEPARTMENT OF AGING, 2007-08 PROPOSED BUDGET – ONE AND THREE PERCENT BUDGET REDUCTION PROPOSALS**

In accordance with the April 27, 2007 instructions of the Committee, the Department of Aging (Aging) has submitted one and three percent budget reduction options, relative to the Mayor's Proposed Budget.

The Department has based its one and three percent reduction options of \$41,505 and \$124,516, respectively, on a General Fund appropriation of \$4,150,517 that includes the following:

- \$1,129,815* appropriated for Aging's administrative expenses;
- \$1,115,857 appropriated in the GCP for Adult Day Care Centers;
- \$1,798,845 appropriated in the GCP for Home Delivered Meals for seniors; and,
- \$106,000 appropriated in the GCP for Congregate Meals for seniors.

** One and three percent reductions calculated against this \$1.13 million appropriation, total \$12,198 and \$124,515, respectively.*

The budget reduction options set forth in the attached Department memorandum are summarized, as follows:

Service Area:	One Percent Reduction - \$41,505	Three Percent Reduction - \$124,516
General Staffing:	Elimination of one position.	Elimination of three positions.
Home-Delivered Meals:	Loss of 7,982 home-delivered meals <u>or</u> equivalency of daily lunch service for 32 home-bound seniors.	Loss of 23,945 home-delivered meals <u>or</u> equivalency of daily lunch service for 96 home-bound seniors.
Adult Day Support Center	Four percent reduction in General Fund appropriation for Centers (1.7% overall funding loss for Centers).	Eleven percent reduction in General Fund appropriation for Centers (5.0% overall funding loss for Centers).

This memorandum is provided for informational purposes. There are no fiscal impacts reported.

KLS:BCH:08070309

Attachment

REPORT ON LOS ANGELES DEPARTMENT OF AGING IMPACT OF A 1% and 3% REDUCTION FOR FISCAL YEAR 2007 - 2008

In addition to the Mayor's proposed budget reduction of \$49,176, this report describes the impact of a 1% and 3% cut to the LADOA budget in context of the Department's current budgetary constraints.

Managing a Grants Funded Department

The Los Angeles Department of Aging (LADOA) is in large part a grant funded department of the City. Currently 86% of our budget comes from various grant sources. The Department's revenue estimate indicates that LADOA will receive approximately \$24,614,865 in Older Americans Act funds, Older Californians Act funds, Proposition A funds, CDBG and other grant funds. The General Fund portion of the budget is \$4,150,517, most of which supports direct delivery of direct services, for a total budget of \$28,765,382.

The current General Fund proportion of LADOA's overall budget is \$4,150,517 or 14% and of this, only 4% goes toward administrative support. In recent years, LADOA has experienced a disproportional loss of General Fund reductions, resulting in a net loss of 24% in General Fund administrative support.

Impact of a 1% or 3% Budget Reduction

As per the Budget and Finance Committee instructions a reduction of 1% or 3% equal to \$41,505 or \$124,516 respectively from the budgeted General Funds creates a significant hardship on the department. As a grant funded department we are only able to absorb cuts within the General Fund portion of our budget. We have prepared the following scenarios to illustrate how the severity of this cut would impact our operations and services:

Scenario 1

The loss of \$41,505 or \$124,516 would eliminate from one to three General Fund funded positions, from a current total budget of \$1,129,815. This would result in the layoffs ranging from one to three full time staff equivalents supported by the General Fund. The term "equivalent" is used because all LADOA staff are partially supported by grant funds.

Scenario 2

The loss of \$41,505 or \$124,516 in General Fund budgeted to our Home-Delivered Meals program. Loss of this funding would result in 7,982 - 23,945 meals or 32 - 96 home-bound frail seniors losing their daily lunch and increasing the likelihood of nursing home placement.

Scenario 3

The loss of \$41,505 or \$124,516 would result in the loss of 4-11% of the operational budget of \$1,115,857 in the General Fund portion budgeted to the 14 Adult Day Support Centers (ADSC) serving frail and isolated seniors citywide. Programmatically the impact would be the loss of 24% to the operational budget of up to three of the ADSC programs. The loss of these programs may impact as much as \$231,660 in lost wages for working caregivers or increased risk of nursing home placement for these frail seniors.

LADOA has also submitted for the Budget and Finance Committee's consideration an estimate of the loss of \$8.4 million in purchasing power experienced by the department as a result of flat grant awards over the last seven years along with the projections for the next three years should federal and state grant funds remain the same.

CITY OF LOS ANGELES **REVISED** Memo No. 22
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 2, 2007

To: Budget and Finance Committee

From: Karen Sisson, City Administrative Officer *KJS*

Subject: **POLICE DEPARTMENT REQUEST FOR ADDITIONAL RESOURCES**

In their letter dated April 20, 2007, the Police Department requested additional resources totaling \$38.6 million and 176 additional positions. This letter is broken down into the following requests:

- In-Car Video (\$5,000,000);
- PODDS Replacement (\$1,275,000);
- Mobile Wireless Aircards (\$438,000);
- Tasers (\$793,697);
- New Station Leadership Teams (\$538,142);
- Civilian Hiring (\$13,800,000);
- Community Police Aides (\$1,424,335 and 75 positions);
- Civilianization of Consent Decree Duties (\$734,220 and 12 positions);
- Classification changes (eliminate one position);
- Restore Contractual Services funding (\$2,000,000);
- Homeland Security Package Phase II (\$1,300,000 and 44 positions);
- Mobile Radio Replacement (\$5,221,960); and
- DNA Expansion Program (\$6,036,506 and 46 positions).

The Homeland Security Package Phase II and DNA Expansion Program requests will be discussed in separate budget memos. All of the other requests are discussed below.

In-Car Video

The Department is requesting funding in the amount of \$5,000,000 for Phase II of the Department's In-Car Video project. Phase I, for which \$5,000,000 was allocated to the Unappropriated Balance (UB) in 2006-07, consisted of implementation of the In-Car Video system in the South Bureau divisions. However, as the contract has not yet been awarded and the funding in the UB has not yet been requested, it is unlikely that implementation will be underway by the end of the current fiscal year.

Inasmuch as Phase I was presented as a pilot program, with Citywide implementation costs estimated as high as \$30 million, it would seem prudent to take a year to allow the pilot program to be implemented and evaluated before moving forward with Citywide implementation.

PODDS Replacement

The Department is requesting funding in the amount of \$1,275,000 be placed in the UB for replacement of the Department's Portable Officer Data Device System (PODDS). According to the Department, discontinuation of data collection using PODDS is subject to a court determination.

Regardless of whether the court allows officers to stop using the PODDS, the need for replacement of the Department's entire inventory is unclear at this time. The 2006-07 Adopted Budget contained funding for replacement of 667 PODDS. It is assumed that the units purchased in the current year are still functioning correctly. At most, replacement of no more than half of the PODDS would be required, at a total cost of approximately \$400,000. This Office, with the assistance of the CLA, will monitor the court decision on discontinuing the use of PODDS and will report back as appropriate.

Mobile Wireless Aircards

The Department is requesting funding in the amount of \$438,000 for the purchase of 1,600 mobile wireless aircards. These aircards, when plugged into the Mobile Data Terminal (MDT) already mounted in the patrol vehicle, allow internet access to external databases and information. Without the aircards, officers are limited to information which is available through the Computer Aided Dispatch (CAD) System.

Purchase of 750 aircards was funded in the 2006-07 Adopted Budget. It is recommended that the Police Department report back on the following questions:

- How many of aircards have been purchased and deployed?
- What is the total number of aircards the Department intends to purchase (including the 2006-07 funding, the requested 2007-08 funding and any additional funding requests anticipated)?
- What is the cost and duration of the service plan required for aircard use, and how does the Department intend to pay it?

Tasers

The Department is requesting funding in the amount of \$793,697 for the purchase of 780 tasers. The stated intention is to phase in the taser beginning with new recruits. This would present two major operational issues:

- Deploying tasers with new recruits would mean that the Department's least experienced officers would be the only officers carrying the weapon. They would be unable to learn tactics and strategy from their superiors or more experienced officers. In addition, supervisory officers would not be trained in usage, making adequate supervisory review and evaluation difficult if not impossible; and

- If the City were to embark on a taser purchase plan of 780 per year, it would take more than 12 years to deploy one to each officer. Even if a taser has a life-expectancy of as much as 10 years, the first tasers purchased would need to be replaced before the City had even purchased enough for the whole Department.

Because of these two issues, this seems to be an impractical implementation plan. If the City intends to deploy tasers, funding should be identified to purchase enough for all police officers in no more than three years. Based on the current pricing, a three-year purchase plan would cost approximately \$3.2 million per year.

New Station Leadership Teams

The Department is requesting funding in the amount of \$538,142 for 20 positions to oversee the staffing, equipping and opening of the two new stations scheduled to open in July and August of 2008. Position authority for these positions has already been provided in the Proposed Budget to allow for hiring of the needed positions prior to the opening of the stations.

The positions requested for each new station are:

- One Captain III (Area Captain);
- One Captain I (Patrol Captain);
- Two Lieutenant II;
- Four Lieutenant I;
- Two Management Analyst I;

Considering the size of this expansion, and the impact two new stations opening in two consecutive months will certainly have on Police Officer deployment citywide, it seems very appropriate for the Department to appoint individuals to leadership positions in advance of the opening dates. However, without seeing a staffing plan or timeline, it is very difficult to evaluate the funding needs. Funding of \$500,000 could be placed in the Unappropriated Balance for the Leadership Team. As preparing the staffing and transition plan will most likely be one of the first duties of the new Captains, it is recommended that the Department fill the Captain III positions prior to requesting funding from the UB. The Department's Sworn Salaries account will be able to absorb the cost of the two additional positions until the plan is submitted and the appropriate level of funding is made available from the UB.

Civilian Hiring

The Department is requesting funding in the amount of \$13.8 million to fill existing civilian vacancies. Currently, the Department is carrying a 13 percent civilian vacancy rate, which is significantly higher than the Citywide average. The 2007-08 Proposed Budget assumes that the Department will keep civilian staffing levels roughly constant through the year.

Community Police Aides

The Department is requesting funding in the amount of \$1,424,335 for 75 Community Police Aides (CPA). These positions perform a variety of law enforcement support duties and administrative tasks, allowing Police Officers to focus on field-related duties.

In 2006-07, the Department hired 81 CPA's in-lieu of vacant Police Service Representative (PSR) positions. Unless the Department is willing to permanently reallocate the PSR positions to CPA positions, the status quo in-lieu arrangement can be maintained and continued in 2007-08.

Civilianization of Audit Division

The Department is requesting funding in the amount of \$734,220 for 12 civilian positions in audit division which would allow the 12 sworn officers currently performing these duties to return to field duties. Inasmuch as the City has been working to identify opportunities for civilianization for decades, including proposed funding of \$250,000 in the 2007-08 Proposed Budget for a Controller study of civilianization, the additional positions are recommended. If funds are available for civilianization, this would be one of the primary opportunities for replacing sworn employees with civilians.

Classification Changes

The Department is requesting to add one Senior Management Analyst II position to act as the Project Manager for the new Online Training Unit. To remain cost-neutral, two Management Analyst I positions can be eliminated. Similarly, the Department is requesting to add two Maintenance and Construction Helper authorities and delete two Clerk Typist authorities. The requested changes would result in no fiscal impact.

Restore Contractual Services Funding

The Department is requesting additional funding in the amount of \$2,000,000 in the Contractual Services Account to meet its contractual obligations. The Proposed Budget proposed a reduction of \$1.75 million, a 13 percent reduction from the 2006-07 Adopted Budget. It seems unlikely that the Department will be able to reduce their contractual obligations by 13 percent in one year. This Office will continue to monitor this account throughout the upcoming fiscal year and consider any requests to transfer funds from other LAPD accounts to cover shortfalls.

Mobile Radio Replacement

The Department is requesting additional funding in the amount of \$5,221,960 to purchase 2,000 mobile radios to replace existing outdated equipment for the Department's unmarked vehicles. Considering the current state of the City's finances and the ongoing conversations between the City, the County and the surrounding jurisdictions regarding radio communication interoperability, it is recommended that any major outlays for emergency communications be deferred until the regional communications picture is more defined.

KLS:MC:04070156

Attachment

LOS ANGELES POLICE DEPARTMENT



WILLIAM J. BRATTON
Chief of Police

P. O. Box 30158
Los Angeles, Calif. 90030
Telephone: (213) 485-3202
TDD #: (877) 275-5273
Ref #: 10.2

ANTONIO R. VILLARAIGOSA
Mayor

April 20, 2007

The Honorable Budget and Finance Committee
c/o Lauraine Braithwaite
Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

Honorable Members:

In a correspondence dated March 20, 2007, you requested written comments relative to the proposed budget for each department and any critical changes that would be proposed. In light of the budget constraints the City will encounter next fiscal year, the Los Angeles Police Department (LAPD) appreciates the resources the Mayor included in his proposed budget. As we worked cooperatively with the Mayor's staff, we also look forward to working with the Budget and Finance Committee in discussing his proposals and our support for them. We all agree that hiring additional police officers, reducing crime, introducing counter terrorism initiatives, developing strategies for gang suppression and achieving consent decree mandates are the City's highest priorities.

These goals and our support of the Mayor's budget proposals are reflective of our understanding of the significant financial limitations that the City is facing this year. In the event that the Council review of the Mayor's budget proposal identifies the availability of additional funds, we request consideration of the Department's most critical unfunded needs.

The Department identified the following priorities that pertain to the critical challenges facing the Police Department:

- (CD) Consent Decree
- (EF) Efficiency
- (OS) Officer Safety
- (LB) Liability to the City of Los Angeles
- (REC) Recruitment

After each priority the corresponding abbreviation above is noted to indicate the critical challenges being accomplished with the approval of that item. The Department appreciates your favorable consideration of these priorities.

- ❖ The Department is requesting funding for the In-Car Video Project. The current year budget provides funds for Phase I of the Project. An additional \$5 million is required for Phase II. Digital in-car video will fulfill mandates and recommendations of the Christopher Commission, Board of Inquiry, and the Consent Decree. Consent Decree mandates have tasked the Department with ensuring racial profiling or any form of discrimination on the basis of race, color, ethnicity, national origin, gender, sexual orientation or disability is aggressively investigated and adjudicated. Digital in-car video will allow the Department to monitor, investigate and track vehicle and pedestrian stops to ensure compliance with these mandates. It will also reduce and save the City costs associated with claims and lawsuits.

Phase I of the planned rollout will be implemented in the South Bureau divisions. This will be the first of four phases to completely equip all patrol vehicles with the digital in-car video. Continuing the in-car video project will fulfill Consent Decree mandates. Failure to provide adequate funding for Phase II at this time will result in non-compatible equipment by the end of full implementation. As officers are moved periodically, they would have to learn different equipment for each station. **Cost: \$5,000,000 (CD, LB, OS)**

- ❖ At this time, the Department does not know if the Department of Justice will allow discontinuation of data collection using Portable Officer Data Device System (PODDS). The Department will be in court to get determination regarding this issue in June 2007. Due to the uncertainty of this situation, the Department is requesting that funding for PODDS be placed in the Unappropriated Balance in anticipation that the Department must continue to use them. Additionally, if funding for Phase II of the In-Car Video Project is not approved as discussed above, in order to meet the mandates of the Consent Decree, it will be necessary to upgrade and replace the aged PODDS hardware and software. The Police Department currently has 1,200 devices in the field with several disabled and beyond repair. The current model is no longer made and parts and software are no longer available.

As mandated by the Consent Decree, the Police Department's use of PODDS enables field officers to input Field Interviews and Field Data Reports into the PODDS and the data uploaded to the servers at the station.

Currently, there is no service contract in force and each device that is repairable is serviced on a piece by piece basis. With the purchase of new hardware, the Police Department would require the contractor to provide maintenance and support enhancements along with software updates for the PODDS. This is due to higher security requirements needed by the Department.

Recently, Information Technology Agency conducted a wireless security analysis. The analysis revealed that there is a probability of hackers gaining access to the data being transmitted from the PODDS to the access points where data are downloaded. This is due to outdated software and technology. **Cost: \$1,295,000 (CD, LB, OS)**

- ❖ The City has looked favorably on the replacement technology program of the Department. It is requested that funding in the amount of \$438,000 be made available to purchase 1,600 mobile wireless aircards. The Department has sufficient funding to purchase some aircards and will need an additional \$438,000 to fund the remainder. The mobile wireless aircards will provide field officers with internet access within the confines of their patrol car. Internet access will allow officers to conduct network searches using the Datalink system. Having wireless connectivity will provide officers with immediate access to external databases to search for information, decrease response time to emergencies, and respond to threats of terrorists attacks and matters of homeland security.

The current Mobile Data System (MDS) that is used by the Police Department for messaging between the legacy Computer Aided Dispatch system (CAD) and black and white units and between individual units is an antiquated proprietary Motorola solution with very narrow bandwidth (19.2kbps). This technology, although reliable, significantly limits the amount of data that can be sent to mobile field units. Relying on a single MDS for data communications is very risky and would be inadequate in the event of a catastrophic occurrence.

Once the aircards are installed, users will have high-speed access to a variety of resources as approved and implemented by the Police Department including internal resources, the Department Intranet, electronic mail, Internet and other resources as available. In the event of a failure of the current MDS, an automated back-up system will be programmed to divert ALL data communications that will remain on the legacy MDS including messaging to and from CAD and the California Law Enforcement Telecommunications System (CLETS), to the cellular secured network. **Cost: \$438,000 (EF)**

- ❖ The Police Department requests funding for 780 X26 TASERS. The estimated cost for these TASERS is approximately \$793,697. This funding will enable the Department to phase-in the use of TASERS beginning with new recruits. Other police departments that have fully deployed TASERS have found significant decreases in lethal force, officer and suspect injuries, citizen complaints and workers' compensation costs. As an additional consideration, the Department is currently field-testing 50 camera devices on TASERS. The use of TASERS along with the camera devices will significantly reduce liability, enhance recruitment training and field operations and maintain compliance with the Consent Decree.
Cost: \$793,697 (CD, LB, OS)

- ❖ In preparation for the opening of two new facilities (20th and 21st Stations) in July 2008, it is imperative a Leadership Team is dedicated to complete the various tasks that lead up to the opening. It is requested that one Captain III and nine support personnel be funded for a total cost of approximately \$269,071 for each station. These positions are necessary to ensure timely opening of the new facilities and ensure the design of the new Areas and operations is activated. This is a time consuming process that takes almost a full year to complete.
Cost: \$538,142 (EF)

- ❖ The Department is requesting \$11.8 million in the Civilian Salary Account to continue to reduce the relatively high civilian vacancy factor. The current vacancy rate is 13 percent based on the Office of the City Administrative Officer's Employment Level Report. With the appropriate funding, the Department will reduce the vacancy rate to 10.7 percent, consistent with the average Citywide vacancy rate. As the vacancy rate goes down, more officers can be kept in the field and will not be needed to perform administrative functions more appropriately done by civilians. **Cost: \$11,800,000 (CD,EF)**

- ❖ Over the past several years, the Department has implemented a number of different strategies to increase recruit officer hiring. One of these strategies was the development of a new classification of Community Police Aide (CPA). This is a recruitment tool for individuals interested in a career in law enforcement during those years when they graduate from high school and before they are eligible to apply to become police officers. The CPAs perform a variety of law enforcement support duties and are assigned at the geographic stations and various other entities. This new classification allows police officers to focus on field-related duties rather than administrative tasks. The Department is requesting position authority and funding for 75 CPAs. If the Department is held to a net no gain in its civilian salary account, 25 percent of the vacancy factor will be tied up with positions that most directly address the success in placing officers in the field rather than have them perform duties such as front desk coverage, subpoena control, detainee processing and a variety of other administrative functions that require understanding of police operations. **Cost: \$1,424,335 (REC,EF)**

- ❖ The Ad Hoc Committee on Gang Violence and Youth Development requested that all departments "identify any reductions in funding and/or services in gang programs in the 2007-08 Budget deliberations in their budget memos to Budget and Finance Committee."

In response, the Police Department is faced with a built-in shortfall of \$2.0 million in its Civilian Salary Account. The proposed budget does not provide funding for the new civilian positions required for the two new police stations (88), and further holds the Department to a no – net – gain for its civilian workforce. This action will impact the ability of the Police Department to fill its civilian vacancies, including those that pertain to gang programs such as the Explorer Program, GREAT, Magnet School Program and the Gang Impact Teams. In particular, the Community Police Aide program is designed to reach youths between the ages of 18 and 21 who may be interested in a career as a Police Officer or a civilian position with the Police Department. It provides full or part-time employment for those youth as they mature and decide what career path they would like to take.

Cost: \$2,000,000 (REC, EF)

- ❖ In an effort to civilianize appropriate sworn positions and thereby re-deploy officers to field assignments, it is requested the Budget and Finance Committee recommend funding for one Management Analyst and 11 Police Performance Auditor positions. The cost is \$734,220. These positions will re-deploy 12 sworn officers to field duties. As the Department

institutionalizes the practices that have emerged as a result of the Consent Decree and continues to improve its professional management practices, the Police Performance Auditor function has been found to provide the Department with a highly skilled and professional auditing asset. **Cost: \$734,220 (CD,EF)**

- ❖ The Department is requesting to delete two Management Analyst I authorities for a Senior Management Analyst II authority to act as the Project Manager for the Online Training Unit. The Online Training Unit will implement a new on-line training system to provide sworn and civilian personnel training. This new system will allow officers to be in the field rather than attend classroom training. This equates to more full-time equivalent officers on patrol. Additionally, utilizing on-line training, trainers can be re-deployed to other in-service training classes and recruit training. It should be noted that the Police Foundation has purchased the Learning Management System software (\$90,000). This position will act as the Project Manager to successfully manage and control the beginning stages of this project. This project will afford more patrol time for officers as well as maintain Consent Decree compliance. A substantial saving will be realized with the approval of this request. **(CD,LB,EF)**
- ❖ The Department is also requesting to delete two Clerk Typist authorities for two Maintenance and Construction Helper authorities. These positions would perform various duties such as plumbing, carpentry, locksmith, painting and minor repair of heating and air conditioning units and other maintenance related tasks for the various 24/7 operations. There is no financial impact. **(LB,EF)**
- ❖ In the Blue Book, an across-the-board reduction of \$2.25 million is proposed for the Contractual Services Account. Based on staff's analysis of anticipated expenditures to be funded by this account, restoration of \$2.0 million is requested in order to meet significant contractual obligations in 2007-08. This amount would increase total contractual services funding to \$13.5 million. **Cost: \$2,000,000 (CD,LB,EF)**
- ❖ The Police Department is a component of the City's Homeland Security and Disaster Preparedness Plan. Counter-Terrorism and Criminal Intelligence Bureau (CTCIB) has the responsibility of overseeing the implementation of the staffing plan. The plan was divided into two hiring phases (Phase I and Phase II). Under Phase I of the hiring plan CTCIB received funding for 73 positions (67 sworn and 6 civilian), which was adopted in the budget for FY 2006-07.

Under Phase II of the hiring plan, CTCIB would be allowed to regularize 42 sworn positions (32 at Major Crimes Division and 10 at Emergency Services Division) and be granted the authority to hire 2 sworn personnel for Emergency Services Division, Archangel, for a total of 44 sworn personnel, following the 9/11 attacks to enhance the Department's counter-terrorism investigative capabilities Citywide.

It is requested that position authorities for the 44 sworn positions and the necessary vehicle purchases be funded for Phase II of the City's Homeland Security Plan.

Cost: \$1,300,000 (OS,LB)

- ❖ Funding in the amount of \$5,221,960 is requested to purchase 2,000 Motorola mobile radios to replace existing outdated equipment for the Department's unmarked vehicles. The mobile radios will standardize the type of radio used in all Department vehicles by completing the transition from handheld radios to mobile radios. The Motorola radio is compatible with the present ASTRO radios. This component is essential for officer safety, will reduce liability and ensure consent decree compliance. Additionally, new recruits will be assigned and trained on these new mobile radios. **Cost: \$5,221,960 (CD,EF)**

- ❖ Scientific Investigation Division (SID) has developed an Expansion Plan to meet the ongoing demand for DNA testing due to the passage of Proposition 69. To ensure that DNA service demands are met, an increase in analytical and support staff for the DNA/Serology Unit, ASAP Program, and staffing to reduce the current backlog are requested as discussed below. **The total cost for the DNA Expansion Program is \$6,036,506 (LB,EF)**

DNA/Serology Unit (10 positions)

The Department is appreciative of the staffing currently approved in the Proposed Budget. However, to meet the demands of DNA services, additional staffing is required. The DNA/Serology Unit plan calls for a two-year phase in of personnel and equipment. In FY 2007-08, 10 additional staff positions are requested. **Cost: \$920,769**

To support the additional staff in FY 2007-08 it is necessary that equipment and the annual operating budget have sufficient funding. **Cost: \$696,500**

Some of the essential facility space to support the increase in staff can be accommodated on a second watch at the new Regional Crime Laboratory Facility. Space for the remainder of the positions and equipment is available at the current location of the SID laboratory at Piper Technical Center (PTC). **Cost for DNA/Serology Unit: \$1,617,269 (LB,EF)**

ASAP Program (17 positions + equipment)

To meet the need for the rapid determination of the presence of perpetrator DNA in sexual assault cases, SID has developed the ASAP Program Plan. This plan will allow for a five-day turnaround analysis of a single item collected from all reported sexual assaults. If DNA from the perpetrator is present in the one item, it can be searched against state and national databases with the potential of identifying the perpetrator within two weeks of the crime. Currently, the average turnaround on a limited number of cases is 50 days.

To accomplish the abbreviated analysis in all new sexual assaults requires the formation of a new analytical team, independent of all other DNA analytical schemes. The ASAP team requires its own personnel, equipment and facility space to be effective. Analysis by the ASAP team does not replace any other analytical processes. A full analysis of all complete sexual assault kits is still required, but at a later time.

The following 19 positions will be required for the ASAP team: one Supervising Criminalist, one Criminalist III, 10 Criminalist II, one Laboratory Technician, one Clerk Typist, one Senior Property Officer and two Property Officers. **Cost: \$1,411,546**

Additionally, equipment items will be needed to support the analytical tasks and an increase in the operating budget to purchase essential consumable supplies. **Cost: \$567,000**

Sufficient laboratory space is available at the current location of the SID laboratory at PTC to house the ASAP program. **Cost for ASAP Program: \$1,978,546 (LB,EF)**

Backlog Reduction (19 Positions)

Backlog of unanalyzed sexual assault kits exists in the LAPD Property Division. As of April 5, 2007 the backlog was 6,277 cases. Once staffed with 19 trained criminalists the backlog detail could eliminate the existing backlog in approximately six years. In addition to staff, the detail will require additional equipment and space. Sufficient laboratory space is available at the current location of the SID laboratory at PTC. **Cost for Backlog Reduction: \$2,440,691 (LB,EF)**

Again, the LAPD is appreciative of the support provided in the Mayor's Proposed Budget. While acknowledging that 2007-08 will be a financially challenging year for the City, we also appreciate the Budget and Finance Committee's consideration of our additional requests. Any questions regarding this matter may be directed to Police Administrator Laura Filatoff, Commanding Officer, Fiscal Operations Division, at (213) 485-5296.

All the best,

WILLIAM J. BRATTON
Chief of Police

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

REVISED Memo No. 23

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **FUNDING FOR NEW AND ONGOING COMMUNITY PLANS**

The Budget and Finance Committee requested a report on funding required both for overtime for the Department of City Planning's (Department's) nine ongoing community plans and to initiate a new community plan. The Department has stated that \$85,000 in additional overtime funding is required for the nine community plans currently under way, or approximately \$10,000 per plan.

A community plan takes approximately three years to complete. Currently each community plan has one dedicated staff, typically at the City Planning Associate level. The costs in each of the three years of a plan's development are as follows:

Purpose	Amount		
	Year 1*	Year 2	Year 3
Salary	\$ 58,489	\$ 77,985	\$ 77,985
Overtime	7,500	10,000	10,000
Office / Admin	2,885	3,847	3,847
Equipment	5,000	0	0
Transportation Study	150,000	0	0
Environmental Study	0	200,000	0
<i>Total</i>	<i>\$ 223,874</i>	<i>\$ 291,832</i>	<i>\$ 91,832</i>

* The costs associated with the new position in the first year assume that the position will be filled for nine months.

The Proposed 2007-08 Budget includes \$720,000 for the completion of the Cornfields Specific Plan and the studies associated with three new community plans. The Department stated that this funding is not sufficient to develop all four of these plans and that it is not realistic to initiate new plans without staffing. The Department instead recommended that the proposed \$720,000 be used for studies required for the Cornfields Specific Plan and the Sunland Tujunga Community Plan, plans for which there is already staffing, and for overtime for all ongoing community plans, as follows:

<u>Purpose</u>	<u>Amount</u>
Cornfield Specific Plan Studies	\$ 475,000
Sunland Tujunga Comm. Plan Transportation Study	150,000
Overtime for community plans	95,000
Total	<u>\$ 720,000</u>

In order to fully fund the all three community plans in the manner proposed by the Department, funding would have to be added to the 2007-08 Budget for both the West LA and the Central City Community Plans. Since the first-year cost for a community plan is \$223,874, \$447,748 would have to be added to the Budget to fund these two plans. In 2008-09, the cost of continuing these two plans would be \$583,664, and in 2009-10 the cost of completing these two plans would be \$183,664.

Funding both of these additional community plans would bring the total number of plans under development in the Department to 12. This is consistent with the Department's goal of conducting 12 community plans at all times and would result in each of the City's 35 community plans being revised every nine years.

Adding funding for either or both of these Plans would require that additional resources be identified or that cuts be made elsewhere in the Budget.

KLS:JWW:02070226c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 24

Date: May 1, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **CAO RESPONSE TO CITY CLERK LETTER OF APRIL 23, 2007 RELATIVE TO THE 2007-08 PROPOSED BUDGET**

The City Clerk submitted a letter to the Budget and Finance Committee on April 23, 2007 that outlines several concerns associated with the development of the Mayor's 2007-08 Proposed Budget. The most significant issues included in that list of concerns, together with our comments as appropriate, are as follows:

Shortfalls

- Salaries General Account Adjustment: A restoration of \$66,106 is requested for funding offsets that were inadvertently omitted.

CAO Response: This Office recommends adding back any special funds, like the Business Improvement District Trust Fund, but recommend that the City Clerk absorb the little General Fund piece due to historic reversions.

- Non-discretionary Compensation Adjustments: The City Clerk requests Unappropriated Balance funding to cover retroactive EAA and COLA payments totaling \$313,676.

CAO Response: Citywide funding for retroactive EAA and COLA payments has been provided in the Unappropriated Balance.

- Sick Time and Retirements: The City Clerk requests additional funding for sick time and retirement payouts totaling \$152,138.

CAO Response: Financial monitoring will occur through the Monthly Financial Status Reports where projected deficits and any necessary transfers can be addressed at that time.

- Salary Savings Rate: The City Clerk requests a reduction in its 4% Salary Savings Rate because of the difficulty in maintaining six vacancies proposed due to (1) the deletion of one resolution position authority for an Office Engineering Technician position and (2) deleted funding for 1.5 regular positions. The City Clerk Budget includes a 4% Salary Savings rate amounting to \$417,998 (\$71,088

average salary x 6 positions = \$426,528).

CAO Response: The City Clerk budget has traditionally experienced year-end salary surpluses and reversions. Financial monitoring will be made via the Monthly Financial Status Reports where projected deficits and any necessary transfers can be addressed at that time.

- Regularization of Four Resolution Authorities for Elections Support: City Clerk requests regularization of four continued resolution position authorities: one Programmer Analyst V, one Systems Programmer I, and two Project Coordinators.

CAO Response: Regularization of resolution position authorities is a policy decision.

- Restoration of Two Deleted Resolution Authorities: City Clerk requests restoration of two deleted resolution position authorities for LUPAMS II: one Office Engineering Technician II and one Senior Clerk Typist. These positions are currently filled and if deleted, the employees will need to be placed in other positions.

CAO Response: The two resolution position authorities were originally provided in 2006-07 to eliminate data entry backlog. The data entry backlog has been eliminated and the City Clerk would like to continue to use these positions for data entry. Restoration of deleted resolution position authorities is a policy decision.

New Items

- Revenue Revision: On April 23, 2007, the Elections Division lowered its 2007-08 revenue estimate by \$400,000 from \$6 million to \$5.6 million.

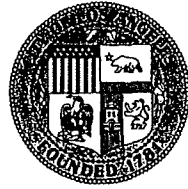
General Concerns

- Elections: On April 23, 2007, the City Clerk's Elections Division informed this Office that the State recently decided to review all voting systems within California. The State's draft criteria were written so that no existing voting system, including the current VOTEC tally system, would pass them. The Elections Division is concerned that (1) the City's current VOTEC tally system will be subject to the State's review, and (2) the City is partnering with the County on a new election tally system and if implementation is further delayed, the City will have to ask for yet another extension of the use of the existing VOTEC tally system which the City is attempting to replace. If system changes are required by the State, there is little time to for the County to make such changes with the February 2008 presidential primary less than 10 months away.

FRANK T. MARTINEZ
CITY CLERK

KAREN E. KALFAYAN
EXECUTIVE OFFICER

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

OFFICE OF THE
CITY CLERK
ROOM 360, CITY HALL
LOS ANGELES, CA 90012
(213) 978-1020
FAX (213) 978-1027

April 23, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: OFFICE OF THE CITY CLERK – PROPOSED FISCAL YEAR 2007-08
BUDGET ALLOCATION**

Honorable Members:

In accordance with the Committee Chair's letter of March 20, 2007, we are providing comments regarding the City Clerk's proposed budget allocation for Fiscal Year 2007-08. While we clearly recognize the serious fiscal constraints facing the City for FY 2007-08 and beyond, it is important that the Committee understand the impact of the proposed budget allocation on the City Clerk's operations.

Our primary concern is our salary account allocation that results in approximately \$884,000 in unfunded salary mandates. This represents 9% of total salaries, and in order to meet the proposed budget allocation, it would be necessary for us to keep an average of 12.5 positions vacant year-round. Funding for several of the positions traditionally held vacant to meet salary savings rates have been eliminated in the proposed budget allocation, but the salary savings rate was not reduced to offset this loss of flexibility. We believe that holding further positions vacant will have a real and tangible impact on the services we can provide to the Mayor, City Council, and the public.

There are four positions that directly support the conduct of municipal elections that are continued and funded on a Resolution Authority basis. These positions are absolutely critical and there is no reason to believe that they can be eliminated in future budgets. They should be continued in regular authority. Doing so would have no further fiscal impact.

These issues and other operational impacts are described more fully as follows:

1. Salary Account Computation Error - \$66,106

The City Clerk's CAO budget analyst has confirmed a computation error of \$66,106 in our Salaries General Account and we are requesting that this amount be restored to our Salaries General Account No. 1010.

2. Unfunded Salary Mandates - \$883,814

Non-discretionary Compensation Adjustments - \$313,678.

Approximately 54% of our staff are represented by EAA (contract settled) with the balance represented by unions for which the Memoranda of Understanding and the corresponding cost of living adjustments (COLA) remain outstanding. Our understanding is that EAA has settled and that funds are included in the Unappropriated Balance to fund the increases. We expect that Unappropriated Balance funding will be made available to cover the cost of the COLA and the likely retroactive payment for EAA employees. We are unclear on whether funding is included in the Unappropriated Balance to cover the costs of the remaining MOU's should these agreements be settled during the year. Assuming an overall 3% COLA, \$313,678 is required to meet salary needs for the whole Department including \$106,862 for EAA employees (contract settled) and \$206,816 for all other employees (contracts pending).

Salary Savings Rate - \$417,998.

The Salary Savings rate of 4% withholds \$417,998 from Departmental Salaries. Assuming an annual average salary of \$71,088, six positions are required to be held vacant throughout the year in order to remain within budgetary limits. The elimination of funding for half of a Management Analyst position, a Calligrapher position, and the elimination of an Office Engineering Technician position removes the flexibility of this Office to retain vacancies to meet budgetary constraints. The Salary Savings rate is too high for a small Department.

Sick Time and Retirements - \$152,138.

The sick time pay out estimates and retirement payouts increase the salary deficit by \$152,138. In January of each year, employees in excess of 800 hours of sick time receive compensation for half of the hours in excess of 800. This pay out in January of 2008 is expected to be \$67,138. Employees who retire are compensated for unused vacation time and the estimated Retirement pay out is anticipated to be \$85,000.

3. Regularization of Resolution Authorities for Election Support

The following positions are funded by resolution authority. The need for these positions will not be changing any time in the near or distant future. These are

functions that are expected to increase due to the technical nature of municipal election administration and ongoing changes in voter demographics.

Elections Information Technology Systems Support

The Programmer Analyst V and Systems Programmer I were added in 2002-03 for the institution of the Vote Tabulation System. The world of elections over the past several years has become increasingly complex in nature with additional legal burdens and requirements that must be accommodated. Technology is now playing a critical and integral part of the entire cycle of elections operations, including services provided by the Election Division throughout each fiscal year. The number of applications and systems supported for the Election effort has doubled since 2003, and continues to grow.

The election applications require upgrading from a Microsoft Access database environment to a SQL database and enterprise environment. The upgrade is needed for better integration among election applications, and for adaptation to the County's move to SQL on the Voter Information Management System (VIMS). The City must convert when the County moves to SQL in FY 07-08, in order to continue importing and using the County's data in City systems. In addition, the City is introducing 2,500 Precinct Ballot Counter machines in each polling place, which introduces an entirely new set of technology and support requirements and demands on the Systems Division. Finally, major upgrades to the election network infrastructure, database technology and architecture, security enhancements, and storage-area-network require improved technical skill sets from staff.

Voter Outreach

Only one of the three Voter Outreach positions was regularized in the Proposed Budget. The Senior Project Coordinator was added permanently, but the two Project Coordinators were not. The three Resolution positions were approved in 2005-06 to ensure adequate staffing of designated polling places in need of language assistance with the required number of bilingual pollworkers. Historically, bilingual as-needed staff have been hired for a period of 8-10 months to reach out to the community, schools and ethnic organizations on the voting process, as a whole, and specifically, on the need for polling places and bilingual pollworkers. Seasonal staff and programs are not conducive to establishing and maintaining year-round contact with community organizations, bilingual pollworkers, and the diverse language communities within Los Angeles.

These three exempt positions are filled by staff experienced in the area of voter outreach and pollworker recruitment. They aid the Division in better meeting multilingual assistance goals. They work with community organizations to establish year-round contact, facilitate voter education and awareness in the multilingual community, and work with high schools and colleges to increase the number of bilingual pollworkers and student pollworkers. The unit will continue to be supplemented with additional as-needed staff during the election season. These positions ensure Federal Voting Rights Act compliance and ward off a

potential Department of Justice lawsuit and/or Consent Decree. These positions are expected to continue indefinitely.

4. Maintenance of Land Records Information

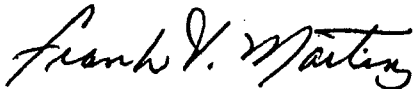
During the 2006-07 Fiscal Year, the Land Records Division received two resolution authorities (1 Office Engineering Tech II and 1 Senior Clerk Typist) to assist the Division with maintenance of the Land Use Planning and Management System II (LUPAMS II), a database in which the City stores the property ownership records of approximately 900,000 parcels. These positions, which cost \$102,848 per year, were added and funded pursuant to a productivity improvement program that saved \$137,000 annually.

Prior to Fiscal Year 2005-2006, staff reductions due to attrition had resulted in a significant backlog in maintaining the property ownership records of the City of Los Angeles LUPAMS II. However, in the last two fiscal years the Land Records Division (with the support of City Clerk Systems staff and ITA) has aggressively introduced new automated technology systems to improve operating efficiencies, including the establishment of on-line access to County Registrar-Recorder property records. In recognition of this productivity improvement, and to further reduce the backlog, two positions were added to the Land Records Division. The approval of the two resolution authorities during the 2006-07 Fiscal Year coupled with the technology implementation has led to a virtual elimination of the records backlog.

Elimination of both these LUPAMS II support positions will result in a two to three month annual backlog (which is compounded each subsequent year). The LUPAMS II property ownership information is utilized by the City departments of Planning, Bureau of Engineering and Building and Safety for construction and development related design, permit and approval. The City Clerk also uses the information for mailing of legally mandated public notices. Inaccurate parcel ownership information could result in legal liability to the City.

Thank you for your consideration of the above items. If you have any questions or need further information, please contact me directly at (213) 978-1020.

Sincerely,



Frank T. Martinez
City Clerk

FTM:KEK:gp
EXE-022-07

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 25

Date: May 2, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **FUNDING FOR THE LOS ANGELES FIRE DEPARTMENT COLDWATER
BACKUP OPERATIONS CONTROL DISPATCH CENTER (BACKUP CENTER)**

Your Committee has requested the City Administrative Officer (CAO) to report back on the appropriateness of swapping General Fund financing from a project included in the Mayor's 2007-08 Proposed Budget to another higher priority project as determined by the Los Angeles Fire Department (Fire). As indicated in the Fire letter dated April 23, 2007 to your Committee, the project to upgrade the Backup Center is a higher priority project for Fire than the alterations and improvements project for the Supply and Maintenance Division's sunshade adjacent to the vehicle repair shops. Since a variety of projects are annually financed by the General Fund, swapping the \$320,000 in project funds from one project to another is appropriate, subject to the approval of the Mayor and City Council.

However, Fire's request relative to the \$320,000 in project funding includes \$92,000 for various capital equipment identified below that could be purchased using MICLA funds. By using \$92,000 in MICLA funds to purchase the capital equipment, reduced funding of \$228,000 from the General Fund would be required for the remainder of the Backup Center project. Using MICLA financing to purchase the capital equipment would be appropriate and would not have an additional impact to the General Fund in 2007-08. However, using MICLA funds to purchase the capital equipment will have a fiscal impact in future fiscal years due to the repayment of the principal and interest of the \$92,000 in debt financing.

<u>Capital Equipment Item/Description</u>	<u>Estimated Price</u>
Uninterrupted Power Source (UPS) System	\$ 50,000
Commercial Air Conditioning Unit for the UPS	6,000
Diesel Generator	36,000
	<hr/>
	\$ 92,000

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 26

Date: May 2, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **COMMISSION ON THE STATUS OF WOMEN MEMO TO THE BUDGET AND FINANCE COMMITTEE ON REDUCTIONS TO THE PROPOSED BUDGET**

The attached letter from the Commission on the Status of Women (CSW) responds to the Committee's one percent and three percent cuts to the Mayor's Proposed Budget.

The CSW proposes to reduce its Contractual Services account to meet a one percent reduction of \$4,471. The plan for a three percent reduction of \$13,414 includes cuts to the Contractual Services (\$4,471), Printing and Binding (\$4,471), and Office and Administrative (\$4,471) accounts. A two percent reduction in the amount of \$8,942 is recommended.

Based on the projected workload and current expenditures from the Contractual Services and Printing and Binding accounts, each account may be reduced by \$4,471 (for a total of \$8,942) without negative impact on the Commission's work objectives. These accounts have proposed funding at the same level as the current year.

Since the CSW's workload does not change markedly in the next year, the low level of expenditure from the Printing and Binding account will continue at the same rate. The account currently has an uncommitted balance of 57.6 percent or \$13,473. Therefore, a reduction in this account is appropriate for the anticipated level of spending.

Since the CSW's workload does not change markedly in the next year, the low level of expenditure from the Contractual Services account will continue at the same rate. The account currently has an uncommitted balance of 85 percent or \$19,900. Therefore, a reduction in this account is appropriate for the anticipated level of spending.

A reduction in the Office and Administrative account is not recommended because the account is currently 80 percent expended, and a cutback may reduce the CSW's ability to address daily administrative needs.

The CSW does not generate revenue currently, and does not anticipate new revenue in the coming year.

KLS:ND:02070228

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: May 1, 2007

TO: Budget and Finance Committee
Karen Sisson, City Administrative Officer

FROM: Paula Petrotta, Executive Director
Commission on the Status of Women



SUBJECT: One and Three Percent Budget Reduction Packages

In response to the Budget and Finance Committee request, the Commission on the Status of Women has prepared a one and three percent budget reduction package based on the Mayor's FY 2007-2008 Proposed Budget.

The attached budget reduction exercises will demonstrate drastic budget cuts in the Commission's overall operation accounts that will present difficulties in meeting the City Council and Mayor's goals for the department. The Commission continues to appeal to the Budget and Finance Committee that further budget reductions will hinder future surveys, studies and outreach efforts to educate women and young girls on their human rights within our City.

In conclusion, further reductions of funds will lessen the Commission's ability to provide recommendations from the result of various studies to ensure future progression in all stages of life for women and young girls.

2007-2008 BUDGET REQUEST/REDUCTION PACKAGE

CAO Package ID:

CAO 696B (Rev. 9-06)

1. DEPT: COM STAT WOM	1A. BUREAU:	2. DIVISION/SECTION:	3. PACKAGE TITLE: B&F one percent reduction package
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PROGRAM TITLE AND NUMBER: Status of Women	5. SERVICE TITLE AND NUMBER: Economic and Public Safety Svcs for Women and Young Girls	6. PROVIDES SERVICES TO: Women and Young Girls
---	--	--

7. DESCRIPTION OF WORK OUTPUT AND OBJECTIVE: <i>(Type information or Check Box if submitting attachments)</i> <input type="checkbox"/>	8. Priority Current _____ New _____ Reduction <u>1</u> FY 2007-2008
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7A. ADDRESSES MAYOR'S BUDGET GOALS:

9. RESOURCES REQUIRED NEXT FISCAL YEAR:						FUNDS			
<i>Note: For Position Reduction, please enter negative Gross Wages.</i>									
No.	Class Title	Class Code	POSITIONS		Net Salary	SPACE		Account Title	Amount
			Gross Wages & Count	Salary Savings % Rate		Square Ft.			
			\$0.00	%				1010 - SALARIES, GENERAL	\$0.00
			\$0.00	%				3040 - CONTRACTUAL SERVICES	\$4,471.00
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
TOTALS					\$0.00	0			
								Direct Cost Total	\$4,471.00
								Related Cost	
								Other	
								TOTALS	\$4,471.00

10. LEGAL BASIS:

11. LAYOFFS: Projected number if package is not funded. _____

12. SOURCE OF FUNDS: List all proposed funding sources and basis for use of special purpose funds.
(Type information or Check Box if submitting attachments)

<u>FUND TITLE</u>	<u>AMOUNT</u>
	\$4,471.00
	\$0.00
	\$0.00

13. REVENUE: State the revenue impact of funding or not funding this package and any required ordinance changes.
(Type information or Check Box if submitting attachments)

14. IMPACT: Detail quantifiable and non-quantifiable benefits of funding this package, including the impact on service levels, consequences of not funding it. *(Type information or Check Box if submitting attachments)*

ATTACHMENT INSTRUCTIONS, SEE THE TECHNOLOGY SUBMITTAL PAGE (PAGE 3).

Preparer's Name: Chandra Mosley	Title: Management Analyst II	Phone: (213) 978-2620
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2007-2008 BUDGET REQUEST/REDUCTION PACKAGE

CAO Package ID:

CAO 696B (Rev. 9-06)

1. DEPT: COM STAT WOM	1A. BUREAU:	2. DIVISION/SECTION:	3. PACKAGE TITLE: B & F three percent reduction package
4. PROGRAM TITLE AND NUMBER: Status of Women		5. SERVICE TITLE AND NUMBER: Economic and Public Safety Svcs for Women and Young Girls	
7. DESCRIPTION OF WORK OUTPUT AND OBJECTIVE: <i>(Type information or Check Box if submitting attachments)</i> <input type="checkbox"/>			6. PROVIDES SERVICES TO: Women and Young Girls
8.			Priority Current _____ New _____ Reduction <u>2</u> FY 2007-2008

7A. ADDRESSES MAYOR'S BUDGET GOALS:

9. RESOURCES REQUIRED NEXT FISCAL YEAR:						<u>SPACE</u>		<u>FUNDS</u>	
<i>Note: For Position Reduction, please enter negative Gross Wages.</i>						<u>POSITIONS</u>	<u>Square</u>		
<u>No.</u>	<u>Class Title</u>	<u>Class Code</u>	<u>Gross Wages & Count</u>	<u>Salary Savings % Rate</u>	<u>Net Salary</u>	<u>Ft.</u>	<u>Account Title</u>	<u>Amount</u>	
			\$0.00	%			1010 - SALARIES, GENERAL	\$0.00	
			\$0.00	%			3040 - CONTRACTUAL SERVICES	\$4,471.00	
			\$0.00	%			2120 - PRINTING AND BINDING	\$4,472.00	
			\$0.00	%			6010 - OFFICE AND ADMINISTRATIV	\$4,471.00	
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
			\$0.00	%					
TOTALS						\$0.00	0	Direct Cost Total	\$13,414.00
								Related Cost	
								Other	
								TOTALS	\$13,414.00

10. LEGAL BASIS:

11. LAYOFFS: Projected number if package is not funded. _____

12. SOURCE OF FUNDS: List all proposed funding sources and basis for use of special purpose funds.
(Type information or Check Box if submitting attachments)

<u>FUND TITLE</u>	<u>AMOUNT</u>
	\$13,414.00
	\$0.00
	\$0.00

13. REVENUE: State the revenue impact of funding or not funding this package and any required ordinance changes.
(Type information or Check Box if submitting attachments)

14. IMPACT: Detail quantifiable and non-quantifiable benefits of funding this package, including the impact on service levels, consequences of not funding it. *(Type information or Check Box if submitting attachments)*

ATTACHMENT INSTRUCTIONS, SEE THE TECHNOLOGY SUBMITTAL PAGE (PAGE 3).

Preparer's Name: Chandra Mosley	Title: Management Analyst II	Phone: (213) 978-2620
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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 3, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF RECREATION AND PARKS 2007-08 ADDITIONAL BUDGET REDUCTIONS**

Your Committee requested each Department General Manager to submit a one-percent and a three-percent cut to the Mayor's Proposed Budget. The Department of Recreation and Park (Department) submitted its response (copy attached for your reference) on April 30, 2007.

Based on General Fund appropriation amounts, one percent of the Mayor's Proposed Budget for the Department is approximately \$1.3 million and three percent is approximately \$4.0 million. The Department submitted five budget cut packages totaling \$2.0 million or one and one-half percent of the Mayor's Proposed Budget for the Department.

First, the Department proposes to delay the opening of the 42 seasonal pools by eight days in the Summer. This budget cut package would generate approximately \$150,000 in savings. The Department reports that this budget reduction would severely impact youth aquatic programs.

Second, the Department proposes to eliminate the adult "Swim Free" program. This program waives the swimming pool fees for adults with valid library cards. The Department reports that this proposal would generate \$470,000 in savings.

Third, the Department proposes to reduce the Children's Play Equipment budget account by \$500,000 or 50 percent of the \$1.0 million budgeted amount. The Department reports that it would be able to manage the reduction because of the \$1.1 million in MICLA funding for playground equipment.

Fourth, the Department proposes to eliminate eight Recreation Coordinator positions in its Skate Park Program. This proposal would generate approximately \$350,000 in savings. The Department reports that skate camps (both summer and winter sessions) and special events at the skate parks would have to be discontinued if the eight positions are eliminated. This proposal could also result in layoffs.

Lastly, the Department proposes to reduce CLASS Parks funding by approximately \$490,000. The Department reports that this reduction will negatively impact approximately 1,800 teens.

With the exception of the \$500,000 reduction in Children's Play Equipment, our Office does not recommend adoption of the Department's proposals.

**BOARD OF RECREATION AND
PARK COMMISSIONERS**

DANIEL GRUNFELD
PRESIDENT

MARY LUEVANO
Vice President

MARY CASILLAS
CANDY SPELLING
JOHNATHAN WILLIAMS

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

**DEPARTMENT OF
RECREATION AND PARKS**

1200 WEST SEVENTH STREET
7TH FLOOR, SUITE 748
LOS ANGELES, CA 90017

(213) 928-9033
FAX - (213) 928-9031

JON KIRK MUKRI
GENERAL MANAGER

April 30, 2007

Honorable Bernard C. Parks, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

FISCAL YEAR 2007-08 ADDITIONAL BUDGET REDUCTIONS

As requested by the Budget and Finance Committee, the Department of Recreation and Parks submits the additional proposed budget reductions for consideration. Departments were requested to submit additional budget cuts beyond those already included in the Mayor's Proposed Fiscal Year 2007-08 budget. Our additional reduction proposals are listed in priority order and total over \$2 million.

With our FY 2007-08 budget submittal, we included a five percent (5%) budget reduction proposal of \$7.72 million. That proposal included a reduction of \$6.4 million in operational accounts and a net revenue enhancement of \$1.3 million as an offset to the budget reduction. The additional \$1.3 million in revenue would be attained by increasing golf fees by approximately \$2 and adult swim by \$1.

Proposed Budget Reductions

The Fiscal Year 2007-08 Mayor's Proposed Budget includes a \$4.3 million budget reduction for the following: (1) part-time salaries cut (\$1.76 million, approximately 129 part-time staff); (2) various expense accounts (\$0.44 million); and, (3) increase in the salary savings rate from 4.5% to 6.5% (\$2.1 million, approximately 148 full-time positions). Also included is the \$2 golf fee increase for a net revenue increase of \$1 million and \$245,000 for other projected revenue increases from other revenue categories. (We are currently exceeding revenue targets for recreation centers and tennis reservations.)

Although we are submitting the requested additional budget reductions (Attachment) totaling over \$2 million, we will have great difficulty in absorbing budget cuts beyond what is proposed by the Mayor. We are providing critical services/programs in support of our youth and the general public, as well as other City departments and any additional budget reduction will noticeably compromise the level of service that we are currently providing.

Budget Increase

Although the \$168.69 million FY 2007-08 proposed budget shows an increase of \$6.69 million from \$162 million in FY 2006-07, this increase is primarily due to the following:

AN EQUAL EMPLOYMENT OPPORTUNITY – AFFIRMATIVE ACTION EMPLOYER

Recyclable and made from recycled waste



- \$4.25 million of the proposed increase is due to the funding provided by proprietary departments (Airports and the Department of Water and Power) in support of new programs to aid in the reduction of gang violence and the promotion of youth development.
- Funding of \$390,000 for the landscape maintenance of 73 Department of Transportation parking lots is proposed to be funded from their Special Parking Revenue Fund.
- The funding of \$1.65 million for the support of new and renovated facilities proposed to open in FY 2007-08 are "must be done's" unless we are to leave these facilities unused and not maintain them. This would be a violation of grants that may have been used for these facility projects.

Other Issues

- We are tasked with bringing in \$1.245 million in additional revenue from golf fee increases and other revenues to self-support our budget. Funding of \$600,000 from the golf fee increase is proposed to fund the three joint use projects with Los Angeles Unified School District at three high schools: Miguel Contreras, Vista Hermosa and Central Los Angeles.
- For the second consecutive fiscal year, we are self-funding \$1.25 million of our budget from our Unreserved and Undesignated Fund Balance (UJFB).
- For the second consecutive fiscal year, we are paying to the Department of General Services (GSD) \$1 million towards water costs for our golf courses and \$250,000 for the water and electric costs at Pershing Square. (Please note that GSD is funded to pay DWP for utility costs on behalf of City facilities yet we are paying for these City utilities.)
- We are under funded for overtime salaries (approximately \$2 million), sick time payouts, sick and vacation payouts for employees who leave RAP.
- The loss of part-time salaries will greatly affect us in providing services and for the providing of resources at special events. Our level of participation and lead in special events will be reduced.
- Each year we must request the reappropriation of fund balances for our construction projects that are in progress and this process typically takes many months. It would greatly assist in not delaying these projects if our budget included an automatic reappropriation of these projects similar to how GSD handles its construction projects.

We recognize the City's economic conditions and budgetary constraints due to the revenue shortfall projected for Fiscal Year 2007-08. In light of this situation, we submitted realistic budget proposals for next fiscal year for programs that are critical to our operations and the services we are providing to the public and other City departments. Beyond what is proposed in our FY 2007-08 budget proposal we have contributed millions of dollars in the last few fiscal years towards the City's finances through the midyear budget process. This has hindered our ability to fund items for which we had intended to use those funds but we are cognizant of helping wherever possible. However, it will truly be very difficult for the Department to sustain any additional budget cuts.

Honorable Councilmember Parks
April 30, 2007
Page 3

Thank you for your continued support of the Department of Recreation and Parks and your consideration of this budget proposal. Should you have any questions, please contact Regina Adams, Acting Executive Officer at (213) 928-9033 or Faith Mok, Chief Financial Officer at (213) 928-9310.

Sincerely,



JON KIRK MUKRI
General Manager

JKM/RA:ec

Attachment

cc: Honorable Wendy Greuel, Councilmember Second District
Honorable Bill Rosendahl, Councilmember Eleventh District
Honorable Greig Smith, Councilmember Twelfth District
Honorable Jose Huizar, Councilmember Fourteenth District
Jimmy Blackman, Deputy Mayor
Marcus Allen, Deputy Mayor
Ray Cortines, Deputy Mayor
Sally Choi, Deputy Mayor Finance
Elizabeth Diaz, Mayor's Policy Analyst
Gerry Miller, Chief Legislative Analyst
Dan Grunfeld, President, Board of Recreation and Parks Commission
Tricia Carey, Office of the CLA
Karen L. Sisson, City Administrative Officer
Terry Sauer, Chief Administrative Analyst
Veronica Salumbides, City Administrative Office

**Department of Recreation and Parks
Additional Budget Reduction Proposals
As of April 30, 2007**

In response to the Budget and Finance Committee request to each Department General Manager to submit one percent to three percent reductions to the Mayor's Fiscal Year 2007-08 Proposed Budget, the Department of Recreation and Parks submits additional budget reduction proposals beyond the Mayor's proposed budget. The following reductions for a total amount of \$2 million are in the priority order:

Delay Opening of Seasonal Pool Facilities by 8 Days in the Summer

Priority # 1

Net Reduction is \$150,104

The proposed budget reduction to delay the opening of 42 seasonal pools by eight days in the Summer will have a financial impact to the Department's General Fund Budget. The budget reduction for the aquatics program will result in a savings of approximately \$150,104. The budget cut will result in almost across the board reductions: Part-Time Labor, Field Equipment Repair, Maintenance Materials and Supplies, Uniforms, and Office and Administrative Expense, however, **this will negatively impact the aquatic programs currently being provided to the City's youth.**

Eliminate "Swim Free" Program

Priority # 2

Net Reduction is \$470,000

In Fiscal Year 2006-07 the Department implemented a "Swim Free" program for adults with library cards. Through this program, adults with library cards visiting any City pools are not charged the standard adult pool admission rate of \$1.50. **The budget cut will result in savings of \$470,000 which equates to the revenue loss and for the coverage of the salaries used for Part-Time Labor to support this program.**

Playground Equipment Reduction of 50%

Priority # 3

Net Reduction is \$500,000

Historically, the Department has sustained a base budget of \$1 million for Children's Play Equipment to ensure compliance with safety standards. The Mayor's FY 2007-08 proposed budget included additional funding from MCLA for \$1.1 million (Blue Book item #39). Due to this additional funding, the Department may be able to manage the 50% reduction if it becomes necessary to cut this funding.

**Department of Recreation and Parks
Additional Budget Reduction Proposals
As of April 30, 2007**

Skate Park Program Reduction

Priority # 4

Net reduction is \$394,152

The Department currently has eight Skate Parks city-wide that are available to the City's youth for sports and recreational activities. This reduction proposal includes the reduction of eight Recreation Coordinator positions at the Skate Parks. Many young people enjoy the use of these Skate Parks for non-traditional sports such as skate boarding and roller blades because they are more challenging than other sport activities. At these Skate Parks, these young people have the opportunity to hone their athletic skills under a safe and supervised facility. If the Recreation Coordinator positions are cut, numerous skate classes, **skate camps (summer and winter sessions) and special events at these Skate Parks will be eliminated.** The loss of staff will make the region and district's special events less efficient. These positions are currently filled and if these position authorities are deleted, the incumbent staff would have to be moved into other vacant positions to avoid layoffs. This would mean that the **intended purpose and usage of those vacant positions would not be immediately realized.**

CLASS Parks Program Reduction

Priority # 5

Net reduction is \$492,690

In 2000 the Department initiated the Clean and Safe Spaces programs (CLASS Parks) at 37 citywide sites based on the enormous challenges and risks faced by youth and their families in each community. Ten more sites were soon added to the original 37. This reduction proposal includes the reduction of 10 Recreation Coordinator positions for the CLASS Parks program. This reduction will impact approximately 1,800 teens. **The programs that are designed to prevent persistent low-income family cycle, high dropouts, teen pregnancy rates, gang activities, juvenile crimes, and drug dependencies at 10 CLASS sites will no longer be available.** Also, as these 10 positions are all currently filled, the Department would have to move incumbents into other departmental position vacancies in order to avoid any layoffs. This would mean that the **intended purpose and usage of those vacant positions would not be immediately realized.**

TOTAL PROPOSED BUDGET REDUCTION: \$2,006,946

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 28

Date: May 3, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **FIVE-YEAR PROJECTION OF THE CITY CONTRIBUTION TO THE RETIREMENT SYSTEMS**

Please see the attached table showing the projected City contribution to both the Los Angeles City Employees' Retirement System and Los Angeles Fire and Police Pension System through fiscal years 2007-13. Both are prepared from actuarial projected contribution rates.

KLS:TAB:01070063c

Attachment.

CERS FORECAST

Factors / Fiscal Year	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Estimated Salary Base	1,646,055,902	1,737,613,655	1,789,742,065	1,843,434,327	1,898,737,356	1,955,699,477	2,014,370,461
Estimated Contribution Rate	23.86%	22.79%	22.47%	21.18%	20.67%	20.32%	20.22%
Projected Contribution	392,748,938	396,002,152	402,155,042	390,439,390	392,469,012	397,398,134	407,305,707
Other Benefit Plans	562,000	488,000	488,000	488,000	488,000	488,000	488,000
Total Estimated Contribution	393,310,938	396,490,152	402,643,042	390,927,390	392,957,012	397,886,134	407,793,707
Prior Year Contribution		393,310,938	396,490,152	402,643,042	390,927,390	392,957,012	397,886,134
Total Change From Prior Year		3,179,214	6,152,890	(11,715,652)	2,029,621	4,929,122	9,907,574
Change Attributable to Airports/Harbor		8,384,964	260,646	(2,273,499)	(1,365,044)	(936,795)	(267,656)
Projected General Fund Changes *		(5,205,750)	5,892,244	(9,442,153)	3,394,665	5,865,917	10,175,230
Prior Year General Fund Contribution		342,993,564	337,787,814	343,680,058	334,237,906	337,632,571	343,498,488
Total Projected General Fund Contribution *		337,787,814	343,680,058	334,237,906	337,632,571	343,498,488	353,673,717
Total Projected Airports/Harbor Contribution		58,702,338	58,962,984	56,689,485	55,324,441	54,387,646	54,119,990

FIRE AND POLICE PENSION FUND FORECAST

Contribution to System	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
UFLAC Settlement	\$ 500,000	\$ 282,600	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Contribution Rate	24.77%	27.84%	27.40%	26.68%	25.99%	25.52%	25.51%
General Fund Contribution*	279,220,607	327,834,962	334,292,219	335,273,134	336,400,346	340,226,431	350,295,906
1% Contribution for Tier 5	-	-	-	-	11,520,000	11,999,000	12,359,000
Total*	\$ 279,720,607	\$ 328,117,562	\$ 334,292,219	\$ 335,273,134	\$ 347,920,346	\$ 352,225,431	\$ 362,654,906
Annual Incremental Increases	\$ 103,608,011	\$ 48,396,955	\$ 6,174,657	\$ 980,916	\$ 12,647,211	\$ 4,305,085	\$ 10,429,476

ASSUMPTIONS: Assumes an 8% return on the market value of system assets over the next five years.

The annual salary base is projected to increase 3% in 2008-09 and thereafter for normal salary adjustments.

The contribution increases are based on information from the Departments' actuary.

Beginning in FY 2006-07, the Pension System is projected to stay below 100% actuarial funded and the City will not "pick-up" the 1% contribution for Tier 5 employees until estimated FY 2010-11.

The General Fund contribution for the UFLAC settlement will be paid off in FY 2007-08.

* Does not account for TRANS debt service costs

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 29

Date: May 3, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **AUDITS OF DEVELOPMENT PROJECTS**

The Budget and Finance Committee, during the review of the Controller's Office Proposed 2007-08 Budget, asked whether land development projects are audited to make certain that all public infrastructure has been provided. In response to this question, the Controller's Office indicates that they do not audit land development projects.

The Planning Department is the clearinghouse for land development conditions. The Planning Department gathers, reviews, and documents all land development conditions in City Planning case decision letters. Land development conditions are still cleared by the Planning Department and City departments that originated the condition(s). Most departments, including the Planning Department, currently clear the conditions manually. The Public Works Bureau of Engineering has developed a simple Internet-based land development condition clearance system, but it is for subdivision cases only, and the system does not provide detailed information about the conditions.

The Planning Department Systems Section is currently developing a centralized Case Condition Clearance and Tracking System (C3TS). The Planning Department's Proposed 2007-08 Budget includes funding for enhancements to the C3TS, including development of a condition sign-off screen for use by multiple City departments and integration of C3TS with the Planning Department's automated decision letter workflow process (see Planning Department's Bluebook No. 25, pg. 310). Once the system is implemented, each development condition will be captured, stored, tracked, and cleared centrally. Upon project completion, condition clearance information will be placed on the Internet for access by the public. Funding for this project is provided from the City Planning Systems Development Trust Fund.

RECOMMENDATION

That the Planning Department be directed to report back to the Council regarding the implementation schedule for the centralized Case Condition Clearance and Tracking System.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 30

Date: May 3, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **LIBRARY DEPARTMENT 2007-08 PROPOSED BUDGET - ONE AND THREE PERCENT BUDGET REDUCTION PROPOSALS**

In accordance with the April 27, 2007 instructions of the Committee, the Library Department has submitted one and three percent budget reduction options, relative to the Mayor's Proposed Budget.

The Department has based its one and three percent reduction options of \$722,643 and \$2,167,929, respectively on the 2007-08 Proposed Budget of \$72,264,291.

The budget reduction options set forth in the attached Department memorandum are summarized as follows:

One Percent Reduction - \$722,643	Three Percent Reduction - \$2,167,929
Eliminate Sunday service hours at six regional branch libraries.	Eliminate Sunday service hours at Central Library and eight regional branch libraries and reduce service hours at six community branches.

The Department's budget consists primarily of salaries and book materials. The 2007-08 Proposed Budget for the Department includes an additional salary savings of one percent from 5.5% to 6.5%.

In March 2007, the Department's expanded hours program increased services at 24 branch libraries enabling all branches to offer expanded service hours throughout the City. In order to implement this program, the Department had to hire additional staff to provide these services. Implementation of the proposed reductions will reduce current staff. The cuts proposed do not appear to be feasible.

KLS:MCD:08070312

Attachment

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

BOARD OF LIBRARY
COMMISSIONERS

ROBERT A. CHICK
PRESIDENT

TYREE WIEDER
VICE PRESIDENT

JULIE MENDOZA

NELLIE RIOS-PARRA
RITA WALTERS

GLADYS SENAC
BOARD EXECUTIVE ASSISTANT

LOS ANGELES
PUBLIC LIBRARY
ADMINISTRATIVE
OFFICES
630 WEST FIFTH STREET
LOS ANGELES, CA 90071

(213) 228-7515 Phone
(213) 228-7096 TDD
(877) 488-4327 TDD
(TOLL FREE NO.)

FONTAYNE HOLMES
CITY LIBRARIAN

April 27, 2007

The Honorable Bernard C. Parks
Chairperson, City Council Budget & Finance Committee
C/o Lauraine Braithwaite, Office of the City Clerk
City Hall, Room 395
Los Angeles, CA 90012

Re: PROPOSED LIBRARY BUDGET, FY 2007-08

Dear Councilmember Parks:

Today we received the Committee's request for each general manager to submit a "1% - 3% cut to the proposed budget." Already our book budget has been reduced by 22.7% in the proposed budget. The cut in the book budget and an additional 1 - 3% cut would have a drastic impact on library services in every neighborhood.

The Library Department's proposed total operating budget for FY 2007-08 is \$72,264,291. More than 94% of the budget funds two major public service areas: staff and books.

As you know, books are the reason people come to our library and we cannot provide service without them. Therefore, reductions must come from our public service area.

A budget cut of 1 - 3% is significant and would require the Library to do the following:

1% budget cut = \$722,643

Eliminate Sunday service hours at 6 regional branch libraries

3% budget cut = \$ 2,167,929

Eliminate Sunday service hours at Central Library and the 8 regional branch libraries and reduce service hours at 6 community branch libraries

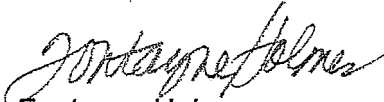
The proposed 22.7% cut in the book budget and an additional 1 - 3% cut will have a drastic effect on our 14 million visitors, children, teenagers, adults, senior citizens and the families that rely on our libraries to meet their needs every day.



The Honorable Bernard C. Parks
April 27, 2007
Page 2 of 2

If you have any questions, please call me, or Assistant General Manager Kris Morita at (213) 228-7515.

Sincerely,



Fontayne Holmes
City Librarian

Cc: Honorable Members, Budget and Finance Committee
Board of Library Commissioners
Robin Kramer, Chief of Staff, Office of the Mayor
Ray Cortines, Deputy Mayor, Office of the Mayor
Sally Choi, Budget Director, Office of the Mayor
Gerry Miller, Chief Legislative Analyst
Sharon Tso, Executive Officer, Chief Legislative Analyst
Lynne Ozawa, Assistant Chief Legislative Analyst
Karen Sisson, City Administrative Officer
Mark Davis, Finance Specialist, CAO

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 31

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LAPD PRISONER TRANSPORTATION AND RELEASE**

The Police Department currently contracts with the Los Angeles County Sheriff's Department for transportation of LAPD arrestees from jail to court and for release of LAPD arrestees from court when arrestees are not remanded. For fiscal year 2006-07, these two services cost the City \$2.1 million. Costs are based on a specified level of service, subject to annual adjustments based on the County's related cost and overhead rates.

According to the contract terms, the County is required to notify the City of the rates for the upcoming year no later than May 1 each year. This Office has not received this notification. However, the Sheriff has met with the Police Department to discuss possible amendments to the prisoner release portion of the contract. Based on the proposed revisions and informal discussions with the Sheriff's Office, the 2007-08 cost for transportation and release combined could be as high as \$2.9 million. This is due mainly to the Sheriff's desire to double the annual cost of the prisoner release program to compensate for the increase in arrestees being processed and an increase in the average time taken to release an arrestee.

The Police Department is currently researching both of these issues with the intention of reducing both the amount of time taken and the number of arrestees being released from court, as well as refuting any unreasonable claims made by the Sheriff regarding this program. Specifically, the Department intends to compile a six month survey of all prisoner releases, detailing the following information:

- Location of release
- Date and time of release
- Agency releasing (LAPD or LASD)
- Reason for Release
- Arresting Agency

In addition, the Department is looking into the possibility of releasing DUI arrestees on their own recognizance with a citation, rather than maintaining custody and paying the Sheriff to transport them to court and release them after their appearance.

As an alternative to paying the additional cost for prisoner release in 2007-08, the City could choose to take responsibility for releasing LAPD arrestees from court using LAPD staff. This possibility was considered and analyzed when the current contract was approved by Mayor and Council in 2006. However, at the time of review, the Sheriff's cost estimate (\$655,000) was lower than the estimates provided by the Police Department. With the proposed doubling of the cost, the City may want to revisit the issue.

When the first LAPD cost estimates were made, it was assumed that Detectives would perform the releases if the Sheriff's services were not utilized. LAPD Detectives' relatively high rate of pay (between \$95,000 and \$113,000 annually) was a major reason for the LAPD cost estimates being higher than the Sheriff. One new possibility that should be considered is using Detention Officers for prisoner release from the courts. Detention Officers are currently responsible for releasing arrestees from LAPD jails, so the new assignment would not represent a new duty for the classification. In addition, the Detention Officer average salary of \$52,100 is approximately half of the Detective average. If the prisoner release program were to require as many as 12 Detention Officers, the cost (\$625,200) would still be less than the Sheriff's 2006-07 cost and much less than the 2007-08 cost proposal.

Inasmuch as no specific proposal from the Police Department exists, no action is needed on this item at this time. However, the Department should be instructed to report back with a recommendation for action relating to this contract. If the proposed rate is accepted, the Police Department will need additional resources in their Contractual Services account to meet this expense. If the proposal to use Detention Officers is recommended, the Department will need additional position authorities and authority to transfer funds from their Contractual Services account to their Salaries General account.

RECOMMENDATION

That the Budget and Finance Committee direct the Police Department to evaluate the feasibility and costs associated with using Detention Officers for prisoner release from court. This should include a comparison with the Sheriff's proposed 2007-08 rates and recommendations for action relative to this contract.

KLS:MC:04070166

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 32

Date: May 4, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **CITY ETHICS COMMISSION LETTER TO BUDGET AND FINANCE**

In a letter dated April 23, 2007, the City Ethics Commission (CEC) indicated that, while the proposed budget reduces funding for the Commission by seven percent, it will continue to focus on "innovating successfully to achieve targeted core priorities." However, the letter also indicates that the demand for core Commission services is escalating and requests consideration of the following two items that were not included in the proposed budget:

Restoration of Ethics Outreach Coordinator Position

CEC has requested that the Budget and Finance Committee recommend restoring funding (\$55,203) and resolution authority for one Management Analyst I position to serve as an outreach coordinator. According to the letter, this position would fulfill key responsibilities in the development and dissemination of materials connected with ethics, campaign finance and lobbying disclosure programs. This position was authorized during 2005-06, but has been vacant since October 2006.

CEC further states that with the passage of Measure L, the Department would become responsible for providing mandatory training to candidates for the Los Angeles Unified School District. The Commission anticipates a significant workload impact prior to and in conjunction with the opening of the School Board candidate fundraising window in September 2007. Finally, CEC noted that AB 1234 and two Executive Directives require ethics training of more than 6,000 City employees, elected and appointed officials. We believe that continuation of the resolution authority for one Management Analyst I position is reasonable should additional funding become available.

Two Position Reallocation Requests

CEC also requested funding (\$8,665) and authority to reallocate (1) one Auditor I to a Management Analyst II position and (2) one Ethics Officer I to an Ethics Officer II position. CEC states these reallocations will realign the position classifications with the supervisory and operational responsibilities of the positions. Both positions are currently filled.

At this time, these reallocation requests are under review by the Personnel Department. As with all other departments, should these requests be approved and the positions be filled, CEC would be expected to absorb any additional cost for 2007-08.

CITY OF LOS ANGELES
CALIFORNIA

CITY ETHICS COMMISSION

GIL GARCETTI
PRESIDENT

BILL BOYARSKY
VICE PRESIDENT

ROBERT SALTZMAN
SEAN TREGLIA
HELEN ZUKIN



LEEANN M. PELHAM
EXECUTIVE DIRECTOR

CITY ETHICS COMMISSION
200 N. SPRING STREET
CITY HALL - 24TH FLOOR
LOS ANGELES, CA 90012
(213) 978-1960
(213) 978-1988 FAX
TDD (213) 978-2609
<http://ethics.lacity.org>

Hand Delivery

April 23, 2007

The Honorable Bernard C. Parks, Chair
The Honorable Wendy Greuel, Member
The Honorable Jose Huizar, Member
The Honorable Bill Rosendahl, Member
The Honorable Greig Smith, Member
City Council Budget and Finance Committee
ATTN: Lauraine Braithwaite, Office of the City Clerk
City Hall Room 395
Los Angeles, CA 90012

Re: Mayor's Proposed FY07-08 Budget for the City Ethics Commission

Dear Chairman Parks and Honorable Committee Members:

As proposed by the Mayor, the FY07-08 budget would cut funding for the City Ethics Commission by seven percent from the \$2,769,659 that was adopted for the Commission's programs and services for FY06-07. The Mayor's budget proposes to achieve this cut, in part, by eliminating \$55,203 in direct funding for one existing education-related Management Analyst I position. It also proposes no new funding for two reallocations in compliance-related positions that the Commission seeks in order to sustain recent operational gains in the agency's audit and enforcement programs.¹

While the City Ethics Commission will continue in a period of budgetary uncertainty to do all it can to focus its very limited resources on innovating successfully to achieve targeted core priorities, the past year has decidedly demonstrated that the demand for core Commission services is only escalating. To assure that the City is responsive to these growing expectations and that these needs can be addressed sufficiently in the coming fiscal year, we respectfully request that the Budget and Finance Committee recommend funding for two particular items that were not funded in the Mayor's proposed Ethics Commission's budget for FY07-08. First, we request that authorization and funding be restored for the existing Ethics Outreach Coordinator (MAI) position. Second, we seek a reallocation for the Assistant Director of Enforcement and lead Auditor positions to properly align those classifications with their substantive, supervisory and operational responsibilities. In sum, these requests would require new funding for FY07-08 for the Ethics Commission of \$8,665.

¹ A copy of the motion by the Ethics Commission approving its proposed FY07-08 budget request is attached for your reference.

1. RESTORATION OF ETHICS OUTREACH COORDINATOR

The Commission's Education and Outreach Mandate is Only Growing

The City Charter requires the Ethics Commission "to provide assistance to agencies and public officials in administering the provisions of the Charter and other laws relating to campaign finance, conflicts of interest and governmental ethics." Sec. 702 (e). In addition, section 702 (j) mandates the Commission "to advocate understanding of the Charter, City ordinances and the roles of elected and other public officials, City institutions and the City electoral process." Charter Section 704 (b) further provides that the Commission shall "[p]repare and publish manuals and instructions setting forth methods of bookkeeping, preservation of records to facilitate compliance with and enforcement of the above laws, and explaining applicable duties of persons and committees." Finally, section 704 (c) provides that the Commission shall also develop an educational program consisting of annual seminars for city officials to reinforce the importance of compliance with and to inform them of any changes in the law relating to conflicts of interest and governmental ethics; manuals that summarize, "in simple, non-technical language, ethics laws and reporting requirements;" "questions and answers regarding common problems and situations, and information regarding sources of assistance in resolving questions."

In 2005 and 2006, the Commission's responsibilities to provide effective ethics education and outreach were further expanded by the enactment of AB1234 and the issuance of Mayoral Executive Directives 2005-1 and 7. Together, these initiatives require ethics training of more than 6,000 City employees, elected and appointed officials. Importantly, with the creation of an active network of high-level Ethics Liaisons in departments Citywide, Mayoral Executive Directive 7 also created new opportunities for departmental staff to heighten their focus on and awareness of ethics issues and responsibilities. Already, Commission staff have already seen an up-tick in compliance contacts. While we estimated roughly 5,000 such contacts going into FY06-07, as of the end of March, 2007, over 4,500 compliance contacts had been logged – some 90 percent of the annual estimate, with three months left in the fiscal year. Staff further estimate that more than half of these contacts have been ethics-related.

To date, all but seven City departments have initiated the first step toward mandatory ethics training: an update of their agency's conflict of interest code. As of March 31, two codes were already adopted by the Council, while seven additional are pending in the Rules and Elections Committee. Six others are scheduled for public hearing, while six more have identified no changes are required. Another 17 departmental codes are under review. As a result, beginning as early as July 1, more than 20 City departments are likely to be ready to begin the mandatory ethics training as required by Executive Directive 7.

In addition, through passage of both Proposition R and Proposition L, Los Angeles voters once again expressed the desire for the City Ethics Commission to be at the forefront of providing outreach and education to key officials. With the voters' approval of Prop. L,

the Ethics Commission is now charged with providing mandatory training to candidates for the Los Angeles Unified School District Board of Education.² With School Board candidates' fundraising window opening in September, the Commission staff already are beginning to develop the necessary forms, guides, and informational materials and programs for this new group of Commission stakeholders. As with any new program, assuring that those affected have the information they need to understand the requirements of the law will require ongoing contact, and the timely development of relevant materials that address the practicalities faced by this new universe of stakeholders.

Restoration of the Position is Vital To Sustain Gains Achieved Since FY05-06

Since late fall 2005, the Commission's education and outreach resources have consisted of one Education Director (an Ethics Officer I) and one Ethics Outreach Coordinator (a Management Analyst I). The MAI position was first authorized and funded in the FY05-06 budget. The position continues to be critical to the fulfillment of the Commission's core education mandate. As an entry-level professional position, it is vital to the ongoing development and dissemination of timely and practical training modules, FAQs, compliance training, publications, and other outreach materials in connection with the Commission's ethics, campaign finance, and lobbying disclosure programs.

Since it was first authorized, for example, the Ethics Outreach Coordinator position has enabled the Commission to develop the online training necessary for City officials to comply with AB1234. The position was directly responsible for learning new technology, drafting content, designing graphics, coordinating with other departments, and managing other daily responsibilities to ensure the project was completed on time and on budget. That online module continues to be a general model for the future development of multiple, shorter online training sessions that are designed to cover a variety of topics.

Making the smartest use of technology in these ways has enabled the Commission to expand its reach. Broader and more frequent communication spreads vital information for improved compliance. Use of technology, however, is only one piece of an effective education program. Among its other responsibilities, the Ethics Outreach Coordinator is also responsible for designing and conducting small group presentations and discussions designed to supplement the online training with sessions that allow participants to ask questions, further clarify issues, and explore particular areas of interest in more depth.

In the past year, a key education priority at the Commission has been to effectively manage the new demands of AB1234 and the Mayoral executive directives. In the coming year, this position is necessary to ensure that the Commission can fulfill the continuing demands of these important education and outreach responsibilities. In addition, several other areas of ongoing, but unmet need also warrant attention in the coming year. The Commission, for example, has not conducted lobbying training as required by the City's municipal lobbying ordinance for the past two years. Online campaign-related training for

² This is in addition to the new advice, auditing and enforcement-related work the Commission also will be assuming with its new mandate under Prop. L.

candidates and treasurers in the 2007 elections was not developed. Online and other ethics training for City contractors could not be implemented. While we recognize that every department is faced with making hard choices among competing priorities, the lack of sufficient resources at the Ethics Commission to implement initiatives to meet needs that continue to exist will only place key stakeholders at greater risk for unintentionally violating the law.

The Commission's ability to successfully implement effective innovations in this area continues to be a function of having the right staff resources doing the right work. With a strong foundation now established, assuring sufficient education resources on staff in the coming year is critical if we are to sustain and build on the critical gains the City has made to improve effectiveness of its ethics outreach and education efforts.

2. TWO COMPLIANCE-RELATED REALLOCATIONS

Reallocations Will Properly Align Position Classification With the Substantive, Supervisory and Operational Responsibilities of those Positions

As detailed in the attached Position Reallocation Request that we originally submitted with our proposed FY07-08 budget, the Ethics Commission also seeks reallocation of two compliance-related positions to assure they are properly aligned with the full duties and responsibilities of those positions.

Assistant Director of Enforcement Position

The Commission's Assistant Director of Enforcement position is currently an Ethics Officer I position. We seek a reallocation of that position to Ethics Officer II.

The Assistant Director of Enforcement position demands highly complex research skills and the ability and background to manage multi-faceted legal cases brought within the Commission's administrative enforcement authority. Presently classified as an Ethics Officer I,³ this position requires an experienced lawyer who functions as the chief deputy to the Commission's Director of Enforcement. The position is required to conduct complex legal analysis, prepare complex legal pleadings, negotiate settlements, and prosecute administrative enforcement cases in legal proceedings before the Commission and the State Office of Administrative Hearings. As the division's chief deputy, the Assistant Director position also is required to exercise sound management planning skills to help supervise the work product of a staff of six professionals, and to help ensure the appropriate standards of review are met for the Commission's complaint and investigative workload. This requires the position to provide appropriate training and supervision for new

³ The current classification as an Ethics Officer I position, however, is roughly equivalent to an entry-level Deputy City Attorney IB-ID, or IIA position in the City Attorney's Office (Codes 0550-D and 0544-A).

employees, and to manage the day-to-day operations of the investigative and legal teams within the division. Due to the new scope and significance of the duties that the Assistant Director position has been required to assume, we believe a reallocation of the position from Ethics Officer I to Ethics Officer II is warranted to assure it is properly classified.

Lead Auditor Position

Finally, we seek reallocation of the Commission's lead Auditor from the existing entry-level Auditor I position to a Management Analyst II position to more properly reflect the more senior and supervisory responsibilities of the position.

Due to staff realignments in the current fiscal year and a workload that remains unchanged, the existing entry-level Auditor I position has been required to assume more senior responsibilities in the Commission's mandatory audit program. This includes audit cycle planning, project supervision, and greater oversight over initial audit work product. The position will also be required to provide project supervision and training for others assigned to the audit program. Each of these responsibilities, however, extends significantly beyond the classification of an Auditor I. Consequently, we believe the position should be reallocated to more properly align the position classification with the more senior level programmatic and supervisory work that are reflected in the changed responsibilities of this position.

We very much appreciate your time and your thoughtful consideration of our request. I look forward to meeting with you in your upcoming budget hearings to answer your questions and provide any additional information that may be helpful to you.

Sincerely,



LeeAnn M. Pelham
Executive Director

cc: Sally Choi, Budget Director, Office of the Mayor
Karen Sisson, City Administrative Officer

Attachments

Budget Motion Approved by City Ethics Commission, November 2006
Summary Chart -Request to Restore Education Position Authority
Position Reallocation Requests, CEC Budget Proposal Excerpt (Nov. 2006)
Position Descriptions

**Motion Adopted by the City Ethics Commission
Supporting CEC Budget Request for FY2007-08**

Adopted November 14, 2006

The City Ethics Commission expresses its 100 percent support for the proposed Commission budget for fiscal year 2007-08. What this Commission expects from its staff, and what the City's elected officials and citizens expect from this agency, are great. The FY 2007-08 proposed budget is critical if we are to make sure this agency has the resources it needs to sufficiently address its Charter mandate and the growing demands this agency faces. We urge the City Council and Mayor to support our budget request as well.

Motion Proposed by Commission President Gil Garcetti
Motion Seconded by Commissioner Rob Saltzman
Motion Adopted 5-0

Los Angeles City Ethics Commission

Request to Restore Education Position Authority & Funding in FY07-08 Budget

Position: Ethics Outreach Coordinator

(Management Analyst I)

Provides Direct Education, Compliance Information & Training Services to:

Elected Officeholders
Staff of Elected Officeholders
Appointed City Board and Commission Members
City Employees
Contractors and Bidders
Candidates for City Office and LAUSD Board
Treasurers, Consultants and Fundraisers
Contributors and Others Active in City and LAUSD Campaigns
Neighborhood Council Governing Board Members
Members of the Public

Position First Authorized/Funded: FY 2005-06

Classification: Management Analyst I

Position Vacated: November 2006

Position Posted: December 2006

Hiring Process Suspended due to
Notice of "salary sweep": March 2007

Innovations Launched by CEC Ethics Outreach Team in FY06-07 Include:

- Implementation of online ethics training to assure City officials can comply with AB1234
- Resumed publication of CEC newsletter, *The Public Trust*, and in electronic format
- Creation of targeted e-bulletins for those interested in policy issues, lobbying, campaign finance, and ethics information
- Initiation of new technology to broaden, track and manage growing distribution lists for educational materials
 - Subscribers to electronic newsletter and bulletins has grown from 300+ to over 1,500 in just three months
- Revised web site to make it more user friendly, keep content more current, and allow better opportunities for feedback
- Posted audio files from CEC meetings and interested persons meetings to improve CEC's own transparency/accessibility

**Mayor's Proposed FY07-08 Budget Would Eliminate This Position
Precisely When the Services It Will Provide Are Most in Demand**

**New Technologies Have Helped Build a Solid Foundation, But Effective Education and
Timely Compliance Information Cannot Be Achieved With Insufficient Staff Resources**

Targeted Aims for during FY 07-08 Include:

- Fulfill aims of Mayoral Ex. Directives by assuring 6,000+ employees receive timely ethics education, as required
- Assist in development of presentations and materials for ethics 'case studies' and discussion sessions as online followup
- Develop compliance info to be widely/regularly disseminated via newly developed e-newsletters and e-bulletins
- Administer flow, distribution and management of electronic communications "listserves"
- Develop LAUSD candidate and campaign materials that are practical, relevant and understandable
- Monitor web use and subscriber feedback to identify new areas for program outreach
- Act as portal for web content updates to keep web content current
- Develop new information tools (like "kiosk" approach to web page) to maximize website's usefulness
- Identify and develop data snapshots and simple graphics to provide more meaningful summaries of data on file at CEC
- Develop feedback tracking system for other education and outreach efforts to help gauge effectiveness of efforts

**City Ethics Commission
Proposed Budget FY 07-08
Current Level Request – Position Reallocations**

- Reallocation of one Ethics Officer I to Ethics Officer II (*Enforcement Division*)
- Reallocation of one Auditor I to Management Analyst II (*Mandatory Audits*)
 - Total Package cost \$ 8,665
 - Ethics Officer I reallocation to Ethics Officer II \$ 4,760
 - Auditor I reallocation to Management Analyst II \$ 3,905

Reallocation of Ethics Officer I to Ethics Officer II

- Package cost \$4,760

Reallocation of one Ethics Officer I to an Ethics Officer II is needed to assure that the Commission can continue to make strides in more effectively pursuing its independent policy enforcement mandate of Charter section 700 *et seq.*

Section 700 *et seq.* mandates that the Commission investigate potential violations of state and local laws related to campaign finance, ethics and lobbying. The agency is also charged with bringing enforcement actions when the laws under its jurisdiction have been violated. To satisfy constitutionally required standards of due process for respondents and afford those accused of violating the law with every opportunity to present any evidence or arguments that is pertinent to the allegations, the agency adheres to a complex series of procedural rules, codified at Los Angeles Administrative Code section 24.1.2. These regulations govern the procedures used in the agency's administrative enforcement proceedings.

As the agency's investigative case load and enforcement work has continued to increase in scope and complexity, the work and degree of experience required of those who manage that workload has also grown. In particular, the responsibilities of the position that acts as the Division's chief deputy, the Assistant Director of Enforcement, not only now demand highly complex research and strategic thinking skills, and strong organization and management skills but also demand a demonstrated ability to manage multi-faceted projects related to respondents' increasingly routine challenges to both the laws under the agency's jurisdiction and to the governing procedural rules of the enforcement process.

The Assistant Director of Enforcement position, presently classified as an Ethics Officer I, is the position at the Commission that is primarily responsible for preparing pleadings, negotiating settlements and litigating specific enforcement cases. During the past year, however, this position has also been required to

assume an increasingly responsible role in responding to the broader challenges that have been brought against the agency's enforcement process. For instance, in the past year challenges were made to the agency's settlement process, to its methods for charging counts, and to the agency's interpretation of certain Charter-based public disclosure provisions. In each instance, the Assistant Director position was required to play the lead role in shaping the agency's strategy in response. Importantly, while those challenges arose in the course of prosecuting specific cases, any response the agency would articulate had to be developed with a clear understanding of the potential result not just for one case, but the potential broader implications to the agency's enforcement process as a whole. To do this kind of work successfully, the Assistant Director position demands a solid understanding of all the laws under the agency's jurisdiction and the regulatory environment. It also demands experience and skill as a litigator, and the ability to make sound judgments that support the agency's overall aims within an often highly pressurized, litigious setting.

To enhance the Division's ability to most effectively handle its increasing workload in the past year staffing realignments have been made to better target existing resources in the division on processes that have proven to increase operational effectiveness. In addition, authorization and funding for a new Administrative Enforcement Paralegal position was also secured. Both developments have added to the responsibilities of the Assistant Director position. Unique training and supervision are required for new employees as they begin to move up the learning curve they face. In addition, in more formally tailoring and bifurcating responsibilities of existing staff to create more focus and specialization, a purely investigatory team has been assigned for fact-gathering work, while another has been dedicated to handling responsibilities that are necessary for the adjudication process (preparation of pleadings, associated legal research, etc.). As a result, the Assistant Director position has been required to take on a major role in that transition and in managing its day to day implementation.

Due to the new and significant duties that the Assistant Director position has been required to assume, a reallocation of the Assistant Director position from Ethics Officer I to Ethics Officer II is warranted to more properly align the classification of the position with these new and expanded responsibilities.

Reallocation of Auditor I to Management Analyst II

- Package Cost \$ 3,905

The reallocation of one Auditor I to a Management Analyst II is necessary to ensure that the Commission can sustain the significant operational innovations and program efficiencies that have been achieved through implementation of the Commission's new *Fast Track Audit* ("FTA") program.

As adopted by the City Ethics Commission, FTA is designed to allow each committee's mandatory audit¹ to be completed no later than 20 business days after the start date for a Council candidate's committee, or 29 business days after the start date for a Citywide candidate's committee. Based on the number of candidates in the 2005 election, the program placed a targeted duration for the entire audit cycle following that election to no more than ten-months after the date that state law permitted campaign audits to begin.²

In its inaugural year following the 2005 regular elections, the Commission's staff of four auditors (Auditor I) completed all mandatory audits for that election on schedule. This meant that all 2005 campaign audits were completed within 10 months of August 3, 2005, the earliest date they could begin under state law. Together, the 43 controlled committees audited raised more than \$22.4 million in campaign funds, received \$5.1 million in matching funds, and spent more than \$28.3 million in connection with the campaigns of 18 candidates for elective City office. Audits for the 2005 special election, which began August 14, 2006, following the completion of the 2005 regular election audits, were completed in December 2006.

With the FTA program, these audits show the same pace of completion: the average length of time it takes to complete an audit for one committee is about one month. In other words, when compared to historical averages, the time it now takes the agency to complete its mandatory campaign audits has been reduced by roughly two-thirds.

While the FTA program has been successful, due to necessary realignments of existing staff in the current fiscal year to better serve competing agency mandates, the Commission's ability to sustain the significant achievements of FTA on a going forward basis has been placed at significant risk. In the current fiscal year, three Auditor positions were reassigned to assure that other priority functions at the agency did not remain un-staffed. These necessary staffing realignments leverage existing resources with competing organizational priorities. As a result, two of the four Auditor positions dedicated to the audit program were this year required to assume other operational roles. In addition, a third Auditor position was reassigned to the Program Operations division to handle the growing workload demands in connection with financial disclosure and conflict of interests filings associated with the two recent ethics-related Mayoral Executive Directives.

¹ Los Angeles City Charter Section 470 mandates the City Ethics Commission (CEC) to audit the committees of candidates seeking elective City office. Los Angeles Administrative Code Section 24.6 A sets out the criteria for determining which candidates are subject to an audit. This section requires that the CEC audit each candidate—and all of his or her controlled committees—who raise or spends at least \$100,000 in connection with a primary, general or special election. In addition, Los Angeles City Charter Section 702 (d) requires audits of all candidates receiving public matching funds. Pursuant to Los Angeles Administrative Code Section 24.6 B, the CEC also has to audit at least twenty percent of all other candidates for elective City office on a random basis.

² Notwithstanding with FTA's 20- and 29-day standards, the duration of any particular audit cycle will, of course, vary depending on the total number of candidate committees required to be audited.

Consequently, the Commission requested two new Auditor positions in its FY07-08 budget to replenish those positions.

During the past year, the staff position that had been functioning solely as the Director of Audits also was required to assume additional responsibilities office-wide. That position is now the Director of Operations and Planning (Ethics Officer III), which oversees the audit program as well as the Commission's budgeting, planning, personnel, and management reporting responsibilities. Consequently, that position no longer has the ability to provide the same amount of time supervising initial audit work product as was the case before the position assumed those functions. At the same time, however, projections indicate the likelihood that approximately 40 committees will require audits following the 2007 City elections – roughly the same number (42) that required audits following the 2005 regular elections.³

Coupling necessary staff realignments with a workload that remains unchanged, the existing Auditor I position has now been required to assume more senior responsibilities in the audit program, including audit cycle planning, project supervision, and greater oversight over initial audit work product. The position will also be required to provide project supervision and training for entry level audit staff.⁴ Each of these responsibilities, however, extends significantly beyond the classification of an Auditor I and should, therefore, be reallocated to more properly align the position classification with the more senior level programmatic and supervisory work that are reflected in the changed responsibilities of this position.

³ With only one-quarter the number of Auditors, however, the Commission will be unable to complete the 2007 audit cycle within 10 months, as audit staff did following the 2005 elections.

⁴ While the audit positions requested in the CEC's proposed FY07-08 budget were not recommended in the Mayor's proposed budget, the lead Auditor position will continue to have significant training responsibilities should individuals from elsewhere on staff be required to be drawn into assisting in our mandatory audit program from other program areas.

POSITION DESCRIPTION

Reallocation of Ethics Officer I (0015) to Ethics Officer II (0016)

Under the direction and supervision of the Director of Enforcement and Legal Affairs, the Assistant Director of Enforcement acts as the chief deputy of the division and is responsible for the following functions:

- 50% Preparation or supervision of the preparation of probable cause reports, closing memoranda, and other documents in the course of administrative adjudications of enforcement actions.
- 10% Appearances before the Probable Cause Officer, Administrative Law Judges and the Commission Board in the course of administrative adjudications of enforcement actions.
- 10% Assistance with the training of newly hired enforcement personnel and with the delegation of assignments throughout the division.
- 10% Negotiation and related conferences and correspondence with respondents or their counsel.
- 10% Legal advice and research regarding administrative procedure and issues involving the application and interpretation of the laws under the Commission's jurisdiction.
- 5% Review of complaints to determine jurisdiction and appropriate action.
- 5% Assistance with the preparation of periodic compilation of statistics and reports for Commission oversight, budgetary and related purposes.

POSITION DESCRIPTION

Reallocation of Auditor I (1517-1) to Management Analyst II (9184-2)

The lead Auditor position reports to the Commission's Director of Operations and Planning and works closely to provide day to day oversight and supervision of the Commission's audit team. Through fair, timely and effective audits, this position works to promote open and accountable government pursuant to the Commission's Charter mandate. The position is required to plan, oversee and conduct audits in the field, including monitoring and assisting other audit staff on more complex audit tests and issues; to demonstrate a deep understanding of relevant laws and their purpose; and to exercise due diligence and appropriate professional judgment. This position has primary responsibility for the following functions:

50% Audits.

- plan, organize and implement audit testing in conformance with Fast Track Audit program standards;
- gather all necessary documents from auditees, and review documents for completeness;
- analyze documents and interpret statistical data, effectively employing a variety of analytic methods to identify unusual patterns or discrepancies;
- review and evaluate records for compliance with applicable state and city laws;
- maintain effective two-way communications with auditees to promote understanding of and adherence to agency's auditing program and standards;
- maintain appropriate documentation of all audit testing and work papers to explain audit findings;
- interact with experienced attorneys and/or seasoned officeholders in explaining audit findings and requesting responses to those findings;
- write audit reports that detail audit findings in complete, clear and supportable manner;
- maintain archives of audit work papers as necessary to comply with records retention requirements.

50% Supervision and Planning of Audit Program.

- determine and schedule all compliance audits working with Operations Director
- evaluate and recommend appropriate changes to these programs when appropriate.
- provide guidance and expertise to the auditors in the performance of their audits.
- train, supervise and review auditors' work products.
- assist with other duties as necessary when assigned by Division director.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 33

Date: May 4, 2007

To: The Budget and Finance Committee

From: Karen L Sisson, City Administrative Officer *KLS*

Subject: **LOS ANGELES HOUSING DEPARTMENT REGIONAL AND SATELLITE OFFICE LOCATIONS**

Attached is a report requested by the Committee from the Los Angeles Housing Department detailing the locations of its regional and satellite offices.

KLS:SDE:02070239

Attachment



Antonio R. Villaraigosa, Mayor
Mercedes Márquez, General Manager

INTER-DEPARTMENTAL MEMORANDUM

TO: SCOTT ERITANO, SR. ADMIN. ANALYST, CAO
FROM: *MG* MARLENE GARZA, ASSISTANT GENERAL MANAGER
DATE: MAY 3, 2007
REGARDING: LAHD Regional and Satellite Offices

Pursuant to the request of the Budget and Finance Committee, following is the list of the Los Angeles Housing Department's Regional and Satellite Offices:

REGIONAL OFFICES:

CENTRAL REGIONAL OFFICE

3550 Wilshire Boulevard, 15th Floor
Los Angeles, CA 90010
(866) 557-RENT
(213) 252-1422 Fax

EAST REGIONAL OFFICE

2215 Broadway
Los Angeles, CA 90031
(866) 557-RENT
(323) 226-9821 Fax

NORTH REGIONAL OFFICE

6640 Van Nuys Boulevard
Van Nuys, CA 91405
(866) 557-RENT
(818) 756-1097 Fax

SOUTH REGIONAL OFFICE

690 Knox Street, #125
Los Angeles, CA 90502
(866) 557-RENT
(310) 329-6304 Fax

WEST REGIONAL OFFICE

3415 S. Sepulveda Blvd., #150
Los Angeles, CA 90034
(866) 557-RENT
(310) 390-8923 Fax

SATELLITE OFFICES:

MARK RIDLEY-THOMAS Constituent Service Center

8475 S. Vermont Avenue, 2nd Floor
Los Angeles, CA 90044-3424
(866) 557-RENT
(213) 847-1357 Fax

SAN PEDRO SATELLITE OFFICE

638 S. Beacon Street, Room 601
San Pedro, CA 90731-3331
(866) 557-RENT
(310) 732-4529 Fax

Please call me if you have any questions at (213) 808-8899.

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 34

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **CAO RESPONSE TO BUDGET AND FINANCE COMMITTEE REQUEST FOR A REPORT ON FUNDING THE CITY CLERK AT THE 2006-07 BUDGET LEVEL AND SALARY ADJUSTMENT OF \$66,106**

The Budget and Finance Committee requested a report on funding the City Clerk 2007-08 Proposed Budget at the 2006-07 Budget level to continue services and include an adjustment of \$66,106 to the Salaries General account.

The following table reflects the additions and reductions contained in the City Clerk's 2007-08 Proposed Budget:

2007-08 PROPOSED CHANGES TO THE 2006-07 ADOPTED BUDGET

<u>Bluebook Number</u>	<u>Title</u>	<u>Additions</u>	<u>Reductions</u>
2	Off-Site Council Meetings	\$20,000	-
3	Salary Adjustment – Creative Services	-	\$(59,972)
4	On-Line Council File System Support Efficiency	-	\$(50,000)
5	Council and Committee Support Efficiency	-	\$(2,000)
14	Deletion of Funding for Two LUPAMS Resolution Authority Positions (One Senior Clerk Typist and one Office Engineering Technician II)	-	\$(90,327)
15	BID Auditor I	\$44,446	-
18	Records Management Project	\$278,000	-
19	Salary Adjustment – 0.5 FTE MA II position funding	-	\$(27,392)
N/A	Salary General Account Adjustment (Budget Memo No. 24)	\$66,106	-
	TOTAL	<u>\$408,552</u>	<u>\$(229,691)</u>

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 35

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **REPORT BACK ON THE LOS ANGELES FIRE DEPARTMENT: HOMELAND SECURITY ENHANCEMENT, PHASE II STATUS REPORT**

Your Committee has requested the City Administrative Officer (CAO) to report back on the current status of Homeland Security Enhancement, Phase II (Phase II) for the Los Angeles Fire Department (Fire). Funding for Phase II was included in the Unappropriated Balance (UB) as part of the 2006-07 Adopted Budget. In October 2006, the City Council authorized Fire to fill the Phase II positions and transferred funding for salaries and expenses from the UB to various Fire accounts (C.F. 06-0272). A total of 23 resolution position authorities (18 sworn and five civilian) were included for Phase II that increased staffing from 10 (from Phase I) to 33 positions (28 sworn and five civilian). As of May 1, 2007 a total of 27 of the 28 sworn positions were filled with one Fire Captain I position still vacant. However, the Mayor's 2007-08 Proposed Budget includes the deletion of nine sworn positions originally included in Phase II (One Fire Captain II and eight Fire Captain I positions) leaving the 14 Phase II positions listed below. The nine sworn positions proposed for deletion are the only positions related to Homeland Security that are proposed for deletion in the Mayor's 2007-08 Proposed Budget.

No.	Class Code	Class Title
2	1368	Senior Clerk Typist
5	2142-1	Fire Captain I
3	2142-2	Fire Captain II
1	2166	Fire Assistant Chief
1	3711-5	Equipment Mechanic
1	9184-2	Management Analyst II
<u>1</u>	1431-3	Programmer Analyst III
14		

With respect to the nine positions proposed for deletion, attached is a summary of responsibility for each of the nine units by section within the Homeland Security Group. For the remaining 14 Phase II positions, the Mayor's Proposed Budget includes funding totaling \$1,627,641, \$1,471,920 for salaries and \$155,721 for expenses. Currently one Fire Captain I position in the Homeland Security Planning Section is vacant. If the Fire Captain I position remains vacant through the end of the fiscal year, and the deletion of the nine sworn positions remains in the 2007-08 Adopted Budget, then only eight sworn staff would be displaced. The CAO would work closely with Fire to ensure that no layoffs occur by placing all eight displaced Fire Captains into other positions within the department. With respect to the Mayor's 2007-08

Proposed Budget, three Fire Captain I positions required for Fire Station 36 in 2007-08 could be filled by three of the eight displaced Fire Captains. Also, as identified in the Fire letter dated April 23, 2007, the three Fire Captain I positions required for Fire Station 67 could be filled by three of the remaining five displaced Fire Captains. For the two remaining displaced Fire Captains (one Fire Captain II and one Fire Captain I), they could both be placed into one of the 16 Fire Captain vacancies in the department as of May 1, 2007.

As requested by your Committee, alternate sources of funds could be used to finance the continuation of some or all nine of the sworn positions proposed for deletion. However, since its inception in 2003, none of the Urban Areas Security Initiative (UASI) grants have allowed for reimbursement of direct salary costs. Instead, these grants have focused on equipment, training and some very specialized cases of overtime. It is our understanding that the UASI 07 grant will have a provision allowing for reimbursement of salary costs for existing homeland security personnel, up to 25 percent of the grant. As the grant specifications are not yet final, it is premature to make recommendations on how the City and the broader Urban Area might choose to use such a provision. In addition to personnel costs, the City has many other competing homeland security needs, such as radio interoperability. It should be noted that, even if salaries are allowable under the UASI 07 grant, paying ongoing costs with grant funds would violate the City's Financial Policies.

KLS:RMK:04070164c

Attachment

Homeland Security Group – Summary of Unit Responsibilities

Five of the nine Fire Captain positions proposed for deletion in 2007-08 are currently working in the Homeland Security Planning Section. One Fire Captain from each Unit is proposed for deletion. This Section is divided into five separate units that are responsible for the following:

- Archangel Unit – the staff in this Unit coordinates with the Los Angeles Police Department (LAPD) on Project Archangel issues;
- Terrorism/Weapons of Mass Destruction (WMD) Unit – the staff in this Unit focuses on developing recommended response standards, practices and protocols for terrorism or WMD related incidents;
- Special Events Unit – the staff in this Unit concentrates on developing pre-incident action plans for large scale special events throughout the City;
- Evacuation/Relocation Unit – the staff in this Unit develops plans for the coordination of local, regional, and large-scale evacuations; and,
- Mass Disaster Unit – the staff in this Unit establishes procedures and prepares Fire's overall response coordination plans to incidents that result in extraordinary levels of casualties, damage, or disruption.

Four of the nine Fire Captain positions proposed for deletion in 2007-08 are currently working in the Tactical Training Section. One Fire Captain from each Unit is proposed for deletion. This Section is divided into four separate units that are responsible for the following:

- Regional Training Unit – the staff in this Unit identifies and coordinates WMD/terrorism related training for Urban Areas Security Initiative (UASI) departments and agencies within the Los Angeles County region;
- Training Analysis Unit – staff in this Unit coordinates post-incident analysis, after-action report writing, and develop tactical decision-making game programs for emergency responders;
- Simulation Unit – staff in this Unit develops and delivers major emergency incident simulation training that would include WMD/terrorism incidents; and,
- Exercise Unit – staff in this Unit identifies, develops and coordinates a suite of live training exercises specifically for WMD/terrorism incidents.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 36

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **MESSAGE TESTING AND INSPECTION CONTRACT REIMBURSEMENT**

The Committee requested a report on whether the City can charge a fee to massage parlors and technicians for testing and inspections performed on contract by the County. Funding for the contract with the County (\$130,000) is found in General City Purposes Blue Book Item Number 17.

The Police Department currently charges Massage Businesses and Massage Therapists permit fees of \$261 and \$395 respectively. These fees are intended to reimburse the City for the cost of administering and enforcing the permit program and regulations. However, it does not appear that the costs of the County tests and inspections were included in the fee calculation.

As the Police Department will be proposing revisions to the majority of their Police Permit Fees to the Police Commission later this month, the Committee should instruct the Police Department to include the County contractual costs in the proposed new Massage Therapist and Business permit fees.

RECOMMENDATION

That the Budget and Finance Committee instruct the Police Department to include the County contractual services costs in the calculation of the revised Massage Therapist and Massage Business permit fees to achieve full cost recovery.

KLS:MC:04070170

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 37

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **OFFICE OF FINANCE 1% AND 3% BUDGET REDUCTION SUBMISSION**

The Office of Finance transmittal dated May 3, 2007 to Budget and Finance Committee on the one and three percent budget cut exercise is attached. The submitted reductions of one (\$256,014) and three (\$768,043) percent are salary reductions of revenue generating positions which the Department estimates would have a negative General Fund impact of \$2 to \$5 million.

The reductions as proposed are not recommended by the City Administrative Officer.

KLS:TAB:01070065c

Attachment.

ANTOINETTE CHRISTOVALE
DIRECTOR of FINANCE

CITY OF LOS ANGELES
CALIFORNIA

OFFICE OF FINANCE
200 N. SPRING ST.
ROOM 220 - CITY HALL
LOS ANGELES, CA 90012

(213) 978-1774



2007 MAY -3 AM 10:42
CITY ADMINISTRATIVE OFFICER

ANTONIO R. VILLARAIGOSA
MAYOR

May 3, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Legislative Assistant II
City Clerk, Room 395 City Hall

OFFICE OF FINANCE - 1% and 3% BUDGET REDUCTION SUBMISSION

This letter is in response to the Budget and Finance Committee's request regarding the 1% and 3% reduction of the department's overall budget.

In reviewing our budget reduction proposal, please consider that the Office of Finance will collect \$2.24 billion in both special and general fund revenues for fiscal year 2007-08. Of that \$2.24 billion, we anticipate collecting \$477.6 million in business tax revenue alone. We are optimistic that we can meet this business tax revenue target as we expect to surpass the adopted revenue goal for the fifth consecutive year in 2006-07. This significant accomplishment is achieved through the outstanding efforts of our staff; positions from which will need to be cut next year in order to comply with any budget cuts.

We strongly believe the Office of Finance has operated on a very lean budget especially during the last few years as we continued to gain operational efficiencies, primarily through the full implementation of our LATAX computer system. As a result, several non-revenue generating positions have been eliminated or reallocated to revenue generating units within the department. As mentioned in our budget presentation, the proposed budget includes a 4.5% salary savings rate, which requires that we must keep 20 positions vacant year round and since 2004-05, 15 positions have been eliminated from our budget.

While salaries constitute over 90% of the department's budget, there are other significant areas of expenditure; however, there is no excess in either of these areas. Our Printing and Binding account (2120) traditionally runs at a large deficit. And given the additional mailings due to the success of our discovery efforts, the shortfall is magnified in 2006-07 (approximately \$152,000). We have also reviewed our other expense accounts and find the majority of expenditures are directly related to revenue generation. For example our discovery/collection tools (Lexis/Nexus, Dunn & Bradstreet) and costs associated with the maintenance of LATAX compose the greatest portion of our other expenses.

Furthermore, the non-revenue producing positions within the Administration Division are kept at a bare minimum. The division is composed of just 18 employees, or 5% of department staff. Three employees were reassigned from the Administration Division to revenue producing position in 2006-07, and an additional employee will be reassigned in 2007-08. Given the "revolving door" of hiring due to documented attrition problems, our Personnel Unit in particular is taxed to the fullest; hence, the only way any budget reduction can be achieved is through the reduction of revenue generating staff. The graph on the following page reflects various scenarios to meet said reductions.

Reductions Using Staff Positions

Total Budget: \$ 25,601,434

1% Reduction \$ 256,014

FY 07-08 Adjusted Weighted Annual Average Salary	Classification	Full-Time Equivalent (FTE)
\$ 48,192	SCT's only	5.31
\$ 69,421	TCO II's only	3.69
\$ 74,505	Tax Auditor II's only	3.44

3% Reduction \$ 768,043

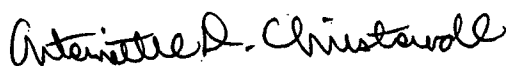
FY 07-08 Adjusted Weighted Annual Average Salary	Classification	Full-Time Equivalent (FTE)
\$ 48,192	SCT's only	15.94
\$ 69,421	TCO II's only	11.06
\$ 74,505	Tax Auditor II's only	10.31

Note: Senior Clerk Typist (SCT), Tax Compliance Officer (TCO)

As noted above, a 1% and 3% reduction in the budget would constitute a loss of between 4 and 16 employees, depending upon job class. Note that each lost position represents a corresponding loss in revenue to the City far greater than their corresponding salary. We estimate the associated revenue loss at between \$2-5 million and therefore request that business tax revenue for FY 07/08 be reduced if the cuts are taken since it would be very difficult for us to meet the revenue target. However, based upon the net revenue benefit, we strongly recommend that no additional cuts be made to Office of Finance's budget.

Thank you for the opportunity to reply to your request. Should you have any questions, or require additional information, please contact me directly at (213) 978-1774.

Sincerely,



Antoinette D. Christovale
 Director of Finance

AC:JW:cc

c: Todd Bouey, Finance Specialist II, City Administrative Office
 Sally Choi, Deputy Mayor of Finance and Performance Management

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 38

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **REPORT BACK ON GENERAL CITY PURPOSES LINE-ITEM - THE
INTERNATIONAL VISITORS COUNCIL OF LOS ANGELES**

The Budget and Finance Committee requested a report on the function and funding of the International Visitors Council of Los Angeles (IVCLA).

For the past twenty one years, the City has financially supported IVCLA. Funding has been provided in the General City Purposes (GCP) budget in the amount of \$40,000, annually. However, as part of the 2004-05 budget process, approximately \$1.9 million for eighteen (18) community-based organizations (CBOs) were deleted from the GCP budget. IVCLA was one of the non-profit CBOs that were de-funded. In 2004-05 and 2005-06, funding was provided to IVCLA from the Reserve Fund through a Motion (LaBonge-Padilla). In 2006-07, funding for IVCLA was restored as a line-item in the GCP.

IVCLA markets and promotes Los Angeles business, government and culture to over 1,000 international leaders a year. IVCLA hosts and arranges individual appointments between Los Angeles citizens and U.S. Embassy-selected foreign members of parliament, media members, curators, educators, artists, doctors and activists. Through its efforts, international understanding and cooperation between leading international visitors and the people of Los Angeles are increased.

KLS:CMC:01070066c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 39

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF STREET LIGHTING – ONE AND THREE PERCENT BUDGET REDUCTIONS TO THE PROPOSED BUDGET**

The attached letter from the Bureau of Street Lighting responds to the Committee's one percent and three percent cuts to the Mayor's Proposed Budget.

The Bureau of Street Lighting derives its funding from the Street Lighting Maintenance Assessment Fund and is not funded by the General Fund. One percent and three percent reductions would equate to cuts of \$203,638 and \$610,914, respectively. The Bureau identified their Street Lighting Improvement and Supplies Account as the source of the potential savings. A one percent or a three percent reduction in this account would result in a shortage of materials and supplies necessary to repair lights, poles and lighting systems throughout the City.

The Bureau of Street Lighting Proposed Budget already includes the Five Percent Reduction Package requested by the Mayor's Office. Any further reductions would negatively impact the department's ability to provide services.

KLS:EOS:06070181

Attachment

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CALIFORNIA



2007 MAY -3 PM
CITY ADMINISTRATIVE CENTER

ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
PUBLIC WORKS

BUREAU OF
STREET LIGHTING
1149 S. BROADWAY, STE. 200
LOS ANGELES, CA 90015

ED EBRAHIMIAN
DIRECTOR

(213) 847-2020
FAX: (213) 847-1860

E-mail: streetlighting@lacity.org
World Wide Web (WWW): <http://www.lacity.org>

May 3, 2007

Honorable Bernard C. Parks, Chairperson
Budget and Finance Committee
Room 395, City Hall

Dear Councilmember Parks:

**BUREAU OF STREET LIGHTING (BSL) FISCAL YEAR 2007- 2008 1% and 3% BUDGET
REDUCTION TO THE MAYOR'S PROPOSED BUDGET**

Per your request, the Bureau of Street Lighting is submitting its 1% and 3% Budget Reduction to the Mayor's Proposed Budget.

As you are aware, the Bureau of Street Lighting provides essential community services that impact the quality of life and safety of the citizens of the City of Los Angeles. The cost of providing these services is approximately \$50 million annually and is reimbursed primarily (or paid directly) from the Street Lighting Maintenance Assessment Fund (SLMAF). Direct assessments against properties receiving the benefits of street lighting services are the source of funds for SLMAF.

BSL's FY 2007-08 Mayor's Proposed Budget includes a 5% Budget Reduction totaling \$1,037,989. Part of this budget cut is a reduction of \$200,000 in Street Lighting Improvement and Supplies Account 8780. This account provides the materials needed to our maintenance and construction crews. Additional budget reduction to this account will significantly impact the Bureau's maintenance and construction efforts to repair light outages throughout the City.

1% Budget Reduction in Account 8780, St. Lighting Improvement and Supplies - \$203,638

Reduction in the funding of materials and supplies will impact the Bureau's ability to repair light outages throughout the City. This will significantly impact our ability to maintain material and equipment for light outages, pole knockdowns and system failures. Street Lighting, throughout the City, provides security and safety for vehicular and pedestrian traffic and by reducing the St. Lighting Improvement and Supplies account security and public safety will be seriously impacted thereby increasing the City's liability.

3% Budget Reduction in Account 8780, St. Lighting Improvement and Supplies - \$610,914

Reduction in the funding of materials and supplies will seriously impact the Bureau's ability to repair light outages throughout the City. This will result in a 22% reduction in materials that is needed to maintain light outages, pole knockdowns and system failures. Street Lighting

throughout the City provides security and safety for vehicular and pedestrian traffic and by reducing the St. Lighting Improvement and Supplies account security and public safety will be seriously impacted thereby increasing the City's liability.

If you have any questions, please call me at (213) 847-2020.

Sincerely,



Ed Ebrahimian, Director
Bureau of Street Lighting

EE:cm

cc: Cynthia M. Ruiz, President, Board of Public Works
Sally Choi, Budget Director, Office of the Mayor
Karen Sisson, CAO
David Hirano, CAO
Elaine Owens-Sanchez, CAO

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 40

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **2007-08 PROPOSED RESERVE FUND BUDGET**

The Committee requested our Office to provide information on the City's Reserve Fund relative to the Reserve Fund Policy.

The Reserve Fund Policy provides guidelines during the preparation and adoption of the Reserve Fund balance as a percentage of the annual budget. In general, the Reserve Fund is to ensure sufficient reserves are maintained to address revenue shortfalls or unanticipated expenditures, and to preserve flexibility during the fiscal year to adjust funding for programs approved in the annual budget. The Reserve Fund is divided into two accounts, the Contingency Reserve and the Emergency Reserve Accounts.

RESERVE FUND POLICY

The Reserve Fund shall be five percent of the General Fund budget. The amount placed in each of the Reserve Fund Accounts shall be determined as follows:

- The Contingency Reserve shall be sized at approximately three percent of the General Fund budget. Although the amount may be higher, the amount is expected to remain relatively constant and will be determined as a percent of General Fund revenues of the Adopted Budget.

In the event that there are unanticipated expenses or revenue shortfalls impacting programs approved in the current year budget, the Contingency Reserve Account will be the source of any additional funding for those programs. Funds must be appropriated by a vote of at least a majority of the Council, with Mayoral concurrence, or by a super-majority of the Council in the event of a Mayoral veto. Funds for new programs or positions added outside of the current year budget must come from other non-Reserve Fund sources.

- The Emergency Reserve Account shall be set at a minimum of two percent of the General Fund budget.

To utilize funds from the Emergency Reserve Account, a finding by the Mayor, with confirmation by the Council, of "urgent economic necessity" will be required, as well as a determination that no other viable sources of funds are available. A finding of urgent economic necessity would be based on a significant economic downturn after the budget is completed or an earthquake or other natural disaster.

The attached chart provides a comparison of the funding and percentages for the 2006-07 Adopted Budget, 2006-07 Actual, and the 2007-08 Proposed Budget Emergency Reserve and Contingency Reserve Accounts. In addition, it provides the revised allocation between accounts should the Council decide to set the Emergency Reserve Account at 2.5% in 2007-08 similar to the current year.

RECOMMENDATION

That the Council amend the 2007-08 Proposed Reserve Fund Emergency Reserve Account from 2% to 2.5% of the General Fund budget and allocate the remaining balance to the Contingency Reserve Account in furtherance of the City's Financial Policies.

Attachment

KLS:ECL:01070064c

**ATTACHMENT 1
RESERVE FUND COMPARISON**

(in millions)	2006-07		2006-07		2007-08		%		2007-08	
	Budget	%	Actual	%	Proposed	%	\$ Change	% Change	Revised	%
Emergency Reserve	\$ 108.46	2.50%	\$ 108.47	2.50%	\$ 88.76	2.00%	\$ (19.71)	-0.50%	\$ 110.94	2.50%
Contingency Reserve	77.34	1.78%	70.67	1.62%	97.89	2.21%	27.22	0.59%	75.70	1.71%
Balance Available, July 1	\$ 185.80	4.28%	\$ 179.14	4.12%	\$ 186.65	4.21%	\$ 7.51	0.09%	\$ 186.64	4.21%

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 41

Date: May 4, 2007
To: Budget and Finance Committee
From: Karen L. Sisson, City Administrative Officer *KLS*
Subject: **HOMELAND SECURITY PHASE II – POLICE DEPARTMENT**

The Committee asked a number of questions regarding Police Department's Homeland Security Package Phase II, including the details of the request, what if anything was included in the Mayor's Proposed Budget and how this request relates to the Urban Areas Security Initiative (UASI) federal grant program.

The portions of the Homeland Security package that involve the Fire Department and the Committee's questions regarding the Fire Department will be addressed under separate cover.

Background

In February 2006, the Mayor and the Police Department proposed to Council a package of additional resources consisting of 73 positions (67 sworn and six civilian) with the 2005-06 cost of \$1,050,471 to be absorbed by the Department. The additional authorities were to augment the Police Department's current staffing in the Major Crimes Division and the Emergency Services Division. The Mayor's transmittal referenced a "Phase II" to come at a later date, but provided no specifics and no additional resources. Council approved the positions on an interim basis in April 2006 (C.F. 06-0272).

In the 2006-07 Proposed Budget, the Mayor proposed continuation of the positions authorized by Council in April 2006, with full-year funding for all 73 additional positions and expenses, with a total cost of \$1,346,152. In addition, the Mayor proposed six months' funding for an additional 50 positions (44 sworn and six civilian) "to backfill positions which were loaned to Major Crimes Division and Project Archangel and provide additional civilian support for fleet vehicles." Additional overtime and intelligence expense funds and vehicles for both Phase I and II were also proposed. The total cost, not including the vehicles, was \$892,208.

In its adoption of the 2006-07 Budget, the Council placed all of Phase II in the Unappropriated Balance, with the instruction for the Police Department to report back on Phase I hiring and the impact it was having on field and patrol staffing. The additional position authorities for Phase II were not included in the 2006-07 Adopted Budget. However, it should be noted that, since the Phase II sworn positions were intended for backfill, this action had no negative impact on the Police Department's actual staffing levels for homeland security functions.

The positions requested in Phase II consist of the following positions:

- Two Detective III;
- Five Detective II;
- 12 Detective I;
- Two Sergeant II;
- 23 Police Officer III;
- Four Equipment Mechanic;
- One Storekeeper; and
- One Garage Attendant.

Again, it should be noted that, with the exception of the six civilian positions, all of these positions were intended to backfill positions which were on long-term loan from a variety of field assignments to Major Crimes Division and Project Archangel. According to the Police Department, approximately half of the loaned positions are still filled in homeland security functions. However, this does not change the fact that the position authorities are still assigned to homeland security. Should he so desire, the Chief of Police has the authority to make these assignments permanent at any time. To answer the Committee's question directly, none of the Phase II positions have been filled as they were never authorized by Council.

2007-08 Proposed Budget

The Mayor's 2007-08 Proposed Budget continues funding and position authority in the Police Department's base budget for Phase I. However, inasmuch as the Police Department did not request position authority or funding for Phase II in their Proposed Budget, and the funds allocated for Phase II in the Unappropriated Balance were swept in the Midyear Budget Adjustment, no funding or positions for Phase II are proposed.

Urban Areas Security Initiative

Since its inception in 2003, none of the Urban Areas Security Initiative (UASI) grants have allowed for reimbursement of direct salary costs. Instead, these grants have focused on equipment, training and some very specialized cases of overtime. However, it is our understanding that the UASI 07 grant will have a provision allowing for reimbursement of salary costs for existing homeland security personnel, up to 25 percent of the grant. As the grant specifications are not yet final, it is premature to make recommendations on how the City and the broader Urban Area might choose to use such a provision. In addition to personnel costs, the City has many other homeland security needs, such as radio interoperability.

In reference to the representation that Phase II needs to be approved in the 2007-08 budget so that UASI 07 will reimburse those costs, clarification is required. Because the Phase II positions are backfills, resulting in additional bodies in areas other than homeland security, none of the positions requested as part of Phase II would qualify as homeland security positions even in the broadest sense. As it is our understanding that the grant specifications regarding salaries will be written quite strictly, only those positions assigned to Project Archangel and the Joint Regional Intelligence Center (JRIC, or Fusion Center) will most likely be allowed by the grant. It should be noted that, though the grant may allow it, paying ongoing costs with grant funds is not consistent with the City's financial policies.

Counter Terrorism and Criminal Intelligence Bureau Staffing

	Prior To Phase I			Phase I Additions	Total Positions
	Regular	Loans	Total		
Major Crimes Division	95	27	122	26	148
Emergency Services Division	57	12	69	40	109
Total	152	39	191	66	257

Notes:

"Phase I Additions" column does not include new CTCIB Command Staff (Deputy Chief I and Executive Secretary) or the five positions allocated to Special Operations Bureau.

"Loans" column does not include civilian fleet support (four Equipment Mechanics and one Garage Attendant).

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **ANIMAL SERVICES DEPARTMENT ANALYSIS OF FEES**

Transmitted for your consideration is the Department of Animal Services' response to the Committee's request for information regarding the current status of a comprehensive analysis of fees and potential scope of changes.

The Department has identified the need for a thorough evaluation of all its fees and charges and will be making every effort to have the Board of Animal Commissioners consider changes to those fees and charges by early June at the latest. At this time, it is not possible to determine potential revenue increases as the Department first needs to complete its detailed analysis of their fees and charges.

KLS:SMS:04070172c

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City of Los Angeles
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2007 MAY -4 AM 9:59
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ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
ANIMAL SERVICES
221 North Figueroa Street
5th Floor
Los Angeles, CA 90012
(888) 452-7381
FAX (213) 482-9511

EDWARD A. BOKS
GENERAL MANAGER

May 3, 2007

Budget and Finance Committee
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Dear Honorable Members:

At the budget hearing of April 26, 2007, on behalf of the Department of Animal Services, I reported our intention to review all current fees and charges to ensure we were fairly recovering costs where possible, such as fees for pet shop permits. We further indicated that we would be evaluating the possibility of adding a schedule of fines for dangerous dogs, to offset Administrative Hearing Program costs. The Council requested that Animal Services report back on whether the Department has already done a cost recovery analysis of our fees, a completion schedule if the analysis is not already finished, and estimates of the scope of changes and potential additional revenue to be yielded.

Current Status of Fee Analysis and Potential Scope of Changes

During the recent months of budget formulation and revision, the new budget staff has in fact recognized the need to revise fees and charges. The detailed analysis has not yet been completed, however the key objectives have been identified that will drive changes.

- Fines are inconsistent, and in some cases so modest, or so extreme, that enforcement is not practical.

Section 53.06, fines for failing to restrain dogs, range from only \$25 for the first offense to only \$65 at a third conviction. Conversely, Section 53.34.4 on dangerous dogs assesses no fines for findings of dangerous dog, although Section 53.18.5 on hearing procedures assesses a \$250 administrative penalty if Terms and Conditions need to be ordered a second time, and Section 53.12 shows a \$25 fee to house and feed an animal in observation for rabies after biting someone. The fine for failure to obtain a dog license, which is \$15 or \$100, is a steep \$500 (Section 53.15.3) but penalties for late licensing of an equine is \$5 (Section 53.15.1). Infractions of dog and cat breeding regulations in Section 53.15.2 range from \$50 to \$500. The Department will study consolidation of fines and development of a consistent scale for like infractions, along

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with developing any procedural modifications that facilitate prompt and accurate assessment of appropriate fines.

- Pound Fees are inconsistent, not properly or timely reflective of actual costs, and difficult to use for pricing when our efforts are aimed at improving our customer service quality.

Care and feed, and other cost-to-house fees are explicitly set species-by-species in Section 53.12 ("Pound Fees") of the Municipal Code, allowing no flexibility to have those fees reflect actual costs when food, supplies, and salaries costs change, without a carrying through a time-consuming and laborious ordinance process. Further, the exhaustive breakdown in Section 53.12 is inconsistent with the City's cost recovery principal, as it incorporates different fees for a redeemed animal than for a stray adopted animal of the same species (for example, a redeemed cat is \$2 per day, while an adopted cat is a flat \$3). Section 53.12.2 sets a separate set of impoundment penalties, \$35 to \$100. Finally, the lengthy list of fees in Section 53.12 or scattered in other sections compounds the challenge of providing a simple, understandable invoice to the public adopting or redeeming an animal. Receipts may show six or more individual fee types with the charge for some varying from customer to customer depending on the details of the adoption and how the animal came to Animal Services. The Department will be recommending that all Pound Fees be handled under language already existing under Section 53.12: *"For feeding and caring for animals not specified in this section, the reasonable cost of feeding and caring for them"* and *"...the fees shall be charged and collected pursuant to a fee schedule to be established by the General Manager,"* with the stipulation that fees be set annually in July, or more often as necessary, subsequent to an annual analysis of actual costs. Other miscellaneous fees or fines may be included in the review and consolidations of fines mentioned above.

- Permit fees are outdated and do not reflect cost recovery for processing and inspections.

Section 53.50 provides permitting regulations, requirements, and fees for activities ranging from kennels to homing pigeons, and includes pet shops, animal shows and acts, stables and equine riding facilities, and grooming parlors. Particularly in regard those categories of permittees, enforcement of regulations are fundamental responsibilities of the Animal Services in relation to our mission of animal and human safety. Clearly, the conditions in which animals at these facilities are housed, fed, and treated is of utmost importance. Also valuable are enforcement of regulations on posting of breeding information, and distribution of information on dog sales so that we can follow up on licensing, for example. Fees for the permits, which require clerical time to process and officer time for regular inspections and follow-up, have not been recalculated since 1993 at least. However, this assessment must be conducted with a conservative perspective, to recoup actual processing and inspection costs that will clearly and directly tie to efficient processing and inspections that help achieve a higher standard for animals in our City. Drastic increases could serve only to vex our efforts by driving some businesses or shows to evade permitting processes. In our evaluation, we may also look at Los Angeles County's grading system for pet shops and similar establishments, to review the pros and cons of that approach in the City. Sentry Dog

licensing (Section 53.64) and Guard Dog licensing (Section 53.66) which is more akin to permitting because of requirements and need for inspections, will also be reviewed.

Process for Changes and Timetable

Analysis of the fees and fines discussed above will require about two weeks, and be accomplished concurrently with identifying the exact sections of the Municipal Code which require revision. The analysis will focus on streamlining, assessment of actual costs by hour and expense (such as food costs), and comparison with other major cities. The deliverable will be a report to the Board of Animal Services Commissioners recommending and justifying fee or fine changes. The Board's action would be to request City Council to ask the City Attorney to prepare the necessary ordinance to effectuate adopted change recommendations.

As the report to the Board is prepared, we will keep the City Attorney apprised of the changes to be proposed, so as to expedite the process down the line. Upon approval of change recommendations by the Board, staff will work on any necessary procedural changes for staff or in our automated systems, so that ultimate changes to the Municipal Code can be implemented rapidly.

City Council would undertake the recommendations of Animal Services and give direction to the City Attorney. At the budget hearing, the goal of July 1, 2007, was set for changes. Animal Services will make every effort to have recommendations to the Board of Animal Services Commissioners by the second meeting in May or first meeting in June.

Potential Revenue

Because we have not performed detailed financial analysis, Animal Services is not in a position to accurately estimate potential revenue increases. Such estimates will be a part of the report to the Board and transmittal of the Board's action to City Council. However, we have done some preliminary analysis for the potential revenue of fines for dangerous dogs, and calculated the typical cost of processing and inspecting for permits such as kennels and pet stores.

Dangerous Dog – Potential Fine Revenue

	Total # of Cases	Estimated revenue if 33% of Cases resulted in \$500 fine.	Estimated revenue if 33% of Cases resulted in \$250 fine.	Estimated Annual Fines
FY01-02	164	\$27,060	\$13,530	\$40,590
FY02-03	250	\$41,250	\$20,625	\$61,875
FY03-04	208	\$34,320	\$17,160	\$51,480
FY04-05	183	\$30,195	\$15,098	\$45,293
FY05-06	146	\$24,090	\$12,045	\$36,135
FY06-07*	161	\$26,565	\$13,283	\$39,848

*Year to date

Sample Review of Pet Shop Permit Cost versus Permit Fee

Classification	Annual Salary	Ave Per Hour	Hours	Cost
CLERK TYPIST	\$38,384	\$18.45	1.00	\$18.45
ANIMAL CONTROL OFCR I	\$46,828	\$22.51	4.00	\$90.05
ANIMAL CONTROL OFCR II	\$54,061	\$25.99	4.00	\$103.96
TOTAL SALARY				\$212.47

Current Permit Fee	\$130
If 500 issued per year	\$65,000
Permits at \$210	\$210
If 500 issued per year	\$105,000
Potential Annual Increase	\$40,000

The potential for revenue increases is not massive and is likely to total in the range of \$100,000 to \$250,000. However, the exercise is extremely valuable both to streamline and simplify charges and to establish a cost recovery model for fee setting.

Again, we appreciate your questions and consideration. If you have any questions or need additional information, please contact Assistant General Manager Linda J. Barth at (213) 482-9558.

Sincerely,



Edward A. Boks, General Manager
Department of Animal Services

LJB\CG:\G:\Budgets\07-08 Budget Request\Budget and Finance Committee\Budget and Finance Hearing Re-cap.doc

C: Linda J. Barth
Staci Sosa, CAO
Catherine Garcia

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 43

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **DIGITAL VIDEO AND AUDIO ON DEMAND**

The Budget and Finance Committee requested that the Information Technology Agency (ITA) report on the feasibility and cost of switching to digital, video and audio on-demand. The ITA was also requested to report on charging a fee for these services.

The ITA reports in the attached correspondence that a motion (C.F. 07-1115) was heard at the Information Technology and General Services (ITGS) Committee meeting held on May 1, 2007. This motion directed ITA and the City Clerk to report with recommendations to provide web-cast live and on-demand audio recordings of Council Committee meetings over the Internet, including searchable on-demand audio archives for Committee meetings held in the five Council Committee rooms and the Board of Public Works meeting room. At the ITGS Committee meeting, Council member Cardenas revised the motion's report back date from 60 days to 45 days. The ITA indicates that the Budget and Finance Committee's request for a report on the feasibility of providing on-demand audio recordings with the associated cost will be included in this report to ITGS.

KLS:LLF:11070079C

Attachment

ITA-System ID 286

City of Los Angeles
California

INFORMATION TECHNOLOGY
AGENCY

RANDI LEVIN
INTERIM GENERAL MANAGER
CHIEF TECHNOLOGY OFFICER

KEN SIMMONS
EXECUTIVE OFFICER

ASSISTANT GENERAL MANAGERS
Clifford K. Eng
Kamton M. Joe
Mark P. Wolf



ANTONIO R. VILLARAIGOSA
MAYOR

ROOM 1400, CITY HALL EAST
200 NORTH MAIN STREET
LOS ANGELES, CA 90012
(213) 978-3311
FAX (213) 978-3310

www.lacity.org/ita

May 4, 2007

REF: EXE-xxx-07

Honorable Bernard C. Parks, Chair
Budget & Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, CA 90012

SUBJECT: REPORT BACK ON ITA BUDGET QUESTION #286
Digital Video and Audio On Demand

Honorable Members:

The Information Technology Agency (ITA) submits the following in response to the request for report back on the feasibility and cost of switching to digital, video and audit on demand. We were also requested to report back on charging a fee for these services.

On April 11, 2007, Garcetti-Parks-Cardenas motion was referred to the Information Technology & General Services (ITGS) Committee. This motion was heard in ITGS Committee on May 1, 2007, and the City Clerk and ITA were directed at that time to report back in 45 days with recommendations in providing on demand audio recordings of Council Committee rooms. Since the City is currently providing live video and audio broadcasts, the feasibility of providing on demand audio recordings with its associated costs will be included in this report.

Respectfully submitted,

Randi Levin
Interim General Manager

cc: Honorable Wendy Gruel, Budget & Finance Committee Member
Honorable Jose Huizar, Budget & Finance Committee Member
Honorable Bill Rosendahl, Budget & Finance Committee Member
Honorable Greig Smith, Budget & Finance Committee Member
Karen L. Sisson, City Administrative Officer
Gerry F. Miller, Chief Legislative Analyst



bcc: ITA Executive Team
Kyle Millager
Tita Zara
William Creitz
Lilly Fong

[Back to Results](#)[Search Again](#)**File Number**

07-1115

Last Changed Date

04/12/2007

Title

WEB-CAST LIVE AND ON DEMAND / COUNCIL COMMITTEE MEETINGS

Initiated by

Garcetti / Parks Mover 2007 / Cardenas

Subject

Motion - The City is currently implementing internet based video on demand access for City Council meetings allowing the public to view proceedings at their convenience on a 24-hour 7-days-a-week basis. This technology can improve communication between Neighborhood Councils and neighborhood residents and helps more residents to participate in City processes.

The City currently provides live audio broadcast over the web of City Council Committee meetings so that others may listen to the proceedings, discuss the issues, and become more involved in their respective communities. However, there is an increased interest in accessing archived on demand audio of these proceedings. The City Clerk and the Information Technology Agency are already implementing this technology for City Council meetings; they are web casting video and audio of those meetings live from City Hall and they are storing them in searchable archives for on demand access.

We should provide similar audio services for Committee meetings. THEREFORE MOVE that the City Clerk and the Information Technology Agency be directed to report within 60 days with recommendations to provide web-cast live and on demand audio recordings of Council Committee meetings over the City's Internet connection, including searchable on-demand audio archives for Committee meetings held in the five Council Committee Rooms and the Board of Public Works meeting room, in an effort to move towards the City's goal of involving the greatest number of residents in the development of City policies and budgetary priorities.

Date Received

04/11/2007

File History

4-11-07 - This day's Council session

4-11-07 - Ref to Information Technology and General Services Committee

4-11-07 - File to Information Technology and General Services Committee Clerk

[Back to Results](#)[Search Again](#)

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 44

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF CONTRACT ADMINISTRATION**

The attached letter from the Bureau of Contract Administration responds to the Committee's question regarding evaluating the department's fee structure.

The department recently reviewed and updated their fees to ensure full cost recovery. The department intends to review their fees again in September 2007.

KLS:EOS:06070183

 Attachment

CITY OF LOS ANGELES
CALIFORNIA

BOARD OF PUBLIC WORKS
MEMBERS

CYNTHIA M. RUIZ
PRESIDENT

DAVID SICKLER
VICE PRESIDENT

PAULA A. DANIELS
PRESIDENT PRO TEMPORE

VALERIE LYNNE SHAW

JAMES A. GIBSON
EXECUTIVE OFFICER



ANTONIO R. VILLARAIGOSA
MAYOR

JOHN L. REAMER, JR.
Inspector of Public Works
and
Director

Bureau of
CONTRACT ADMINISTRATION
1149 South Broadway, Suite 300
Los Angeles, CA 90015

(213) 847-1922

www.lacity.org/bca

Honorable Bernard C. Parks, Chair
Budget and Finance Committee
c/o Lauraine Braithwaite
200 North Spring Street, Room 395
Los Angeles, CA 90012

May 4, 2007

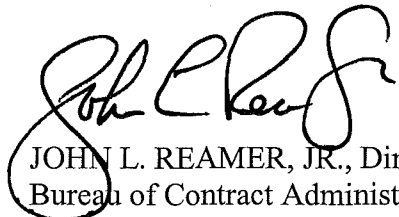
Dear Councilmember Parks:

BUREAU OF CONTRACT ADMINISTRATION'S FEE STRUCTURE - FISCAL YEAR 2007-08

In response to the Budget and Finance Committee's question regarding the Bureau of Contract Administration's fee structure, the Board of Public Works approved a fee increase for A-Permits, Excavation Permits and Utility Permits on January 1, 2007. An annual review and analysis of these fees will take place in September 2007.

If you have any questions regarding this matter, please contact Lawrence C. Williams of my staff at (213) 847-2466.

Sincerely,


JOHN L. REAMER, JR., Director
Bureau of Contract Administration

2007 MAY -4 AM 10:47
CITY ADMINISTRATIVE OFFICER

c: Sally Choi, Deputy Mayor of Finance and Performance Management
Karen L. Sisson, City Administrative Officer
Cynthia Ruiz, President - Board of Public Works
David Hirano, Chief Administrative Analyst - Office of the City Administrative Officer
Elaine Owens-Sanchez, Senior Administrative Analyst - Office of the City Administrative Officer

KO:MQD:\My Documents\wp\BUDGET\2007-08\Fee Structure Memo FY 08.doc

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 45

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LETTER FROM THE OFFICE OF FINANCE TO THE BUDGET AND FINANCE COMMITTEE REGARDING PARKING TAX COLLECTION**

The Office of Finance (Finance) letter on parking tax collection dated May 3, 2007 to the Budget and Finance Committee is attached. In summary, Finance collects parking taxes from venues such as Dodger Stadium, Staples Center and the University of Southern California and has an audit program to help ensure revenue recovery.

KLS:TAB:01070067c

Attachment.

ANTOINETTE CHRISTOVALE
DIRECTOR of FINANCE

CITY OF LOS ANGELES
CALIFORNIA

OFFICE OF FINANCE
200 N. SPRING ST.
ROOM 220 - CITY HALL
LOS ANGELES, CA 90012

TAB 1

(213) 978-1782



2007 MAY -3 PM 4:48
CITY ADMINISTRATIVE OFFICER

ANTONIO R. VILLARAIGOSA
MAYOR

COPY

May 3, 2007

Honorable Members of the Budget and Finance Committee
C/o Lauraine Braithwaite, Legislative Assistant II
City Clerk, Room 395 City Hall

OFFICE OF FINANCE – PARKING TAX COLLECTION

This letter is in response to the Budget and Finance Committee's request regarding collection of Parking User Tax and whether or not revenue was received from Parking fees and Special Events held at venues such as Dodger Stadium, Staples Center and the University of Southern California (USC).

The Office of Finance (Finance) regularly audits accounts that appear to be under-reporting as well as conducts random audits of the tax rolls. When an audit is performed, all potential tax liabilities are evaluated. For example, a business may have business tax, parking tax, utility tax and transient occupancy tax liabilities—all of which would be looked at during the course of an audit. An audit of Staples Center was recently conducted in 2005 and all outstanding issues were resolved. The Los Angeles Dodgers are part of our regular audit cycle. The next audit will be conducted during fiscal year 2007-08. In previous audits, there were no issues involving the Parking Tax. Similarly, an agreement with the Coliseum Commission (USC events) was consummated in 2004 to begin collection of the Parking Tax on the four parking lots under its control. As part of our audit program, we plan on conducting a follow-up audit of these lots during 2007-08.

Finance also contracts with an outside vendor, The Parking Network (TPN), to audit and validate parking taxes paid throughout the City. Since 2004 over \$2.4 million has been realized from audits of over 200 parking lot locations. Criminal charges are also pending against one operator. An additional \$1 million is anticipated in the budget from TPN in 2007-08.

In summary, we have seen an increase in compliance through the efforts of our staff and the outside vendor. However, in setting our audit agenda for 2007-08 we will incorporate a review of other potential opportunities where parking tax may be due the City.

Thank you for the opportunity to reply to your request. Should you have any questions, or require additional information, please contact me directly at (213) 978 -1774.

Sincerely,

Antoinette D. Christovale
Director of Finance

AC:JW:cc

c: Todd Bouey, Finance Specialist II, City Administrative Office
Sally Choi, Deputy Mayor of Finance and Performance Management

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 46

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **SAFER CITIES INITIATIVE**

The Committee requested a report on why the Safer Cities Initiative was not referenced in the Anti-gang Exhibit (Exhibit 1) on Page 559 of the Bluebook.

According to the Mayor's Office, the reference to this program as being part of the City's overall Anti-gang Strategy was an error. The "Safer Cities Initiative" is actually a strategy that builds partnerships and collaborations with businesses, criminal justice agencies, community groups, private organizations and City departments to reduce crime using the "broken windows" approach. This approach focuses on quality of life issues that enhance neighborhoods, rather than concentrating specifically on gang suppression or prevention activities.

KLS:JL

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 47

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **GRANT PROGRAMS/POSITIONS - CITY ATTORNEY**

The Committee requested a report on the amount of grant funding received by the City Attorney as well as the number of positions that are funded by each grant.

Please find attached, the City Attorney's memo submitted to the Committee on May 1, 2007, detailing the information related to grant funding.

KLS:JL



2007 MAY -3 AM 11:09

OFFICE OF THE CITY ATTORNEY


CITY ADMINISTRATIVE OFFICER

ROCKARD J. DELGADILLO

CITY ATTORNEY

May 1, 2007

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney 

SUBJECT: **Budget Follow-up**
Detail of FY 06-07 Grant Programs/Grant Reimbursed Positions

In response to your committee's request, the following details the Grant Programs and Grant Reimbursed Positions in the Office of the City Attorney:

- I. City Attorney administered grants
- A. Dispute Resolution Program - \$263,262
 - (1) Administrative Coordinator III
 - (1) Administrative Coordinator I
 - (1) Legal Secretary II
 - (1) Legal Clerk II
 - B. Joint Powers Verification Unit - \$684,037
 - (1) Administrative Coordinator III @ 50%
 - (1) Administrative Coordinator I
 - (1) Sr. Witness Service Coordinator
 - (7) Witness Service Coordinator
 - (1) Legal Secretary I
 - (1) Legal Clerk I
 - C. Project Safe Neighborhoods - \$173,390
 - (1) Deputy City Attorney II
 - D. Special Emphasis Victim Assistance Program - \$110,000
 - (2) Witness Service Coordinator
 - E. Spousal Abuser Prosecution Program - \$59,395
 - (1) Deputy City Attorney III partially funded
 - F. Victim Assistance Program - \$856,817
 - (1) Administrative Coordinator III @ 50%
 - (1) Administrative Coordinator II
 - (1) Legal Secretary I
 - (1) Legal Clerk I
 - (1) Sr. Witness Service Coordinator
 - (12) Witness Service Coordinator

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II. CDD administered grants (33rd Year Con Plan - CDBG)

- A. FALCON - \$905,908
 - (1) Assistant City Attorney
 - (2) Deputy City Attorney IV
 - (2) Administrative Coordinator II
 - (1) Paralegal II
 - (1) Principal Clerk II

- B. PACE - \$690,139
 - (2) Deputy City Attorney II
 - (3) Hearing Officer
 - (1) Legal Secretary III
 - (1) Legal Secretary II

III. Mayor's Office administered grants

- A. CLEAR (2006 Justice Assistance Grant) - \$91,340 allocated to the City Attorney in FY 06-07, partial reimbursement for 3 Deputy City Attorneys

- B. CLEAR (2005 Justice Assistance Grant) - \$78,021 allocated to the City Attorney in FY 06-07, partial reimbursement for 3 Deputy City Attorneys

- C. CLEAR (OJJDP grant) - \$21,886 allocated to the City Attorney in FY 06-07, partial reimbursement for 3 Deputy City Attorneys.

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 48

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **RESTORATION OF COUNCIL SUPPORT POSITIONS IN ITA**

As part of its 2007-08 budget proposal, the Information Technology Agency (ITA) requested regularization of one Systems Analyst II that is currently on substitute authority. This position helps support the technology needs of the Council and various Council committees.

At the time the budget was developed, ITA had three vacancies in this classification and pay grade. Historically, ITA maintains an average of 80 vacancies or ten percent of its total employment authority. In acknowledgement of the vacancy factor and the 2007-08 budget constraints, it is recommended that ITA place the incumbent substitute authority Systems Analyst II in one of its existing vacancies and assign the position to support the City Council and its committees. Authorization of a new resolution or regular authority position would increase the ITA Salaries General account by \$74,511 annually.

Additionally, ITA requests that two regular authority Video Technician II positions be authorized to support the current and planned expansion of the Council's Two-Way Video Testimony system. The annual cost for both positions is \$135,486. Both positions are financed in the Telecommunications Development Account (TDA) for 2007-08.

Two substitute authority positions of Communication Electrician that were authorized in March 2006 to support this system are no longer needed. Instead, two Video Technician II positions are being requested to support the Two-Way Video Testimony system; it is therefore recommended that the two requested resolution authority positions be added to ITA's position authority for 2007-08. Funding is available in the TDA.

Recommendations

That the Council:

1. Direct ITA to fill one of its existing Systems Analyst II vacancies or request from the City Administrative Officer an in-lieu authority and assign the position to support the City Council and its committees; and
2. Direct the CAO to amend the Mayor's 2007-08 proposed budget to include two resolution authority positions of Video Technician effective July 1, 2007, subject to pay grade determination by the Employee Relations Division.



Fiscal Impact Statement

There will be no impact to the General Fund. Funding in the amount of \$135,486 is available in the Telecommunications Development Account (TDA) for the two Video Technician positions.

KLS:WDC:11070076c



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 49

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **LOS ANGELES FIRE DEPARTMENT LETTER TO THE BUDGET AND FINANCE COMMITTEE ON THE MAYOR'S 2007-08 PROPOSED BUDGET**

Your Committee has requested the City Administrative Officer (CAO) to report back on the Los Angeles Fire Department (Fire) letter, dated April 23, 2007, that was submitted to the Budget and Finance Committee on the Mayor's 2007-08 Proposed Budget (Attachment 1). The Fire letter consisted of the four issues below and was discussed during the Fire Chief's presentation to your Committee on April 26, 2007. In total, the Fire letter identifies deficiencies and concerns of about \$18.2 million listed below, including a training/command helicopter, in the 2007-08 Proposed Budget (Attachment 2).

- A funding shortfall of about \$6.6 million in various accounts, of which about \$1.0 million is for increased contract services in 2007-08;
- A funding shortfall of about \$6.7 million for expanded services and training, of which \$3.4 million is for Fire Station 67 that is expected to open in 2007-08;
- Reduced funding and services of about \$2.3 million due to the deletion of 19 sworn special duty positions from various areas of the department; and,
- A funding shortfall of about \$2.6 million for various department services including a training /command helicopter with an estimated cost of about \$1.7 million.

During the Fire budget hearing in your Committee, the Fire Chief indicated that funding for the \$18.2 million in deficiencies and shortfalls would not be required at this time. The Fire Chief stated that Fire would do its best to continue to provide as many of the services that were reduced or eliminated within budgeted funds in 2007-08. The Fire Chief also indicated that Fire staff, in cooperation with the CAO, would continually monitor Fire's budgeted accounts during the 2007-08 fiscal year and report back to your Committee through the Monthly Financial Status reports on the \$6.6 million structural deficit identified above. It should be noted that Fire identified an \$8.0 million structural deficit in its budgeted accounts for 2006-07 and has worked closely with the CAO throughout the fiscal year on reducing the structural deficit. However, in the Mid-Year report recently approved by the Mayor and City Council, Fire received a \$2.5 million transfer from the Reserve Fund to cover an anticipated deficit within its Constant Staffing Overtime account (C.F. 06-0600-S74). Additionally, the 2007-08 Proposed Budget does not include funding or sworn staff for Fire Station 67 which will

further intensify the strain on Fire's budgeted accounts. Fire should report back immediately on the funding and staffing requirements for Fire Station 67 in 2007-08 taking into consideration the anticipated opening date of the facility.

Lastly, the Fire letter requests approval for the three items listed below that were not included in the Mayor's 2007-08 Proposed Budget and has identified fiscal offsets to ensure that there is no additional impact to the General Fund.

- Restoration of two Assistant Fire Chief positions (\$587,443);
- Capital improvements for the backup dispatch center (\$320,000); and,
- Increasing Fire's helicopter fleet from 5 to 6 by adding one training/command helicopter (2007-08 MICLA funds totaling \$786,114).

For the restoration of the two Assistant Fire Chief positions that provide terrorism/homeland security liaison services to both the Harbor Department (Harbor) and Los Angeles World Airports (LAWA), the Fire letter indicated that both the Harbor and the LAWA would reimburse the City on a full-cost recovery basis. However, as of April 27, 2007, only the Harbor has agreed to reimburse the City on a full-cost recovery basis in 2007-08. The LAWA has agreed to only continue the reimbursement of up to 50 percent of the cost for the Assistant Fire Chief position. It should be noted that the two Assistant Fire Chief positions were approved in 2006-07 assuming that the City would receive reimbursement on a full-cost recovery basis (C.F. 06-1700). However, for 2006-07, Fire expects to receive reimbursement of 50 percent of the cost of the two positions from both the Harbor and LAWA. In addition, the City Council directed Fire to report back with a plan to fund the two positions and was also directed to absorb any General Fund costs related to the positions that were not reimbursed by the Harbor and the LAWA. If these two positions are continued in 2007-08, based upon the cost included in the Fire memo, the net General Fund impact of the Assistant Chief position partially reimbursed by LAWA would be about \$146,861, which reflects the cost of the two positions (\$587,443) less reimbursements (\$440,582).

For the capital improvements requested for the backup dispatch center, the Fire letter proposed shifting \$320,000 in General Fund financing away from a lower priority project that is currently funded in the Mayor's 2007-08 Proposed Budget. The shifting of General Fund financing from one project to a higher priority project will not have an additional fiscal impact on the General Fund. The project proposed for deferral, a sunshade for the Supply and Maintenance Division vehicle repair shops, is expected to be requested by Fire for the 2008-09 Proposed Budget. Additional information on the shifting of funds for the backup dispatch center will be included in a separate budget memo to your Committee.

The training/command helicopter, with a cost of about \$1.7 million, is requested by Fire to improve training and operational capabilities. Fire proposes shifting \$505,997 in General Fund financing away from Fire Station 36 intended for the purchase of apparatus (a fire engine and ambulance) and identifies \$280,117 in additional revenue for 2007-08. Fire indicates that the combined \$786,114 in savings and revenue would offset the 2007-08 increase of \$786,114 to its MICLA fleet replacement program. Additional information on the training/command helicopter will be included in a separate budget memo to your Committee relative to the broader issue of continuing MICLA funding for Fire's fleet replacement program.

RECOMMENDATIONS

That the Budget and Finance Committee instruct the Los Angeles Fire Department (Fire) to report back immediately with:

1. The funding and staffing requirements for Fire Station 67 in 2007-08 taking into consideration the anticipated opening date of the facility; and,
2. A plan to maintain the Los Angeles World Airports Assistant Chief position in 2007-08 including alternate sources of funds that may be available to offset the \$146,861 cost to the General Fund.

KLS:RMK:04070160c

Attachments

BOARD OF FIRE COMMISSIONERS

DALILA T. SOTELO
PRESIDENT

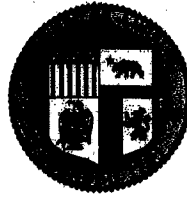
JILL FURILLO
VICE PRESIDENT

ANDREW FRIEDMAN
GENETHIA HUDLEY-HAYES
CASIMIRO URBANO TOLENTINO

BLANCA GOMEZ-REVELLES
EXECUTIVE ASSISTANT II

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

FIRE DEPARTMENT

DOUGLAS L. BARRY
INTERIM FIRE CHIEF

200 NORTH MAIN STREET
LOS ANGELES, CA 90012

(213) 978-3800
FAX: (213) 978-3815

<http://www.lafd.org>

April 23, 2007

Honorable Bernard C. Parks
Chair, Budget and Finance Committee
c/o Lauraine Braithwaite, Legislative Assistant
Office of the City Clerk

Dear Councilmember Parks:

The Mayor's Proposed Budget for Fiscal Year 2007-08 was received and has been reviewed by my staff. As requested, I am addressing four key areas of concern that I would like to bring to your attention. However, I am not requesting the allocation of funds for all of these items at this time. We will actively work throughout the coming fiscal year to mitigate these deficits by seeking to realign existing resources internally or alternative funding sources. The Department will report back via the Monthly Financial Status Reports on the condition of our accounts.

1. Total Account Shortages/Underfunding of \$6.6 million:

Salary Accounts - \$4.6 million

Account 1012, Sworn Salaries - \$1.2 million

Account 1030, Sworn Bonuses: - \$600,000

Account 1092, Sworn Overtime: - \$700,000

Account 1093, Overtime Constant Staffing: - \$1.6 million

Account 1098, Variable Staffing Overtime - \$500,000

These account shortages are based on both historical data and anticipated expenditures in FY 2007-08. Additionally, Sworn MOU salary and bonus negotiated increases are not being fully funded. These are built-in shortages that the Department has to mitigate despite budget requests to fully fund these Accounts. LAFD's sworn salary accounts are very complex and interrelated. The projected deficit of \$4.6 million in salary accounts is difficult to mitigate.

Expense Accounts - \$2 million

Account 3040, Contractual Services - \$1 million

- Additional funding is necessary to meet the revised terms of the Helitanker Lease contract renewal. The Department has determined that due to the ongoing changes in brush season and the increased potential for major brush fires throughout the fiscal year, the period of time that the helitanker is available to the City needs to be extended. (Cost increase of \$700,000).

- The Department has been working on a contract with UCLA to conduct Paramedic Training. The cost to continue to train our Paramedics under this contract is \$300,000 per year.

Account 3090, Field Equipment Expense - \$1 million

- This Account has been underfunded for several years. The projected deficit was due to the need to purchase auto parts to keep all apparatus/vehicles in service and is based on historical usage.
- The average transfer into the Field Equipment Account in FY 2002-03, 2003-04 and 2004-05 was \$800,000. However, in FY 05-06 an additional \$1.2 million was transferred into this Account to keep pace with the increased cost for and number of auto parts.

2. Programs Enhancing our emergency response to increase public safety throughout the City:

Fire Station 67 - \$3.4 million. The Department requests funding (for personnel, expense and equipment) and position authority for three Fire Captain I, three Fire Engineers, three Firefighter III and nine Firefighter Paramedics to staff Fire Station 67 which is scheduled to open in August 2007.

EMS Plan - \$338,040. The Department requests funding for the upgrade of 36 Firefighter III to Firefighter/Paramedics. These 36 new positions will be assigned to 12 fire stations in South Los Angeles. These fire stations will each have a Paramedic Assessment fire company implemented along with the already staffed Paramedic Ambulance. This "doubling" of paramedic resources at the 12 fire stations in South Los Angeles will greatly reduce the Paramedic Response Times to patients with medical emergencies.

OCD Dispatcher Training - \$686,610. The Department requests additional funds to hold a second Dispatcher Training Class. Members have a two or three year commitment for this assignment. In the next two years, the Department anticipates almost a complete turnover for dispatchers. Of the 57 members with 2-year commitments, 19 are in DROP with less than 2 years to retirement and 38 have overextended their commitment by 2 years or more. These positions cannot be kept vacant and each training class is four months, with a maximum of 12 trainees per class. Two Dispatchers training classes per year will be required to train replacements and keep up with the projected turnover.

OCD Workload Relief - \$2,314,714. The Department requests funding and position authority for 9 Dispatchers and three Captain II. The dispatchers work in a very difficult and stressful environment and additional staffing is necessary to provide workload relief, address work environment issues, and allow us to cover absences without forcing people to work excessive overtime.

3. Items/Services Deleted in Blue Book:

Decrease in staffing for Homeland Security Phase II - \$1,279,039. Nine Resolution Authorities (one Captain II and eight Captain I's) have been deleted from the Homeland Security Phase II program. These positions are filled and provide support in planning and training of Homeland Security activities.

Deletion of the CERT Training - \$654,144. Six positions assigned to the Community Emergency Response Teams Unit (one Fire Captain I and six Firefighter III's) provide critical training to the community which is essential in being prepared for major emergencies. The training provided by the CERT Unit is even more critical due to the threats posed by terrorism. Without these resources, the Department will no longer be able to provide dedicated emergency response training.

Deletion of Risk Management Program - \$345,864. Three Fire Captain positions focused on reducing Workers Compensation and IOD costs are deleted. These positions are dedicated to focusing on injury prevention and designing safety programs to mitigate injuries in the work place. They are also responsible for tracking and reporting all Work Comp/IOD and litigation costs.

4. Items/Services requested to be restored based on offsets (see attachment):

The following items are critical to the Department's operations and we have identified sources of funding to offsets the costs of these items.

Restore position authority and funding for two Assistant Fire Chiefs for Homeland Security - \$587,443. Two very well known potential targets for terrorism in the City of Los Angeles are the Los Angeles World Airports (LAWA) and the Port of Los Angeles. Funding and position authorities are requested to be restored. Both LAWA and Harbor have agreed to fully fund these positions as they recognize how critical it is to have Fire Department staff properly plan for and address potential terrorism acts against these two significant targets. Due to the size, location and complexity of both targets, it is necessary to have a dedicated position to work with each agency. These positions are currently filled.

Funding for repairs to the Coldwater OCD Backup Center - \$320,000. Funding is requested to make long overdue repairs and upgrades at the Fire Department's backup dispatch center. This is a critical funding request due to the fact that the Department does not currently have another fully operational backup dispatch facility, which could create the potential for significant liability to the City of Los Angeles. The power demands of the dispatch computer systems currently installed at the Coldwater Dispatch Facility exceed the capacity of the station's electrical system. Heat generated by the computer system exceeds the capacity of the air conditioning which has subjected critical dispatch system components to heat-related failure. A significant number of critical computers are currently running on unprotected circuits because the Uninterruptible Power Supply (UPS) is too small to support the number of computers needed for dispatching. Several critical computers were recently damaged from a power spike, making dispatching from Coldwater impossible until those computers were replaced. The emergency generator lacks sufficient capacity to power both the dispatch systems and the air conditioning.

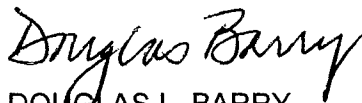
Training Helicopter. The Department is currently authorized to have five AB 139 Helicopters with no training helicopter (5+0). The Department requests funding and authority to purchase a training helicopter through the MICLA Program to meet training needs of pilots and provide a consistent training program in compliance with settlement stipulations in a previous lawsuit. This additional helicopter would also assist in responding to brush fires.

Honorable Bernard C. Parks
April 23, 2007
Page four

The Department has reviewed and utilized various other alternatives over the past 36 months. However, our training has been inconsistent and does not meet our needs. The lack of a dedicated training helicopter will have long-term negative ramifications in our ability to meet the City's needs for air support and responding to major brush fires. The most effective configuration for the Department's helicopter fleet is five AB 139's and one training helicopter (5+1).

In the attachment, I have highlighted the funding priorities requested to be restored and have also identified savings to offset these priorities. I welcome the opportunity to discuss this further to ensure that the Fire Department can continue to provide the highest level of service and safety to the public and address the Department's ongoing infrastructure needs.

Respectfully submitted,



DOUGLAS L. BARRY
Interim Fire Chief

Attachment

cc: Sally Choi, Deputy Mayor Finance and Performance Management
Karen Sisson, City Administrative Officer

Fire Department - Letter to Budget and Finance Committee for Proposed 07-08 Budget

Addbacks			Recommended Offsets	
Program	Regular Positions	Cost	Program	Total Offsets
Restore two Fire Assistant Chiefs for LAWA and Harbor	2	\$587,443	100% funding from LAWA and Harbor	\$587,443
A&I's				
CIEP for Repairs to Coldwater OCD Backup		\$320,000	A&I Funding for S&M Sunshade	\$320,000
MICLA				
Helicopter Fleet Configuration 5+1 - Includes adding one training helicopter		\$786,114	New and Replacement Fire Facilities - Apparatus for FS 36 (add to MICLA replacement) - Funds in Account 7350 (BB Item No. 14)	\$505,997
			Offset from Measure B Funds	280,117
				\$786,114

2007-08 Proposed Budget:
Deficiencies and Concerns Identified by the Los Angeles Fire Department

Deficiencies and Concerns	Amount
Deficiencies in Various Salary Accounts	\$ 4,600,000
Helitanker Services	700,000
Paramedic Training Services	300,000
Various Field Equipment and Replacement Parts	1,000,000
Fire Station 67	3,400,000
Emergency Medical Services Plan	338,040
Second Dispatcher Training Class	686,610
Dispatch Center Workload Relief	2,314,714
Homeland Security Enhancement, Phase II Staff Reductions (Nine positions)	1,279,039
Community Emergency Response Team (CERT) Staff Reductions (Seven positions)	654,144
Bureau of Training and Risk Management Staff Reductions (Three positions)	345,864
Restoration of Two Fire Assistant Chief positions	587,443
Backup Dispatch Center Capital Improvements	320,000
Training/Command Helicopter	1,700,000
Total:	\$ 18,225,854

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 50

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **USE OF CAPITAL IMPROVEMENT EXPENDITURE PROGRAM (CIEP) FUNDS
AT ITALIAN HALL BUILDING AND CIEP PRIORITIES**

At the Budget and Finance Committee meeting of May 1, 2007, this Office was asked to report on whether \$500,000 out of \$5.5 million in CIEP funds included in the Proposed Budget for El Pueblo Improvements could be used for Italian Hall improvements. In addition, we were asked to report on El Pueblo's CIEP priorities.

Regarding the Italian Hall, at the Budget and Finance Committee meeting, it was represented that the Italian Hall needed only \$200,000 to \$400,000 to repair a roof truss, thus making the building habitable. However, the Bureau of Engineering (BOE) indicates that in order for the building to receive a certificate of occupancy, in addition to the roof truss repair, the City must complete tenant improvement work initiated but not completed by the Italian Hall Foundation as well as a seismic retrofit of the building. BOE believes that the work needed at the Italian Hall may cost as much as \$3.0 million, but that an assessment is needed to accurately determine the full scope and cost. BOE indicates that it would require up to \$100,000 to conduct the assessment. We believe that BOE should be authorized to spend budgeted funds to conduct the assessment and to report back to the Mayor and Council on the funding required to make the repairs necessary for the Italian Hall to receive a certificate of occupancy.

Regarding El Pueblo's CIEP priorities, the Council authorized a list of capital projects in August, 2005 (C. F. 05-0577). It should be noted that estimated costs in many cases are very preliminary and even Class "C" estimates may not yet have been performed by BOE. A rough order of magnitude to cover the costs is \$44.5 million. To date, funding provided for these items totals about \$30.8 million. To fund the authorized projects, an additional \$13.7 million would be needed, based on current estimated costs.

Further, El Pueblo and BOE have identified plumbing as a significant additional item that may require a substantial expenditure of about \$6.1 million. Therefore, an additional amount of \$9.1 million may be needed to fund the Italian Hall renovation (\$3.0 million) and the plumbing work (\$6.1 million). BOE indicates that the General Services Department (GSD) is conducting a survey to determine the full scope of needed plumbing repairs. As indicated in the table below, the total cost of authorized and identified needs is about \$53.6 million:

Project	Estimated Cost	Status
Fire/life-safety/restroom/urgent repairs	\$1,344,000	Completed
Olvera Street Puesto renovations	\$4,613,000	In design
Utility upgrades	\$4,180,000	In Design
Miscellaneous improvements such as installation of security gates and lighting and construction of a parking structure at Main Street and Cesar Chavez Avenue	\$18,000,000	Not begun
Alameda Street improvements	\$1,300,000	Completed
La Placita de Dolores renovations	\$2,000,000	Completed
Siqueiros Mural restoration	\$11,750,000	Not Begun
Creation of a transportation museum.	\$1,300,000	May No Longer Be Feasible
TOTAL ESTIMATED COST OF AUTHORIZED PROJECTS	\$44,487,000	
Italian Hall Improvements	3,000,000	Not Yet Authorized
Plumbing Improvements	6,100,000	Not Yet Authorized
TOTAL POTENTIAL COST	\$53,587,000	

BOE indicates that to date, the fire/life safety/restroom/urgent repairs, Alameda Street and La Placita de Dolores renovations have been completed. The Puesto renovations and utility upgrades are in progress. On the other hand, the construction of a parking structure may cost as much as \$18 million, according to BOE, and may therefore not an active project. BOE also states that creation of a transportation museum may no longer be feasible due to lack of space and loss of grant funding from Caltrans. Finally, the Siqueiros Mural project, which has previously been identified to cost \$11.8 million, will be reduced in scope to lower its costs. The rescope is in process and a new estimate is unavailable at this time.

Of the \$30.8 million provided to date, about \$23.4 million are City funds (including the \$5.5 million in CIEP funds in the 2007-08 Proposed Budget) and \$7.4 million are non-City funds (see Attachment for detail). The sum of \$26.1 million is still available to fund construction work during 2007-08.

It is clear that the total funding needs, while not fully known at this time, exceed the monies available. It would be appropriate for BOE, as the Project Manager, to work with El Pueblo to continue to develop the scope and cost estimates for items still needing them and to subsequently incorporate and prioritize all items on one master list along with a cash flow plan and an overall construction schedule. The new master list can then be presented to the Municipal Facilities Committee and the Mayor and Council, for approval. Additional funds beyond what is included in the Proposed Budget are not recommended for the 2007-08 Fiscal Year. Any additional funding needs, including evaluating the availability of alternative funding sources, can be considered in 2008-09 after the assessments and rescoping work have been completed and a phased construction plan has been developed.

El Pueblo Capital Program

Attachment

City Funds

Purpose	Budget Year	Source	Appropriation	Expenditures	Available
Siqueros	2000-01	El Pueblo Trust Fund	689,375	-	689,375
Siqueros	1997-98	CIEP	442,000	-	442,000
Capital Program	2004-05	MICLA	1,000,000	1,000,000	-
Capital Program	2004-05	MICLA	12,000,000	344,359	11,655,641
Siqueros	2006-07	Arts & Cultural Facilities Trust Fund	1,352,000	-	1,352,000
Siqueros	2006-07	MICLA	2,400,000	-	2,400,000
Capital Program	2007-08	MICLA	5,500,000	-	5,500,000
City Funds Subtotal			23,383,375	1,344,359	22,039,016

Non-City Funds

Purpose	Source	Appropriation	Expenditures	Available
Alameda	MTA/Proposition C	1,300,000	1,300,000	-
La Placita	California Arts Council	2,000,000	2,000,000	-
Transportation Museum	CalTrans	1,300,000	-	1,300,000
Transportation Museum	CalTrans	(1,300,000)	-	(1,300,000)
Siqueros	Getty	3,950,000	-	3,950,000
Siqueros	HUD	120,280	-	120,280
Non-City Funds Subtotal		7,370,280	3,300,000	4,070,280
Grand Total		30,753,655	4,644,359	26,109,296

CITY OF LOS ANGELES

Memo No. 51

INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LAPD RECRUITMENT BONUS**

In response to the request of the Budget and Finance Committee, following are responses to questions regarding the Los Angeles Police Department recruitment bonus.

• **What are the eligibility requirements for the signing bonus?**

Graduation from an LAPD Academy class as an LAPD Police Officer on or after the effective date of the ordinance and successful completion of an 18-month probationary period. The bonus payments would be forfeited if the officer voluntarily terminates, is involuntarily terminated, or accepts transfer or appointment to another classification in the City that is not eligible to receive these payments. In addition, the bonus must be repaid if the officer voluntarily leaves the LAPD within five years of graduation from the Academy.

• **When did it become effective?**

The signing bonus is not yet effective. The ordinance enabling the bonus will become effective after it has been approved by the Mayor and City Council, has been published or posted, and 30 days have passed.

• **Who will be impacted?**

- New recruits who graduate **after the effective date** of the ordinance.
- Officers hired as Police Specialists from other California police agencies during the two-year period of the bonus program.
- Any former member of the LAPD who resigned in good standing at or below the rank of Sergeant or Detective who returns to service during the two-year period of the bonus program.

• **When will the bonus be received?**

Half of the bonus will be received upon graduation from the Academy, and half will be paid upon promotion to the classification of Police Officer II and successful completion of the probationary period.

• **What are the criteria for receiving the signing bonus?**

- New recruits who graduate from the Los Angeles Police Academy on or after the effective date of the ordinance, but no later than March 31, 2009, will be eligible for a \$5,000 signing bonus. Half of the bonus will be paid to the new officer upon graduation from the Academy, and half will be paid upon promotion to the classification of Police Officer II and successful completion of the probationary period.

- Officers hired as Police Specialists from other California police agencies during the two-year period of the program will be eligible for a \$10,000 bonus. Half of the bonus will be paid upon graduation from the Academy; the remaining half will be paid upon promotion to the classification of Police Officer II and successful completion of the probationary period.
- Any former member of the LAPD who resigned in good standing at or below the rank of Sergeant or Detective who returns to service during the two-year period of the program will be eligible for a bonus of \$10,000. Half of the bonus will be paid upon graduation from the Academy, and half will be paid upon completion of six consecutive months of service with a minimum performance rating of "meets standards."

- **Why is the bonus retroactive?**

While it was originally envisioned that the bonus could apply to all those entering the Academy after June 29, 2006, the City Attorney has noted that the bonus could not be applied prior to the effective date of the ordinance. Consequently, only those graduating after the effective date of the ordinance will be entitled to receive the bonus. Assuming the ordinance is adopted by the Mayor and Council in June 2007 and effective in July 2007, the recruits enrolled in the Academy since January 2007 would be eligible to receive the first increment of the bonus upon graduation.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 52

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LICENSE PLATE SCANNERS**

The Committee requested a report back on license plate scanners funded in the 2005-06 Vehicle License Fee Gap Loan Financing Fund (VLF), and how that funding related to funding for license plate scanners in the FY06 Urban Areas Security Initiative (UASI 06) grant budget.

There was no funding for license plate scanners in the 2005-06 VLF. The 2005-06 Adopted Budget contained \$700,000 allocated for 19 license plate scanners and 25 firearm training simulators. This funding was allocated in the Forfeited Assets Trust Fund (Schedule 3). However, as the firearm training simulators were more expensive than anticipated and the inability of license plate scanner manufacturers to meet the City's specifications, only the firearm training simulators were purchased. To date, the Police Department has not purchased any license plate scanners.

The UASI 06 grant program contains funding in the amount of \$2.1 million for a license plate recognition program (UASI Project Number 241). The Police Department can provide more detail on this program should it be requested.

KLS:MC:04070162

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 53

Date: May 4, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **SIGNIFICANT DECREASE IN GSD AND STREET LIGHTING REVENUES**

Your Committee asked for a report on the Department of General Services' miscellaneous revenue decrease from FY 2006-07 revised to the FY 2007-08 budget and on the decrease in reimbursements related to Street Lighting Maintenance Assessment Fund and how this matter should be addressed.

The annual revenues for GSD's miscellaneous revenue account (page 172 of the Revenue Outlook) have ranged from \$17,000 to \$1.3 million during the last seven years. For 2006-07, two extraordinary items were credited to this revenue account: 1) a lease cost reimbursement from the Social Security Administration for a lease extension at the Public Works Building (\$700,000); and 2) Office Depot rebates (\$300,000). Since no extraordinary revenue items are foreseen for 2007-08, \$50,000 was estimated for the Proposed Budget.

The Street Lighting Maintenance Assessment Fund does not have sufficient revenue to pay overhead cost revenues at the level estimated for the 2006-07 Adopted Budget (Revenue Outlook page 209, revenue source code 4666). To address this, the assessments would need to be increased in accordance with Proposition 218. To highlight the imbalance between projected revenues and expenditures, a five-year forecast was included on page 612 of the Detail of Department Programs Budget Book. As illustrated, unless the assessments are increased, the City's General Fund will be subsidizing the Street Lighting Program.

KLS:BGF:16070011

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 54

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **COMMUNITY DEVELOPMENT DEPARTMENT RELATED COST
ANTICIPATED SHORTFALLS FOR 2007-08**

At the Budget and Finance Committee meeting on May 2, 2007, the members requested clarification on anticipated Community Development Department (CDD) related cost shortfalls for 2007-08. Related costs, also known as overhead costs, are the proportion of City-wide and centralized management and support services that are used by departments in charging against grants and seeking reimbursement for City costs. These costs are determined as a percentage of a department's salaries budget for filled positions, as defined by Cost Allocation Plan (CAP) rates that are calculated by the Controller and approved by the federal government. CDD's applicable CAP rate, currently 51.25 percent, includes fringe benefits and central City services, the latter including CAO, Chief Legislative Analyst, City Clerk and other general City support costs.

Based on this rate, the total reimbursement obligation to the General Fund based on approximately 302 filled grant-funded positions is around \$9.6 million (in other words, the true cost of CDD's administrative budget includes \$22.6 million in direct costs plus \$9.6 million in General Funded overheads that should be reimbursed by grant sources, for a total of \$32.2 million). However, due to the department's declining receipts of Community Development Block Grant and Workforce Investment Act grant funds (20 percent over last three years), it is determined that CDD can only reimburse approximately \$4.6 million of this obligation after covering all of its direct costs. Thus, the department cannot reimburse the General Fund for \$5 million of its related cost obligations which essentially becomes a General Fund subsidy (it should be noted that while CDD has sustained attrition efforts over the last few years – reducing filled grant-funded staffing from approximately 490 positions in 2002 to just over 300 at present, dramatic increases in the CAP rate have offset any reductions in its reimbursement obligations). The revenue and special fund schedules in the Proposed Budget reflect \$4.6 million in reimbursement revenues from the Department.

The Department's overall budget decrease of five percent over 2006-07 is an incremental step to align budgetary needs with actual grant receipts. We will continue to seek other opportunities to further decrease direct cost obligations, such as administrative costs that are budgeted through the Consolidated Plan and Workforce Investment Board Annual Plan processes, that would enable the Department to resume full recovery of related cost obligations.

CITY OF LOS ANGELES **REVISED** Memo No.55
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by m-1*

Subject: **MOTION TRACKING**

The Budget and Finance Committee requested that the Information Technology Agency (ITA) report on the cost of implementing a Council motion tracking system.

The City Clerk has submitted the attached report to the Budget and Finance Committee. The City Clerk has been working with ITA to develop a cost estimate to implement a motion tracking system that would be integrated with the current Council File Index (CFI) and internal Council File Status (CFS) systems and would provide both subscription capability and reporting capability. The following chart reflects the recommended project funding for a total of \$270,888, comprised of \$32,800 for one-time cost and \$238,088 for on-going cost:

<u>ACCOUNT NUMBER</u>	<u>ITA</u>	<u>CITY CLERK</u>	<u>CLASS NUMBER</u>	<u>ONE-TIME COST</u>	<u>ON-GOING COST</u>
1010	-	Programmer Analyst III	1431-3	-	\$73,703
	Programmer Analyst III	-	1431-3	-	\$73,703
	-	Senior Management Analyst I *	9171-1	-	<u>\$85,982</u>
		Acct #1010 Subtotal		-	\$233,388
3040	Consulting	-	-	<u>\$7,500</u>	-
		Acct #3040 Subtotal		\$7,500	-
6010	ListServ Maestro	-	-	\$16,300	-
	Annual Software Maintenance	-	-	-	\$4,700
	Training (4.5 days for 8 ITA or City Clerk employees max)	-	-	<u>\$9,000</u>	-
		Acct #6010 Subtotal		\$25,300	\$4,700
		GRAND TOTAL		<u>\$32,800</u>	<u>\$238,088</u>

* NOTE: The City Clerk recommends a Senior Management Analyst I position with the additional duties of the Ombudsman position (C.F. 05-0575-S1; C.F. 06-1842) or a Management Analyst II position (Class 9184-2; On-Going Cost of \$74,627) without the Ombudsman duties.

KLS:LLF:11070080C

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2007

To: Honorable Members of the Budget and Finance Committee

From: Frank T. Martinez, City Clerk *Frank T. Martinez*

Subject: **MOTION TRACKING**

During the Information Technology Agency (ITA) budget hearing, the Budget and Finance Committee requested information regarding motion tracking. The Committee requested that a line item be included in the Unappropriated Balance for such a project.

Several Council members have expressed interest in a tracking or reporting system that would allow staff to easily track items of interest, such as Council motions. It was also our understanding that there is an interest in having subscription capability. That is, a user can subscribe to a particular item and receive notifications any time there is activity on that file. Additionally, Councilmember Rosendahl introduced a motion several months ago to explore keyword search capability.

Our Office has been working with ITA to develop a cost estimate to implement a motion tracking system that would be integrated with the current Council File Index (CFI) and internal Council File Status (CFS) systems and would provide both subscription capability and reporting capability. This would entail rewriting, integrating and maintaining the existing CFI and CFS programs to enable the desired reporting features. The parameters of the reports would be developed based on user input. Software would be purchased to enable the subscription feature. This would also incorporate the keyword search capability requested by Councilmember Rosendahl.

Recommended Project Funding:

Basic Motion Tracking with Subscription Capability - 1st year direct cost - \$271,000.
Ongoing direct costs - \$238,000.

Staff Resources:

1 Programmer Analyst III - City Clerk - \$73,703 (ongoing cost)

This position would be assigned to the development of the application and continued enhancements and support of the Council File Index, the internal Council File Status system, and other programs supporting the Council. The project will entail a high degree

of programming and integration and will be completed in concert with ITA's effort. There has been no addition of systems staff for non-election related activities. Our recent experience is that Council-related systems support has evolved into a full-time position.

1 Programmer Analyst III - ITA - \$73,703 (ongoing cost)

This position is for installation, implementation and support of the new ListServ environment which will enable the subscription aspect of the motion tracking, as well as the development and integration of CFI into the new environment. ITA requires a resource to implement and support this program.

Senior Management Analyst I or Management Analyst II - City Clerk - \$85,982/\$74,627 (ongoing cost)

Staff would be necessary to address the resulting workload. We have provided two options for the staff required for the Council and Public Services Division. A Senior Management Analyst I is recommended. This position can also take on the additional responsibilities of the Ombudsman position which has been proposed by both Councilmember Hahn (CF 05-0575-S1) and Councilmember Zine (CF 06-1842) in separate motions. This position can also take on other community outreach responsibilities, such as Community Naming and Community Impact Statements. If there is not an interest in pursuing this position, we would recommend a Management Analyst II for motion tracking only.

Software/Licensing (ITA)

\$16,300 for ListServ Maestro (one-time cost)

\$4,700 for annual software maintenance (ongoing cost)

Training (ITA)

\$9,000 (4 ½ days for up to 8 people) (one-time cost)

Consulting (ITA)

\$7,500 (one-time cost)

No hardware would be required.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 56

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **REPORT BACK ON THE NO SECRETS PROGRAM**

The Budget and Finance Committee requested a report back on the full cost of operating the No Secrets program in the Commission on Children, Youth and their Families (CCYF). This program is proposed for transfer to the CCYF from the City Attorney's budget in 2007-08.

The No Secrets program is conducted entirely by contract with William H. Dworin (Contract No. C-110767). This contract was executed in the amount of \$5,000 for a one-year period beginning July 1, 2006. The Mayor's proposed budget increases CCYF's contractual services account by \$5,000 to continue this program by contract for another one-year period.

The No Secrets Program is a child sexual abuse prevention program that provides lectures and materials to parents of middle school and high school youth.

KLS:ND:02070235

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 57

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L Sisson, City Administrative Officer *KLS*Subject: **POTENTIAL FUNDING SOURCES FOR A YEAR-ROUND HOMELESS SHELTER IN COUNCIL DISTRICT 11**

Potential funding sources for a year-round homeless shelter in Council District 11 include the:

- Community Development Block Grant;
- Emergency Shelter Grant; and,
- City General Fund.

Additionally, State and Federal grant funds allocated to the Los Angeles Homeless Services Authority may be available. Furthermore, a partnership with the County of Los Angeles could generate further funding options.

It is important to note that each of these funding sources have various restrictions. For example, grant funding cannot be used for land acquisition. However, grant funding could be used for capital improvements and program costs. Grant funding is limited and is allocated based on Mayor and Council priorities.

The CAO will report back on the availability of the funding sources identified above for a year-round homeless shelter in Council District 11.

KLS:SDE:02070238

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 58

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **EMERGENCY PREPAREDNESS DEPARTMENT PROPOSED FY 2007/08 BUDGET –
REDUCTION EXERCISE**

At the meeting of the Budget and Finance Committee on April 26, 2007, the Chair of the Committee requested that each department submit a one to three percent reduction based on the Mayor's Proposed Budget. Attached is a copy of the Emergency Preparedness Department's (EPD) proposal.

EPD proposes delaying the hiring of one Secretary by four months to achieve a one percent reduction, by eight months to achieve a two percent reduction and by eleven months to achieve a three percent reduction. However, the 2007-08 Proposed Budget already includes a \$50,000 one-time salary reduction for this department to meet the Mayor's 2007-08 Budget Reduction Target. This reduction was included on the assumption that EPD would delay the hiring of the same Secretary position that they have proposed for the one to three percent reduction exercise. We have clarified this with EPD.

EPD would have to stagger the hiring of two Emergency Preparedness Coordinators, in addition to the Secretary, if it is required to comply with the Mayor's Budget Reduction Target and the additional one, two or three percent Budget Reduction requested by the Budget and Finance Committee. This could be potentially problematic for EPD as the Mayor's Office is considering a grant opportunity with AmeriCorps that would require that the two Emergency Preparedness Coordinator positions be filled in July 2007 to supervise a corps of volunteers. The grant requires that the grantee maintain a specific ratio of volunteers to supervising staff.

KLS:SMS:04070168c

Attachement

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 27, 2007

To: The Honorable Public Safety Committee

2007 APR 27 AM 11:44

Karen Sisson, City Administrative Officer

CITY ADMINISTRATIVE OFFICER

Gerry Miller, Chief Legislative Analyst

From: 
Ellis M. Stanley, Sr., General Manager
Emergency Preparedness Department

Subject: **EMERGENCY PREAPREDNESS DEPARMENT PROPOSED FY 2007/08
BUDGET – REDUCTION EXERCISE**

At its April 26, 2007 meeting, the Budget and Finance Committee directed the Emergency Preparedness Department (EPD) to develop reduction packages based on the Mayor's FY 2007/08 Proposed Budget. EPD is recommended to submit proposed reductions equating to 1%, 2% and 3% based on its recommended budget of \$1,807,309. Listed below is our proposed implementation plan if required to meet this reductions.

Proposed Reduction Percent	Budget Calculation	Proposed Method of Achieving Reduction
1%	\$18,073	Hiring of new Secretary will be delayed until November 1, 2007 (4 months)
2%	\$36,146	Hiring of new Secretary will be delayed until March 1, 2008 (8 months)
3%	\$54,219	New Secretary will not be hired until mid June 2008.

If there are any other questions, please contact Anna Burton at 213-978-0528.

c: Arif Alikhan, Deputy Mayor for Homeland Security and Public Safety
✓ Staci Sosa, Office of City Administrative Officer

EMS:ab

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 59

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **BUREAU OF ENGINEERING RESPONSE TO QUESTIONS ON 2007-08
PROPOSED BUDGET**

The attached letter from the Bureau of Engineering (BOE) provides information in response to the Committee's questions on: a) evaluating fees; b) fees generated, permits issued and constituents served at Constituent Services Centers; and, c) Public Way Reservation System, including movie shoots and activities on adjacent streets.

In response to the question about the feasibility of establishing an Enterprise Trust Fund, this is an issue that requires a longer time to analyze and we plan on reporting back no later than the end of 2007. We can look at the Building and Safety Enterprise Fund as a model to assess whether BOE generates enough revenue to support an Enterprise Fund at this time.

KLS:WYL:06070180

Attachment

BOARD OF PUBLIC WORKS
MEMBERS

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DAVID SICKLER
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CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
PUBLIC WORKS

BUREAU OF
ENGINEERING

GARY LEE MOORE, P.E.
CITY ENGINEER

1110 S. GADSDEN ROADWAY, SUITE 700
LOS ANGELES, CA 90015-2213

<http://eng.lacity.org>

2007 MAY -3 AM 9:38
CITY ADMINISTRATIVE OFFICER

May 2, 2007

Bernard C. Parks, Councilmember 8th District
Chairperson, Budget & Finance Committee
c/o Lauraine Braithwaite
City Clerk's Office
City Hall, Room 395
Los Angeles, CA 90012

Re: Bureau of Engineering Response to Questions on FY 2007-08 Proposed Budget

Dear Councilmember Parks:

This is the response for the Bureau of Engineering to questions raised at our hearing on April 27, 2007.

#160 Department to evaluate fees.

The Bureau completed the annual analysis of our fees and submitted our FY 07-08 fee schedule to the CAO. The fees requiring ordinance changes were included in the Mayor's proposed budget. We want to thank the City Council for the accelerated adoption of the new fee proposals the Bureau submitted. Our staff is currently working with the City Attorney on the language for the new ordinances, which we hope will be in effect by July 1st.

#161 Constituent Services Centers - How many fees have been generated; How many constituents are being served; How many permits have been generated.

BOE does not have staff assigned to the Neighborhood Constituent Services Offices. However, we do have full staffing at the four One-Stop Permit Centers for private development in the public way.

Central Engineering District; 201 North Figueroa Street
Valley Engineering District; 6262 Van Nuys Blvd
West Los Angeles Engineering District; 1828 Sawtelle Blvd
Harbor Engineering district; 638 So. Beacon Street

We have actual Q-Matic data for our Central and Valley District offices, our two largest offices. This system shows that these two offices served 43,036 customers in FY 2005-06. Including a projection on the number of customers for the other two districts, we estimate that we served a total of 55,890 customers at all four offices that year.



The district offices issue A-Permits, B-Permits and other permits for private development of public infrastructure. Last year these offices issued over 20,000 permits. By district office the breakdown of permits issued are: Central - 41%, Valley - 36%, West Los Angeles - 18% and Harbor - 5%.

We would like to note that the Bureau has made a concerted effort to put our permit process online so that customers can initiate an application without having to travel to a district office. Many customers are now enjoying the convenience of using a system that's available to them 24/7. Processing of the permit is still done by district office staff. We have seen an increasing trend toward using the online application and last fiscal year over 60% of our 18,000 permits were issued over the internet.

#163 Report on the feasibility of establishing an Enterprise Trust Fund for the Bureau of Engineering.

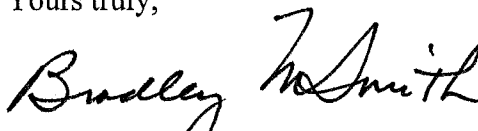
We had looked at some information describing the Department of Building & Safety's enterprise fund back when it was enacted in 2005. However, it was too early at that time for us to get a sense of how an enterprise fund would work in a practical sense. Since the fund would be used to fund our budget, we were concerned with questions such as how we would be affected by fluctuations in fee and permit revenue, which reflect the state of the economy. Now that Building & Safety has had some experience with the enterprise fund, we agree this is good time to look at this issue. We will work with the CAO on an analysis of this concept, as was stated during our budget hearing.

#197 Report back on the Public Way Reservation System, including movie shoots and activities on adjacent streets.

Please see attachment for a status report on the Public Way Reservation System.

If there is any information that you or members of your committee require from us please do not hesitate to contact me.

Yours truly,


for Gary Lee Moore, P. E.
City Engineer

cc: Sally Choi, Mayor's Office
✓ Karen Sisson, City Administrative Officer
Cynthia M. Ruiz, Board of Public Works
Valerie Lynne Shaw, Board of Public Works

Attachment

Bureau of Engineering

#197 Report Back on the Public Way Reservation System, including movie shoots and activities on Adjacent Streets.

The Public Way Reservation System (PWRS) – CF 03-0580

On September 12th, the City Council adopted an Ordinance to amend Chapter 6 Article 2.1 of the Los Angeles Municipal Code by adding Section 62.251. The purpose of this ordinance is to minimize the loss of traffic capacity and reduce the impact on local businesses and residents through the coordination of construction, maintenance and other activities that encroach on major, secondary and collector streets in the Central Engineering District. All city and non-city entities engaged in regulated activities within the designated streets are required to make a street reservation through an online application called the Public Way Reservation System (PWRS).

For activities that currently require a Bureau of Engineering permit, reservations are made during the permit approval process. For all other activities, coordinators from other City departments make reservations using the Public Way Reservation System. All departments are required to take out a reservation in the street for any activity that lasts more than four hours.

The PWRS is a one year pilot project that will be tested in the Central Engineering District. After one year, the Bureau of Engineering will report back to the City Council on the effectiveness of the pilot program.

There are four classes of activities that are exempt from the requirements of the ordinance, but all other activities shall comply.

1. Emergency work as defined in Subsection B of the ordinance. For emergency work requiring a permit, a permit must be obtained within one business day of the commencement of the work.
2. Maintenance work or other activities that will take no more than four hours.
3. Any work or activity within a street classified as a local street.
4. Transportation related activities currently regulated by LAPD and LADOT, such as delivery of freight.

The two tables below show the status of the usage of the PWRS online system from inception through May 2, 2007, and includes projects put in the system that are outside the Central Engineering District. The first table shows that throughout the entire city, 25,336 reservations have been made in the system and breaks them down by type of reservation. The second table shows the departments or agencies using PWRS to generate reports to identify potential conflicts. The public is given the conflict report along with the permit, and their subsequent use is under "OTHER".

Movie locations are categorized as FilmLA in the tables below, and are input in PWRS by FilmLA staff. Work in the public way by private individuals is captured at the time a permit is issued for the work and input into the PWRS by Bureau of Engineering staff. Engineering staff captures all private permit work and all of Engineering's capital projects on all streets throughout the City. The PWRS was designed to identify all conflicts within 1,000 feet of the proposed reservation on the conflict report regardless of the street designation. The contractor is to

Attachment

Bureau of Engineering

#197 Report Back on the Public Way Reservation System, including movie shoots and activities on Adjacent Streets.

coordinate their work with the other work identified in the report that might create a traffic impact.

Type of Reservation	Number of Reservations
BOE - A Permits	2672
BOE - B Permits	791
BOE - E Permits	266
BOE - S Permits	2112
BOE - U Permits	9787
Engineering Capital Projects	648
Bureau of Street Lighting	3
LADOT	72
FilmLA	150
General Services Department	2
Exposition Light Rail Transit	1
Exposition Light Rail Transit Stations	14
Metro Lines	1
Slurry Seal	3763
Other Street Closures by BPW	258
Street Resurfacing	4796
Total	25,336

Department or Agency using PWRS	No. of Reports Requested	No. of Construction Projects On Report
DEPARTMENT OF RECREATION AND PARKS	6	84
DEPARTMENT OF TRANSPORTATION	63	613
DEPARTMENT OF WATER AND POWER, WATER SYSTEM	7	174
FILMLA.	62	471
GENERAL SERVICES DEPARTMENT	4	61
L.A. FIRE DEPARTMENT	3	92
L.A. POLICE DEPARTMENT	3	56
BOE - A PERMIT	7	33
BOE - B PERMIT	19	413
OTHER	72	1096
BOE - E PERMIT	2	10
BOE - S PERMIT	5	82
BOE - U PERMIT	91	926
Total	344	4,111

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 60

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **SEWER CONSTRUCTION AND MAINTENANCE FUND (SCM) CORRECTIONS**

Subsequent to the release of the Mayor's 2007-08 Proposed Budget, it became evident that several items were inadvertently omitted which are addressed herein. The attached Schedule 14 reflects the following changes:

- Leases – Funding in the amount of \$2,327,330 to be provided to the General Services Department (GSD) under the Sewer Operation and Maintenance Fund. The appropriation to GSD will now total \$4,756,879. Funding for the Public Works Building has been provided in a separate line item, Capital Finance Administration Fund, under both the Operation and Maintenance Fund and the Capital Fund for SCM.
- Insurance and Bonds Premium Fund – This new line item is to provide funding in the amount of \$435,000 for the Bond Assistance Program under the Sewer Operation and Maintenance Fund (\$14,396) and Sewer Capital Fund (\$420,604). The Risk Management Division of this Office has previously received funding from SCM to administer the Bond Assistance Program. This program provides assistance to Minority, Women Owned and Other Small Business Enterprises working on SCM projects. The Proposed Budget intended to move this funding from this Office to the Insurance and Bonds Premium Fund to facilitate administration of this growing program. The reduction is already reflected in the Proposed Budget for this Office. This revision will complete the intended administrative change.
- As an enterprise fund, SCM is required to cover all of its expenditures. The increased expenditures have been accounted for in the Additional Revenue Debt line item.

Attachment

KLS:SMB:06070189

SPECIAL PURPOSE FUND SCHEDULES

SCHEDULE 14

SEWER CONSTRUCTION AND MAINTENANCE FUND

The Council shall designate by ordinance those monies which shall be deposited on a regular basis into the Fund in accordance with Section 64.19.2 of the Los Angeles Municipal Code. Monies deposited into the Fund shall be expended only for sewer and sewage-related purposes including but not limited to industrial waste control, water reclamation purposes, funding of the Wastewater System Revenue Bond Funds created by Section 5.168.1 of the Los Angeles Administrative Code and funding of the Sewer Operation and Maintenance Fund and the Sewer Capital Fund as provided in Sections 64.19.3 and 64.19.4 of the Municipal Code. Expenditures shall be made from the Fund as provided in the Budget or by Council resolution unless provided otherwise by ordinance.

Actual 2005-06	Estimated 2006-07		Budget 2007-08
\$ 395,723,336	\$ 285,761,225	REVENUE	
--	--	Cash Balance, July 1.....	\$ 218,327,325
\$ 395,723,336	\$ 285,761,225	Less:	
		Prior Year's Unexpended Appropriations.....	150,000,000
		Balance Available, July 1.....	\$ 68,327,325
		Receipts:	
412,096,764	449,688,000	Sewer Service Charges.....	481,092,000
17,007,869	17,787,000	Industrial Waste Quality Surcharge.....	18,031,000
10,590,821	8,106,000	Sewerage Facilities Charge.....	7,300,000
568,173	14,390,000	FEMA/OES Reimbursements.....	9,000,000
	--	Sewerage Disposal Contracts:	
10,525,189	15,000,000	Operating and Maintenance Charges	15,500,000
17,202,719	22,000,000	Capital Contribution.....	16,744,000
6,083,503	2,170,100	Miscellaneous	2,113,000
13,296,730	14,482,000	Interest on Idle Funds.....	13,382,000
433,536	451,000	Repayment of loans.....	235,000
--	1,900,000	Revenue from Green Acres Farm.....	1,900,000
3,209,605	1,373,000	Reimbursements from other Departments.....	1,400,000
13,575,417	150,000,000	Additional Revenue Debt.....	162,639,830
\$ 900,313,662	\$ 983,108,325	Total Revenue.....	\$ 797,664,155
		EXPENDITURES	
\$ 2,611	\$ 45,000	APPROPRIATIONS	
180,605	180,000	Sewer Operation and Maintenance	
348,052	350,000	Building and Safety.....	\$ 45,662
310,479	347,000	City Administrative Officer.....	166,360
172,432	120,000	City Attorney.....	342,531
3,299,130	4,760,000	Environmental Affairs.....	363,234
438,240	130,000	Finance.....	126,579
361,207	335,000	General Services.....	5,191,650
105,636	108,000	Information Technology Agency.....	130,465
		Personnel.....	335,209
1,872,701	1,964,000	Planning.....	108,919
86,455,909	92,079,000	Public Works:	
--	612,000	Board Office.....	1,932,005
100,000	100,000	Sanitation.....	95,564,088
--	--	Capital Finance Administration Fund.....	422,585
		Liability Claims.....	240,000
		Unappropriated Balance.....	1,927,979
38,682,580	40,616,000	Wastewater Special Purpose Fund:	
		Reimbursement of General Fund Costs.....	50,642,246
17,092	--	Expense and Equipment.....	--
(72,852)	3,079,000	City Attorney.....	--
9,969,182	11,800,000	General Services.....	4,756,879
54,412,237	70,150,000	Sanitation - project related.....	10,426,000
13,500	--	Sanitation - operation related.....	72,063,727
15,280,780	17,439,000	Household Hazardous Waste.....	--
2,980,800	2,981,000	Utilities.....	23,092,398
--	--	DWP Billing/Collection Fee.....	2,980,800
--	--	O&M Reserve.....	33,351,181
387,603	2,000,000	Insurance Reserve.....	3,000,000
--	--	Sewer Service Charge Refunds.....	2,000,000
		Insurance and Bonds Premium Fund.....	14,396
\$ 215,317,924	\$ 249,195,000	Subtotal.....	\$ 309,224,893

SCHEDULE 14

SEWER CONSTRUCTION AND MAINTENANCE FUND (Continued)

Actual 2005-06	Estimated 2006-07		Budget 2007-08
		Bond Redemption and Interest	
\$ 9,000,000	\$ 9,000,000	Repayment of State Revolving Fund Loans.....	\$ 13,605,483
4,582,990	--	Series 1993-D.....	--
1,134,656	--	Series 1996-A.....	--
4,868,612	4,866,000	Series 1997-A.....	4,865,594
20,345,221	14,604,000	Series 1998-A and B.....	14,625,925
3,040,200	3,038,000	Series 1998-C.....	3,039,875
4,868,538	4,868,000	Series 1999-A.....	9,325,538
13,363,974	18,683,000	Series 2001 A-D.....	14,152,139
5,360,850	5,361,000	Series 2002-A.....	5,360,850
17,506,460	17,506,000	Series 2003-A Subordinate.....	17,506,460
9,943,131	9,943,000	Series 2003-A.....	9,943,131
22,033,700	24,915,000	Series 2003-B Subordinate.....	29,279,800
22,388,537	22,258,000	Series 2003-B.....	17,779,538
6,835,261	14,647,000	Series 2005-A.....	14,646,988
19,212,007	11,550,000	Series 2006 A-D.....	11,543,388
2,969,702	1,300,000	Commercial Paper.....	6,500,000
\$ 167,453,839	\$ 162,539,000	Subtotal.....	\$ 172,174,709
		Sewer Capital*	
\$ 749,589	\$ 696,000	City Administrative Officer.....	\$ 274,994
408,582	400,000	City Attorney.....	400,116
255,013	276,000	Controller.....	222,109
1,419,109	1,200,000	General Services.....	1,354,920
200,000	--	Information Technology Agency.....	--
		Public Works:	
1,248,467	1,309,000	Board Office.....	1,288,003
5,511,372	6,402,000	Contract Administration.....	8,509,191
31,241,578	35,030,000	Engineering.....	37,865,269
1,964,937	2,455,000	Sanitation.....	2,599,947
47,000	60,000	Street Lighting.....	57,885
49,983	50,000	Transportation.....	90,033
487,497	496,000	Treasurer.....	411,127
--	--	Capital Finance Administration Fund.....	1,034,605
154,247,438	273,800,000	Capital Improvement Expenditure Program.....	230,000,000
--	--	Unappropriated Balance.....	1,280,448
19,579,640	17,264,000	Wastewater Special Purpose Fund:	
10,183	--	Reimbursement of General Fund Costs.....	19,679,353
95,838	271,000	Expense and Equipment:	
786,000	393,000	Board Office.....	--
6,958,860	5,392,000	Contract Administration.....	204,166
2,199,848	1,992,000	Controller.....	393,000
3,091,979	4,461,000	General Services.....	2,133,125
1,227,761	1,100,000	Engineering.....	1,865,658
--	--	Sanitation.....	4,880,000
		Bond Issuance Costs.....	1,300,000
		Insurance and Bonds Premium Fund.....	420,604
\$ 231,780,674	\$ 353,047,000	Subtotal.....	\$ 316,264,553
\$ 614,552,437	\$ 764,781,000	Total Appropriations.....	\$ 797,664,155
\$ 285,761,225	\$ 218,327,325	Ending Balance, June 30.....	\$ --

*Capital related expenditures may be made from the Sewer Capital Fund or from any Series Wastewater System Revenue Bonds Construction Fund.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 61

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
mmf*

Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING THE STATUS OF PUBLIC RESTROOMS NEAR THE GORILLA
EXHIBIT**

Attached is the information provided by the Department of General Services (Department) regarding the status of public restrooms near the Gorilla Exhibit. The Department expects to complete the project within the normal 18-month target for A&I program projects.

Attachment

KLS:JSS:05070035C

CITY OF LOS ANGELES
CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

ANTONIO R. VILLARAIGOSA
MAYOR

May 4, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

**QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING
ON THE 2007-08 PROPOSED BUDGET**

During the budget deliberations, your Committee raised a question regarding the status of the public restrooms near the Gorilla exhibit and whether this project will be completed on time.

The A & I project to renovate the restrooms adjacent to the Gorilla Exhibit is included in the FY 2007-08 budget. GSD plans on completing the project within the 18-month target of the A&I program.

If you have any questions or need additional information, please contact Valerie Melloff, Director of Finance at (213) 928-9577.

Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget & Finance Committee
Karen L. Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 62

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
KLF*

Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING THE CRITERIA FOR MAINTENANCE SERVICE REDUCTION
AND WHICH FACILITIES WILL BE IMPACTED**

Attached is the information provided by the Department of General Services regarding the criteria for maintenance service reduction and which facilities will be impacted. The Department plans to reduce service levels carefully throughout all districts to minimize the impact of service cuts while excluding LAPD district and libraries due to health concerns.

Attachment

KLS:JSS:05070036C

CITY OF LOS ANGELES

CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



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ANTONIO R. VILLARAIGOSA
MAYOR

May 4, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant


QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING ON THE 2007-08 PROPOSED BUDGET

During the budget deliberations, your Committee raised a question regarding the criteria for deciding what services will be reduced and what facilities will be affected as a result of the \$500,000 reduction in maintenance salaries.

Custodial services will continue at all facilities. However utility services (floor work, detail services, special requests, etc) will be reduced or not offered. This reduction in services will happen in four out of five custodial districts. The only district not affected is the LAPD district due to the continual bloodborne pathogen cleaning issues and health and safety code violations that would occur if services at the LAPD stations and jails were reduced. Reduction of services will be spread across the other four districts affecting all buildings except libraries, which are in high use by children and also have frequent bloodborne pathogen cleaning issues.

Affected buildings will be general office buildings, field offices, maintenance yards, etc. None of the critical daily services (trash, restroom cleaning, etc.) will be eliminated; these basic services will be provided to all locations currently receiving GSD custodial services. This reduction of services will account for enough eliminated work to keep the estimated 15 positions vacant. Vacant positions will be rotated between all districts, and will be carefully distributed and managed, thereby avoiding the elimination of services to any one building.

If you have any questions or need additional information, please contact Valerie Melloff, Director of Finance at (213) 928-9577.



Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget & Finance Committee
Karen L. Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 63

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KS
by mt*Subject: **BUREAU OF STREET SERVICES – ILLEGAL SIGN PROGRAM**

The Budget and Finance Committee (Committee) requested that the Bureau of Street Services (Bureau) report on the Illegal Sign Program (Program) and the support from neighborhood prosecutors for the Program. The response from the Bureau is attached. A response from the City Attorney is also attached.

The Bureau and the City Attorney report that support for the Program from the City Attorney to collect fines that are less than \$1,000 may not be feasible.

The Bureau also addressed enforcement staffing for the Program in its response. Discussions during the Committee Budget Hearings in May 2007 indicated that funding provided in the 2007-08 Proposed Budget for 10 miles of Unpaved Dirt Alleys could be reduced to six miles. This will provide \$1.4 million for contract tree trimming (\$1 million) and the Program (\$400,000).

The Bureau proposes that the Committee consider providing an additional \$371,000 to the \$400,000 for a total of \$771,000 for the Program. The amount of \$371,000 is currently provided from the General Fund in the General Services 2007-08 Proposed Budget to purchase equipment for the Bureau. The Bureau proposes that the funding source for this equipment be changed from the General Fund to MICLA financing. However, this would provide one-time revenues for ongoing costs. The City's Financial Policies state that one-time revenues are not to be used to fund ongoing expenditures. This will also increase the City's structural budget deficit.

The City Administrative Officer will work with the Bureau to identify an ongoing method of financing the additional \$371,000 requested for the Program. Information has been requested from the Bureau on the number of signs that could be removed in 2007-08 based on each level of funding, on efforts to reduce the number of postings through public education and on steps that could be taken to improve the recovery of fines that are assessed to violators. An increase in the amount recovered from fines could provide the requested resources for the Program.

Recommendation

We do not recommend the transfer of funding from a General Fund obligation to a MICLA obligation to provide \$371,000 for the Program.

KLS:BLT:06070219

Attachments

CITY OF LOS ANGELES


INTER-DEPARTMENTAL CORRESPONDENCE

2007 MAY -4 PM 4: 57

CITY ADMINISTRATIVE OFFICER

DATE: May 2, 2007

TO: Budget and Finance Committee

FROM: 
William A. Robertson, Director
Bureau of Street Services

SUBJECT: ILLEGAL SIGN PROGRAM (BUDGET MEMO 168)

Use of Neighborhood Prosecutors

In 2006-07, approximately 300,000 illegal signs will be removed by the Bureau of Street Services (BSS) through the Illegal Sign Program (Program). Invoices will be sent by BSS to the responsible parties having posted the illegal signs for payment of fees to recover the costs of the Program (\$1.2 million). Although BSS has received approximately \$400,000 in fee receipts year-to-date, the collection of fees associated with enforcement of the Program has been difficult. The Budget and Finance Committee requested the Bureau to investigate the potential for the Neighborhood Prosecutor Program (NPP) in the Office of the City Attorney (criminal branch) to provide additional support in cost recovery.

The Office of the City Attorney (civil branch) already provides support for collection of fees greater than \$1,000. The number of cases referred to the City Attorney for collection of fees greater than \$1,000 is negligible in comparison to cases where fees under \$1,000 are referred to a collections agency. Fees of greater than \$1,000 are generally assessed to large marketing firms that comply with the fee payment.

The Office of the City Attorney reports that the use of attorneys from the NPP to assist with cost recovery of fees under \$1,000 for the Illegal Sign Program, essentially an administrative process, would detract from the primary goal of the NPP in addressing criminal activities. Furthermore, cost recovery for the additional support from the City Attorney may not be achieved due to the minimal amount associated with each case. Additional staffing may also be required of the City Attorney to support the Illegal Sign Program cost recovery effort.

The use of attorneys from the Neighborhood Prosecutor Program in the Office of the City Attorney for collection of fees under \$1,000 associated with the Illegal Sign Program is not recommended.

Enforcement Staffing

The 2007-08 Proposed Budget eliminates funding of \$1.2 million and staffing of 23 resolution authority positions for the Illegal Sign Program. The Budget and Finance Committee suggested paving 6 miles rather than 10 miles of dirt alleys (reduction of 4 miles) to generate savings of approximately \$1.4 million to restore tree trimming (\$1 million) and a portion of the Illegal Sign Program (\$0.4 million). The staffing and resources that could be funded with \$0.4 million to restore a portion of the Illegal Sign Program is identified in Attachment A.

The Budget and Finance Committee may also wish to consider financing approximately \$371,000 of equipment funded in the General Services Department (GSD) for the purchase of BSS equipment from MICLA. An additional \$371,000 could be provided to BSS to restore a larger portion of the Illegal Sign Program (total of \$771,000). The staffing and resources that could be funded with \$771,000 is identified in Attachment B.

Attachments

BUREAU OF STREET SERVICES
ILLEGAL SIGN PROGRAM
FUNDING AVAILABILITY - \$400,000

Class Code	Class Title	Position Authorities		
		Existing	Proposed	Change
		2006-07	2007-08	
1358	Clerk Typist	2	-	(2)
3112	Maintenance Laborer	14	6	(8)
4283	Street Services Investigator	7	-	(7)
4285-1	Senior Street Services Investigator	-	1	1
		23	7	(16)

Account	Account Title	Proposed
		Funding 2007-08
1010	Salaries General	291,947
1090	Overtime	83,033
2120	Printing and Binding	1,400
3090	Field Equipment Expense	6,500
3310	Transportation	4,900
4430	Uniforms	1,620
6010	Office Expense	5,700
6020	Operating Expense	4,900
		400,000

**BUREAU OF STREET SERVICES
ILLEGAL SIGN PROGRAM
FUNDING AVAILABILITY - \$771,000**

<u>Class Code</u>	<u>Class Title</u>	<u>Position Authorities</u>		
		<u>Existing</u> <u>2006-07</u>	<u>Proposed</u> <u>2007-08</u>	<u>Change</u>
1358	Clerk Typist	2	-	(2)
3112	Maintenance Laborer	14	14	-
4283	Street Services Investigator	7	-	(7)
4285-1	Senior Street Services Investigator	-	1	1
		<u>23</u>	<u>15</u>	<u>(8)</u>

<u>Account</u>	<u>Account Title</u>	<u>Proposed</u> <u>Funding</u> <u>2007-08</u>
1010	Salaries General	589,402
1090	Overtime	127,087
2120	Printing and Binding	2,950
3090	Field Equipment Expense	14,500
3310	Transportation	10,325
4430	Uniforms	3,780
6010	Office Expense	11,616
6020	Operating Expense	11,340
		<u>771,000</u>

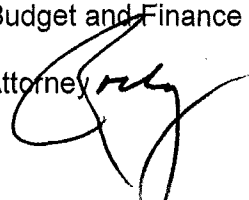


2007 MAY -4 AM 11:47

OFFICE OF THE CITY ATTORNEY CITY ADMINISTRATIVE OFFICER
ROCKARD J. DELGADILLO
CITY ATTORNEY

May 3, 2007

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney 

SUBJECT: **Budget Follow-up**
Illegal Street Signs

Your committee requested information regarding our work with the Bureau of Street Services (BSS) as it relates to illegal signs. There are two distinct components to the illegal street sign program - an enforcement component that may include criminal prosecutions and a civil collection component that includes removal/fee recovery. As noted below, and as in the report back to your Committee from BSS, our offices work well together on this program.

On the enforcement side, BSS conducts sting operations to catch illegal sign posters and works with this Office to file criminal charges. Neighborhood Prosecutors handle the criminal prosecutions of these cases, along with our Agency Prosecutors (our deputies who prosecute code enforcement cases from agencies such as Building and Safety and the Fire Department). There have been 13 arrests this year that resulted in criminal cases filed by this Office. In addition, our prosecutors have resolved a variety of illegal sign referrals without the necessity of criminal prosecutions.

Our Agency Prosecutors/Neighborhood Prosecutors play a critical role in enforcement, but they cannot serve as investigators/witnesses in these cases (absent extraordinary circumstances). Generally speaking, a prosecutor cannot serve as both advocate and witness, because jurors may be unduly influenced by the prestige and prominence of the prosecutor's office. In such cases, the defendant is likely to argue that his/her constitutional right to a fair trial has been compromised.

On the civil collection side, BSS staff removes illegally posted signs and then seeks to collect cost recovery fees from the offender. The civil attorneys in our office handle these cases involving fees in excess of \$1000.00; fines lower than \$1000.00 are referred to collection agencies by the Office of Finance. As most of these cases are small, few are referred to our civil attorneys.

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 64

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
5/7/07*Subject: **DEPARTMENT OF TRANSPORTATION – ONE AND THREE PERCENT
REDUCTION EXERCISE**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide reductions or revenue enhancements that equal one and three percent of the Department's General Fund budget. Attached is DOT's response.

DOT's overall Departmental budget is \$142 million. The General Fund portion of DOT's budget is \$112 million. Therefore, the one and three percent savings or revenue enhancement targets are \$1.12 million and \$3.36 million, respectively.

In the attached, DOT provides a list of potential reductions, or "savings," totaling approximately \$1.12 million. It should be noted that the \$93,000 for Aluminum Sign Recycling was inadvertently categorized as a savings when it is actually a revenue enhancement. Additionally, the total under "Estimated Department Savings" should read \$1,123,552 and not \$1,061,552. The largest potential savings listed is "Move from Fig Plaza." It is not clear at this time if these savings have already been accounted for in the 2007-08 Proposed Budget. Listed potential savings that would have little impact on the Department's level of operations and services would be (1) the elimination of second phone lines from telephones (\$12,000) and (2) the implementation of an on-line faxing system (\$10,000). However, the work to eliminate the second phone lines and implement the faxing system may cost as much as the savings.

DOT also provided a list of potential revenue enhancements totaling approximately \$3.49 million.

Recommendation

It is recommended that DOT report back to the City Council regarding the specific information and estimates for each listed revenue enhancement and whether the savings from the Figueroa Plaza move are completely accounted for in the 2007-08 Proposed Budget.

KLS:ALB:06070222

Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: May 4, 2007

To: Karen Sisson, City Administrative Officer
Attention: Angela Berumen

From: Gloria J. Jeff, General Manager
Department of Transportation



Subject: Proposed Additional Budget Reductions (1 to 3%) and Revenue
Enhancements

Attached is a spreadsheet listing the Department's additional reductions to its proposed budget should further reductions become necessary. We also included potential revenue enhancements to the City's General Fund, which we hope would be considered in lieu of any further reductions.

Should you have any questions, please contact Iris Ingram, Assistant General Manager, Finance and Administration at (213) 972-8426 or iris.ingram@lacity.org.

GJJ/II:jsl

Attachment

DOT Proposed Budget Reductions and Enhancements for FY 2007- 08

2007-08 Budget Allocation	1% Reduction	3% Reduction	Estimated Department Savings	Estimated Revenue Enhancements
142,237,384 Savings Targets	1,422,374	4,267,122		
			\$ 1,061,552	\$ 3,397,594
Office of Finance & Administration				
<u>Budget & Administration</u>				
Misc. Efficiencies			200,000	
Eliminate 2nd lines from telephones			12,000	
On-line fax system			10,000	
Move from Fig Plaza			390,000	
Outsourcing:				
City Ride Scanning			101,276	
Data entry (BIS)			194,000	
Data entry (Field Ops)			61,276	
			<u>\$ 968,552</u>	
Office of Transportation Operations				
<u>Field Operations</u>				
Aluminum sign recycling			93,000	
			<u>\$ 93,000</u>	
Office of Regulatory Services				
<u>Parking Enforcement and Traffic Control</u>				
Parking Enforcement Manager			120,000	
Move staff from leased Van Nuys				
Adjudication Ofc to Van Nuys City Hall			35,000	
			<u>\$ 155,000</u>	
Revenue Enhancements				
\$0.10 surcharge on tickets sold at certain entertainment and sports venues				1,400,000
Reimbursements for non-budgeted Special Events				1,497,594
Sell Parking Placards				500,000

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 65

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS gmt*

Subject: **DEPARTMENT OF TRANSPORTATION – ALTERNATIVE FUNDING OPTIONS TO PROPOSITIONS A AND C**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide information regarding alternative funding options to Propositions A and C to implement additional transit services. Attached is DOT's response.

DOT has indicated that a comprehensive report concerning Propositions A and C will be released to the Transportation Committee in the next 30-45 days. This report will include potential strategies to address the significant shortfall in both funds. Additionally, DOT does not recommend the implementation of new transit services until a stable funding source other than Proposition A can be identified.

KLS:ALB:06070202c

Attachment

Proposed FY 2007-08 Budget
Budget and Finance Committee Report Back
Subject: Proposition A and C Analysis (ID # 236)

A question was raised at the Special meeting of the Budget and Finance Committee on April 30, 2007 concerning the status of the City's Proposition A and C funds, including the City's ability to add new DASH routes, potential alternative funding sources to implement new services and the status of unused Proposition A and C monies.

The Department last reported to the Transportation Committee in September 2006 with detailed reports concerning the status of the City's Proposition A fund (report dated August 21, 2006) and Proposition C fund (report dated September 20, 2006). These reports provided ten-year forecasts of the two respective funds. In terms of the City's Proposition A fund, which is primarily used to fund the City's public transit program (DASH; Commuter Express; Cityride and Charter Bus), the Proposition A forecast assumed a Baseline Scenario (no service expansion) and a DASH Expansion Scenario (one new DASH per year for the next ten years). The Baseline and DASH Expansion Scenarios resulted in projected shortfalls of \$200 million and \$300 million, respectively, over the next ten years.

As discussed by the Department at the Budget and Finance Committee meeting, LADOT anticipates submitting updated reports to the Transportation Committee in the next 30-45 days concerning the Proposition A and C funds. These reports will include discussion and recommendations concerning potential strategies for consideration by the City Council to address the projected significant financial shortfalls in both funds. The Department is not recommending the implementation of any new or expanded transit services unless a new, stable funding source other than Proposition A is identified.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 66

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
hmf*

Subject: **DEPARTMENT OF TRANSPORTATION – STATUS OF LED CONVERSION AND THE PHOTO RED LIGHT PROGRAM**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide information regarding the status of the LED Conversion Plan and the Photo Red Light Program. Attached is DOT's response. DOT has indicated that both programs are on target to complete as scheduled.

The status of the Left-Turn Arrow Program is discussed in a separate memo.

KLS:ALB:06070201c

Attachment

LADOT Conversion

Incandescent light bulbs to LED (Light Emitting Diode) modules.

The City of Los Angeles, DOT has taken on a highly important City-Wide conversion program that will convert all traffic and pedestrian signal modules from the older technology, higher energy using, incandescent light bulbs to longer lasting, more energy efficient, LED (Light Emitting Diode) modules.

The plan calls for a five year program that would follow the already established cycle of replacement light installation, to minimize the potential trouble calls that would have occurred if a simpler "north to south" or "east to west" global approach were taken.

The program started July 2006 and to date, DOT has converted 758 or 16.2% of the total City wide intersections. Our goal is to complete approximately 75 intersections per month and as of now we are on target with the completion of 758 intersections.

Fiscal year 06/07

- Sub total for this year (June 30th) will be 895 intersections or 19.3% completed
- The locations converted were Hollywood, West Hollywood, and the West LA areas.

Fiscal year 07/08

- Sub total for this year (June 30th) will be 936 intersections and a running total city-wide of 1831 or 39.5% completed.
- The locations converted will be the finishing of West LA then to the Northwest area of the San Fernando Valley.

Fiscal year 08/09

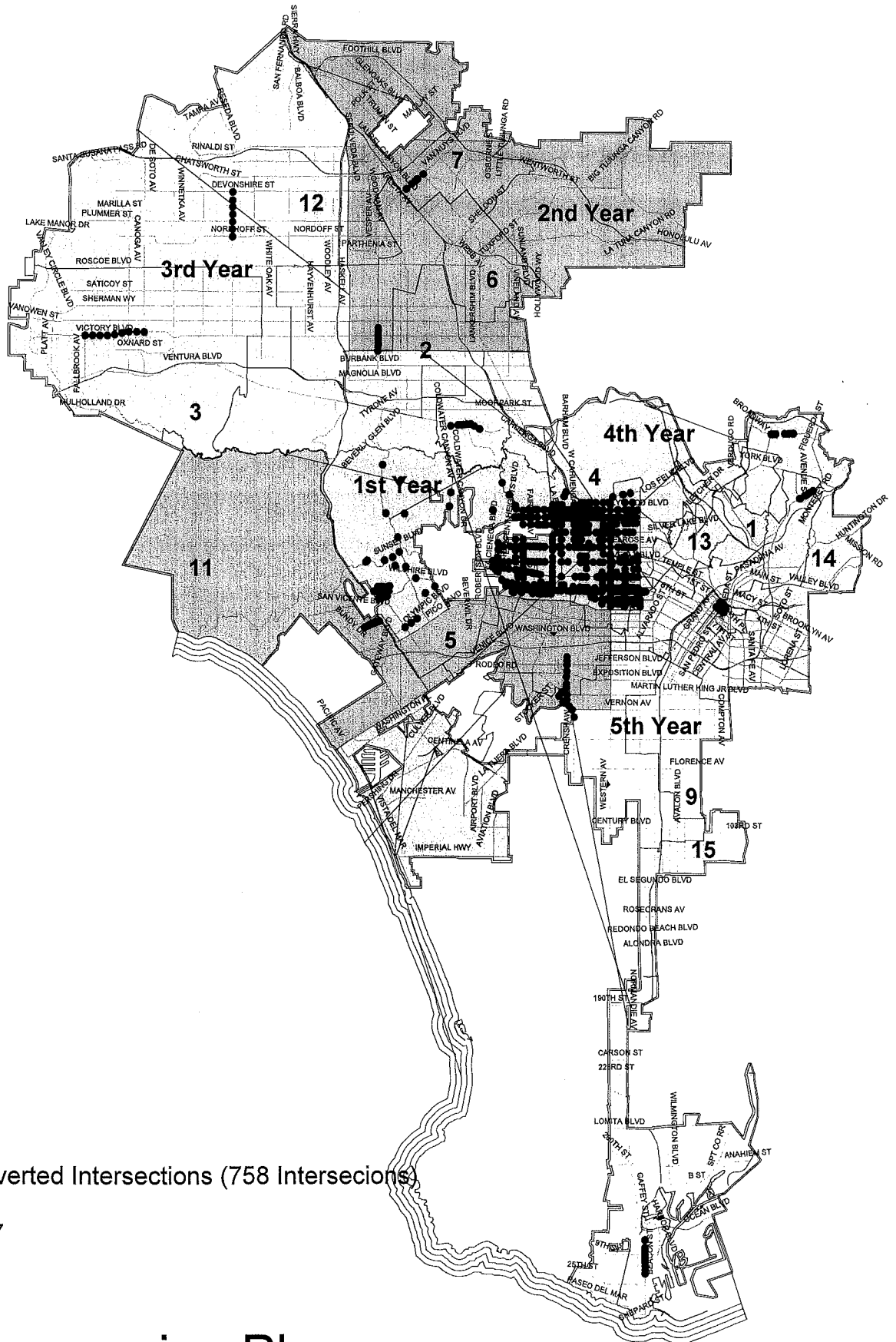
- Sub total for this year (June 30th) will be 936 intersections and a running total city-wide of 2767 or 59.7% completed.
- The locations converted will be Western San Fernando Valley to the Eastern San Fernando Valley

Fiscal year 09/10

- Sub total for this year (June 30th) will be 936 intersections and a running total city-wide of 3703 or 80% completed.
- The locations converted will be the finish of the Eastern San Fernando Valley and moving to the East LA, Silverlake, Eagle rock and north Downtown areas

Fiscal year 10/11

- The locations converted will be the finish of the south Downtown, South LA, Wilmington and San Pedro areas



- LED Converted Intersections (758 Interseccions)

4/27/2007

LED Conversion Plan

Attachment 1

PHOTO RED LIGHT INTERSECTIONS – CONSTRUCTION SCHEDULE

LOCATION	ESTIMATED DOT CONSTRUCTION COMPLETION DATE	ESTIMATED ACTIVATION DATE
1. La Brea & Rodeo	March 9, 2006 (actual)	April 4, 2006 (actual)
2. Laurel Canyon & Victory	May 16, 2006 (actual)	June 8, 2006 (actual)
3. DeSoto & Roscoe	June 30, 2006 (actual)	August 7, 2006 (actual)
4. National & Sepulveda	July 12, 2006 (actual)	August 15, 2006 (actual)
5. Olympic & Soto	August 3, 2006 (actual)	September 1, 2006 (actual)
6. Nordhoff & Van Nuys	September 8, 2006 (actual)	Sept. 28, 2006 (actual)
7. Beverly & Western	Sept. 26, 2006 (actual)	October 10, 2006 (actual)
8. Figueroa & Imperial Hwy	Sept. 20, 2006 (actual)	October 19, 2006 (actual)
9. Griffin & N. Main	October 25, 2006 (actual)	Nov. 20, 2006 (actual)
10. Figueroa & Florence	October 30, 2006 (actual)	Nov. 20, 2006 (actual)
11. Broadway & Vernon	November 1, 2006 (actual)	February 7, 2007 (actual)
12. Balboa & Vanowen	February 14, 2007 (actual)	March 8, 2007 (actual)
13. Washington & Western	March 7, 2007 (actual)	March 29, 2007 (actual)
14. Bundy & Pico	March 27, 2007 (actual)	May 2, 2007 (actual)
15. Sepulveda & Victory	April 18, 2007 (actual)	May 10, 2007
16. Grand & Venice	April 23, 2007 (actual)	May 15, 2007
17. Lorena & Whittier	April 24, 2007 (actual)	May 17, 2007
18. Highland & Olympic	April 26, 2007 (actual)	May 21, 2007
19. Louise & Sherman Way	April 30, 2007	May 23, 2007
20. Gage & Normandie	May 7, 2007	May 25, 2007
21. Alameda & Cesar Chavez	May 11, 2007	May 30, 2007
22. Alvarado & Temple	May 16, 2007	June 5, 2007
23. Figueroa & Manchester	May 21, 2007	June 8, 2007
24. Coldwater Cyn & Oxnard	May 25, 2007	June 12, 2007
25. MLK & Western	May 30, 2007	June 18, 2007
26. Airport & Manchester	June 6, 2007	June 24, 2007
27. Anaheim & Wilmington	June 12, 2007	July 2, 2007
28. Century & Figueroa	June 15, 2007	July 6, 2007
29. Cahuenga & Sunset	June 22, 2007	July 10, 2007
30. Alvarado & Olympic	June 27, 2007	July 12, 2007
31. Westwood & Wilshire	June 29, 2007	July 13, 2007
32. Arleta & Van Nuys	June 29, 2007	July 13, 2007

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 67

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
hmtSubject: **DEPARTMENT OF TRANSPORTATION – ADVERTISING ON CITY BUSES**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide additional information regarding advertising on City buses. In addition to a brief background of the recently implemented advertising contract, DOT's attached response provides possible options to expand advertising revenues. As monthly advertising revenues are increasing, DOT anticipates that City revenues could exceed \$400,000 for the first year of implementation.

KLS:ALB:06070213c

Attachment

Proposed FY 2007-08 Budget
Budget and Finance Committee Report Back
Subject: Advertising Program on City Buses (ID # 218)

Councilmember Greuel raised a question at the Special Budget and Finance Committee meeting on April 30, 2007 concerning how we can increase revenues generated by the Department's bus advertising contract. In terms of background, this new contract was executed between LADOT and Titan Worldwide effective October 2006. Based on the contract with Titan, the City is guaranteed a minimum annual guarantee of \$187,000 for the first year, with the minimum annual guarantee increasing each year to a total of \$400,000 by the fifth year (fourth and fifth years are options). The bus advertising contract applies to LADOT's entire transit fleet of approximately 400 buses, including vehicles for DASH, Commuter Express and Cityride.

LADOT is guaranteed to receive the minimum annual financial guarantees proposed by Titan or 50% of the actual net revenues, whichever amount is higher. The total net billings from October 2006 through April 2007 (seven months) are \$441,858. Assuming a 50% share for the City, this contract has generated approximately \$221,000 for the City to-date. Thus, the City has already exceeded the minimum annual guarantee of \$187,000 through the first seven months of the first contract year. Projecting these revenues through the end of the first contract year, the City would receive total estimated revenues of approximately \$379,000. This anticipated amount is more than double of the minimum annual guarantee amount for the first year. As monthly revenues are continuing to increase, the Department anticipates that City revenues could exceed \$400,000 for the first year.

The Department has had initial discussions with Titan about the possibility of expanding the space available on the bus exterior tails (as prescribed by the contract) to possibly include limited use of the driver side of the buses. LADOT had generally restricted advertising in its bus advertising RFP to the rear of the buses in order to preserve the brand identity for its transit services. The Department will continue to pursue these discussions with Titan as a potential means to increase bus advertising revenues for the City.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS hmt*

Subject: **DEPARTMENT OF TRANSPORTATION – LIST OF BUSIEST INTERSECTIONS**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide a list of the 51 intersections for which 20 Traffic Officer resolution position authorities are provided for traffic congestion relief in the 2007-08 Proposed Budget. The Committee also requested information regarding the duties of these Traffic Officers while not performing traffic congestion relief at these intersections.

Attached is the list of 51 intersections provided by DOT. The Traffic Officers assigned to these intersections will perform traffic citation issuance activities while not performing traffic congestion relief.

KLS:ALB:06070210c

Attachment

id # 224

Traffic Officers Deployed at 51 Intersections

	Bureau	CD#	Intersection	Hours
1	M	5	OVERLAND-NATIONAL BL	AM
2	M	5	OVERLAND-NATIONAL PL	AM
3	M	8	CRENSHAW-FLORENCE	AM
4	M	11	PICO-BUNDY	AM
5	M	1	VERMONT-PICO	AM/PM
6	M	1	VERMONT-WASHINGTON	AM/PM
7	M	1	VERMONT-WILSHIRE	AM/PM
8	M	4	ARGYLE-FRANKLIN	AM/PM
9	M	4	CAHUENGA-BARHAM	AM/PM
10	M	4	GRIFFITH PK-LOS FELIZ	AM/PM
11	M	4	MELROSE-HIGHLAND	AM/PM
12	M	8	CRENSHAW-SLAUSON	AM/PM
13	M	8	CRENSHAW-VERNON	AM/PM
14	M	10	CRENSHAW-MLK	AM/PM
15	M	11	SANTA MONICA-SAWTELLE	AM/PM
16	M	1	HOPE-TEMPLE	PM
17	M	4	HOLLYWOOD-HIGHLAND	PM
18	M	4	ROSSMORE-BEVERLY	PM
19	M	4	OLYMPIC-LA CIENEGA	PM
20	M	5	SANTA MONICA-WESTWOOD	PM
21	M	5	VETERAN-SUNSET	PM
22	M	5	WILSHIRE-WESTWOOD	PM
23	M	8	CRENSHAW-STOCKER	PM
24	M	9	16TH-SAN PEDRO	PM
25	M	9	1ST-ALAMEDA	PM
26	M	9	5TH-FIGUEROA	PM
27	M	9	7TH-GRAND	PM
28	M	10	LA CIENEGA-FAIRFAX	PM
29	M	11	SUNSET-CHURCH LN	PM
30	M	13	HIGHLAND-SUNSET	PM
31	M	13	SAN FERNANDO RD-FLETCHER	PM
32	M	13	BEVERLY-VERMONT	PM
33	M	14	SOTO-WASHINGTON	PM
34	M	15	9TH-GAFFEY	PM
35	M	15	IMPERIAL-CENTRAL	PM
36	V	3	RESEDA-BURBANK	AM
37	V	12	TOPANGA CYN-RTE 188 WB RAMP	AM
38	V	2	VENTURA-COLDWATER CYN	AM/PM
39	V	2	VENTURA-LAUREL CANYON	AM/PM
40	V	2	VENTURA-VAN NUYS	AM/PM
41	V	5	VENTURA-BEVERLY GLEN	AM/PM
42	V	5	VENTURA-SEPULVEDA	AM/PM
43	V	12	RESEDA-ROSCOE	AM/PM
44	V	3	RESEDA-CLARK	PM
45	V	5	DICKENS-SEPULVEDA	PM
46	V	6	SEPULVEDA-ROSCOE	PM
47	V	6	VICTORY-COLDWATER CYN	PM
48	V	6	VICTORY-SEPULVEDA	PM
49	V	7	HUBBARD-FOOTHILL	PM
50	V	7	SAN FERNANDO RD-VAN NUYS	PM
51	V	7	VAN NUYS-FOOTHILL	PM

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 69

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
rmt*

Subject: **DEPARTMENT OF TRANSPORTATION - LEFT-TURN ARROW
CONSTRUCTION AND STATUS OF THE ATSAC PROGRAM**

The Budget and Finance Committee directed the Department of Transportation (DOT) to report on the status of left-turn arrow construction and the ATSAC program. DOT's responses to the status of left-turn arrow construction (Attachment 1) and the ATSAC program (Attachment 2) are provided.

The 2007-08 Proposed Budget includes personnel resources and funding for the construction of 45 left-turn arrows, including the construction of 20 left-turn arrows in DOT's base budget and 25 additional left-turn arrows provided in Blue Book Item 10, page 426. These 45 left-turn arrows will be constructed by City staff. In addition to the 45 left-turn arrows anticipated for construction in 2007-08, DOT anticipates constructing 78 left-turn arrows through the ATSAC Program. All left-turn arrows constructed through the ATSAC program are installed by contractors, not City staff. In total, DOT estimates 123 left-turn arrows constructed in 2007-08.

KLS:ALB:06070206c

Attachment

ATTACHMENT 1

1d # 220

Department of Transportation

Status of Left Turn Arrow Installations

May 1, 2007

In Fiscal Year 2006-07, left turn arrows are projected to be installed by LADOT crews at 19 approaches involving 14 intersections. Those that are under construction as of May 1 are noted and are expected to be completed by June 30. The listing is shown below:

#	Location	CD	LTs	Project Type	Status	Note
1	Arleta Ave & Sheldon St	6	1	Signal Design Project	Completed	
2	Balboa Bl & Roscoe Bl	12	2	Signal Design Project	Completed	
3	Beverly Dr & Pico Bl	5	1	Signal Design Project	Completed	
4	Cesar Chavez Av & Mission Rd	1	1	Signal Design Project	Completed	2
5	Channel St, John Gibson & Pacific Ave	15	1	Signal Design Project	Completed	
6	Corbin Ave, Nordhoff St & Nordhoff Wy	12	1	Signal Design Project	Completed	
7	De Soto Ave & Nordhoff St	12	2	Signal Design Project	Completed	
8	Huston St & Van Nuys Bl	2	1	Signal Design Project	Completed	1
9	Lindley Ave & Sherman Way	3	1	Signal Design Project	Completed	
10	Penrose St & Sunland Bl	2	1	Signal Design Project	Completed	1
11	Reseda Bl & Vanowen St	3	1	Signal Design Project	Completed	2
12	Glenoaks Bl & Van Nuys Bl	7	1	Signal Design Project	Under Construction	
13	Highland Ave & Olympic Bl	4	1	Signal Design Project	Under Construction	1
14	MLK Jr Bl & Western Ave	8	4	Signal Design Project	Under Construction	2

Notes:

1. Per the July 7, 2006 DOT report, this location was to be added with additional crews in Fiscal Year 2006-07.
2. This location received left turn arrows in Fiscal Year 2006-07 but was not identified in the July 7, 2006 DOT report.

The following locations were shown on the July 7, 2006 DOT report, but completed prior to Fiscal Year 2006-07.

#	Location	CD	LTs	Project Type	Status
1	Motor Ave & National Bl	5	1	Signal Design Project	Completed
2	Sepulveda Bl & Vanowen St	6	2	Signal Design Project	Completed
3	Sherman Way & Woodman Ave	2	1	Signal Design Project	Completed

The following locations were shown on the July 7, 2006 DOT report and were not completed in Fiscal Year 2006-07 for the reasons shown.

#	Location	CD	LTs	Reason for Delay
1	Jefferson Bl & La Cienega Bl	10	2	Incorporated into Expo LRT Project (Grade Separation)
2	Sawtelle Bl & Venice Bl	11	1	Need Caltrans approval (Venice Bl is a State Route)
3	Sepulveda Bl & Venice Bl	11	2	Need Caltrans approval (Venice Bl is a State Route)

In addition to the above, during Fiscal Year 2006-07, left turn arrows are projected to be installed by ATSAC and street improvement contracts at 59 approaches involving 24 intersections. Those that are under construction as of April 30 are noted and are expected to be completed by June 30. The listing is show below:

#	Location	CD	LTs	Project Type	Status
1	Beverly Glen Bl & Santa Monica Bl	5	3	Street Improvement	Completed
2	Century Square & Santa Monica Bl	5	2	Street Improvement	Completed
3	Manning Av & Santa Monica Bl	5	1	Street Improvement	Completed
4	Moreno Dr & Santa Monica Bl	5	2	Street Improvement	Completed
5	Santa Monica Bl & Sepulveda Bl	5	4	Street Improvement	Completed
6	Santa Monica Bl & Veteran Av	5	4	Street Improvement	Completed
7	Santa Monica Bl & Westholme Av	5	1	Street Improvement	Completed
8	Santa Monica Bl & Westwood Bl	5	2	Street Improvement	Completed
9	Beverly Bl & La Cienega Bl	5	2	Mid-Wilshire ATCS	Completed
10	Crenshaw Bl & Wilshire Bl	4	1	Mid-Wilshire ATCS	Completed
11	Highland Ave & Hollywood Bl	13	3	Mid-Wilshire ATCS	Completed
12	Highland Ave & Sunset Bl	13	2	Mid-Wilshire ATCS	Completed
13	Francisco St & Normandie Av	15	4	Street Improvement	Under Construction
14	Knox St & Normandie Av	15	4	Street Improvement	Under Construction
15	3rd St & La Brea Ave	5	1	Mid-Wilshire ATCS	Under Construction
16	Beverly Bl & La Brea Bl	5	4	Mid-Wilshire ATCS	Under Construction
17	Beverly Bl & Western Ave	4	2	Mid-Wilshire ATCS	Under Construction
18	Fairfax Ave & Sunset Bl	5	2	Mid-Wilshire ATCS	Under Construction
19	Highland Ave & Wilshire Bl	4	1	Mid-Wilshire ATCS	Under Construction
20	Hollywood Bl & Western Ave	4	4	Mid-Wilshire ATCS	Under Construction
21	La Brea Ave & Wilshire Bl	4	1	Mid-Wilshire ATCS	Under Construction
22	San Vicente Bl & Wilshire Bl	5	2	Mid-Wilshire ATCS	Under Construction
23	Sunset Bl & Western Ave	13	3	Mid-Wilshire ATCS	Under Construction
24	Airport Bl & Manchester Ave	11	4	Westchester ATCS	Under Construction

In summary, during Fiscal Year 2006-07, left turn arrows are projected to be installed at 78 approaches involving 38 intersections. As of May 1, 2007, the additional crew had not been authorized. If the crew had been authorized earlier in the fiscal year, an additional 25 approaches could have been implemented.

It is noted that the vacancy rate among DOT Signal Systems Electricians during Fiscal Year 2006-07 had been 20 percent, which has impacted the delivery of projects.

During Fiscal Year 2007-08, left turn arrows are projected to be installed by LADOT crews at 45 approaches involving 24 intersections. The listing is shown below:

#	Location	CD	LTs	Project Type	Status	Note
1	1st St & Hope St	9	1	Signal Design Project	Design Completed	1
2	4th St & Soto St	1	1	Signal Design Project	Design Completed	2
3	Allesandro St & Glendale Bl	13	1	Signal Design Project	Design Completed	2
4	Cahuenga Bl & Odin St	4	1	Signal Design Project	Design Completed	
5	Centinela Ave & Venice Bl	11	1	Signal Design Project	Design Completed	1
5	De Soto Ave & Lassen St	12	1	Signal Design Project	Design Completed	2
6	Kenter Ave & Sunset Bl	11	1	Signal Design Project	Design Completed	1
7	Laurel Cyn Bl & Riverside Dr	5	3	Signal Design Project	Design Completed	1
8	Platt Ave & Victory Bl	3	4	Signal Design Project	Design Completed	1
9	Sunset Bl & Via De La Paz	11	2	Signal Design Project	Design Completed	2
10	Tampa Ave & Victory Bl	3	2	Signal Design Project	Design Completed	2
11	Vanowen St & Winnetka Ave	3	1	Signal Design Project	Design Completed	2
12	Victory Bl & Whitsett Ave	2	1	Signal Design Project	Design Completed	2
13	Balboa Bl & Burbank Bl	3	3	Signal Design Project	Design Completed	
14	Crenshaw Bl & Washington Bl	10	1	Signal Design Project	Design Completed	
15	Florence Av & Normandie Av	8	2	Signal Design Project	Design Completed	
16	Gloria Ave & Sherman Way	6	1	Signal Design Project	Design Completed	
17	Hazeltine Ave & Riverside Dr	2	1	Signal Design Project	Design Completed	
18	Mason Ave & Nordhoff St	12	1	Signal Design Project	Design Completed	2
20	Santa Monica Bl & Western Ave	13	4	Signal Design Project	Design Completed	
21	Slauson Av & Vermont Av	9	4	Signal Design Project	Design Completed	
22	Soto St & Washington Bl	14	2	Signal Design Project	Design Completed	
23	Reseda Bl & Rinaldi	12	2	Signal Design Project	Design Completed	
24	Normandie Ave & Pacific Coast Hwy	15	4	Signal Design Project	Design Completed	

Notes:

1. Per the July 7, 2006 DOT report, this location was to be programmed for construction in Fiscal Year 2006-07.
2. Per the July 7, 2006 DOT report, this location was to be added with additional crews in Fiscal Year 2006-07.

In addition to the above, during Fiscal Year 2007-08, left turn arrows are projected to be installed by ATSAC contracts at 78 approaches involving 32 intersections. The listing is shown below:

#	Location	CD	LTs	Project Type	Status
1	La Tijera Bl & Sepulveda Bl	11	3	Street Improvement Project	Design Completed
2	Sepulveda Bl & Westchester Pkwy	11	2	Street Improvement Project	Design Completed
3	Alameda St & Los Angeles St	14	2	Street Improvement Project	In Design
4	Central Ave & Century Blvd	8	1	Harbor Gateway I ATSAC	Design Completed
5	Imperial Hwy & Wilmington Ave	15	2	Harbor Gateway I ATSAC	Design Completed
6	Branford St & San Fernando Rd	6	1	Golden State Fwy Corridor ATSAC	Design Completed
7	Glenoaks Bl & Osborne St	7	4	Golden State Fwy Corridor ATSAC	Design Completed
8	Glenoaks Bl & Van Nuys Bl	7	4	Golden State Fwy Corridor ATSAC	Design Completed
9	Glenoaks Blvd, La Tuna Cyn Rd & Tuxford St	6	4	Golden State Fwy Corridor ATSAC	Design Completed
10	Lankershim Bl & San Fernando Rd	6	1	Golden State Fwy Corridor ATSAC	Design Completed
11	Lankershim Bl & Tuxford St	6	4	Golden State Fwy Corridor ATSAC	Design Completed
12	Laurel Cyn Bl & Osborne Ave	6	2	Golden State Fwy Corridor ATSAC	Design Completed
13	Laurel Cyn Bl & Roscoe Bl	6	4	Golden State Fwy Corridor ATSAC	Design Completed
14	Nordhoff St & Woodman Ave	7	4	Golden State Fwy Corridor ATSAC	Design Completed
15	Osborne St & San Fernando Rd	6	4	Golden State Fwy Corridor ATSAC	Design Completed
16	Osborne St & Woodman Av	7	3	Golden State Fwy Corridor ATSAC	Design Completed
17	Plummer St. & Woodman Ave.	6	1	Golden State Fwy Corridor ATSAC	Design Completed
18	San Fernando Rd & Sheldon St	6	2	Golden State Fwy Corridor ATSAC	Design Completed
19	San Fernando Rd & Tuxford St	6	4	Golden State Fwy Corridor ATSAC	Design Completed
20	San Fernando Rd & Van Nuys	7	3	Golden State Fwy Corridor ATSAC	Design Completed
21	Ave 40, Eagle Rock Blvd. & Verdugo Rd	13	1	Eagle Rock ATSAC	Design Completed
22	Eagle Rock Bl, Glendale Fwy NB, Verdugo	13	1	Eagle Rock ATSAC	Design Completed
23	Eagle Rock Blvd. & York Blvd	14	1	Eagle Rock ATSAC	Design Completed
24	Figuroa St. & Meridian St	14	1	Eagle Rock ATSAC	Design Completed
25	Verdugo Rd & York Bl	14	1	Eagle Rock ATSAC	Design Completed
26	Century Bl & Gramercy Pl	8	1	Hyde Park West ATSAC	In Design
27	Century Bl & Western Av	8	2	Hyde Park West ATSAC	In Design
28	Florence Av & Western Av	8	4	Hyde Park West ATSAC	In Design
29	Redondo Bl & West Bl	8	1	Hyde Park West ATSAC	In Design
30	Slauson Av & Van Ness Av	8	2	Hyde Park West ATSAC	In Design
31	Slauson Av & Western Av	8	4	Hyde Park West ATSAC	In Design
32	Florence Av & Vermont Av	8	4	Hyde Park East ATSAC	In Design

In summary, during Fiscal Year 2007-08, left turn arrows are projected to be installed at 123 approaches involving 56 intersections.

We are in discussion with Council District 11 regarding the expediting of left turn arrows using Costal Corridor and West Los Angeles Transportation Specific Plan Trust Funds. If the funds are approved by the City Council, additional left turn arrows on 11 approaches at 6 intersections could be implemented.

ATTACHMENT 2

Department of Transportation

Status of ATCS Construction

May 1, 2007

The following is a projected ATCS Construction schedule assuming funding will become available starting in Fiscal Year 2007-08:

Project	Funding Status	Start Construction	End Construction
Mid-Wilshire ATCS	Funded	November 2006	October 2007
Westchester ATCS	Funded	April 2007	March 2008
Golden State Fwy - Phase 1	Funded	July 2007	June 2008
Golden State Fwy - Phase 2	Funded	August 2007	July 2008
Eagle Rock	Funded	September 2007	August 2008
Hyde Park West	Funded	October 2007	September 2008
Hyde Park East	Funded	November 2007	October 2008
North Hollywood - Phase 1	Funded	December 2007	November 2008
North Hollywood - Phase 2	Funded	January 2008	December 2008
Harbor Gateway 1	Funded	February 2008	January 2009
Wilmington	Funded	March 2008	February 2009
Reseda - Phase 1	Funded	April 2008	March 2009
Reseda - Phase 2	Funded	May 2008	April 2009
San Pedro	Funded	June 2008	May 2009
Canoga Park - Phase 1	Funded	October 2008	September 2009
Canoga Park - Phase 2	Funded	September 2008	August 2009
Harbor Gateway 2	Unfunded	November 2008	October 2009
Pacific Palisades / Canyons	Unfunded	December 2008	November 2009
Platt Ranch	Unfunded	March 2009	February 2010
Foothill	Unfunded	April 2009	March 2010
Coliseum/Florence - Phase 1	Unfunded	May 2009	April 2010
Coliseum/Florence - Phase 2	Unfunded	June 2009	May 2010
Santa Monica Fwy ATCS - Phase 1	Unfunded	November 2009	October 2010
Santa Monica Fwy ATCS - Phase 2	Unfunded	December 2009	November 2010
Westwood/West Los Angeles ATCS	Unfunded	April 2010	March 2011
Wilshire East ATCS	Unfunded	May 2010	April 2011
Echo Park/Silver Lake ATCS	Unfunded	October 2010	September 2011
West Adams ATCS	Unfunded	November 2010	October 2011
Central Business District ATCS	Unfunded	March 2011	February 2012
Central City East ATCS	Unfunded	June 2011	May 2012

The Local Match for these project is provided through the use of Interim Authority Positions.

Proposition C Funds are used for any hard Local Match requirements

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 70

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
gmt*

Subject: **DEPARTMENT OF TRANSPORTATION – SOURCES OF FUNDS FOR DASH EXPANSIONS**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide information regarding sources of funds available for new DASH expansion routes. DOT's attached response indicates that, due to a lack of funds from eligible sources, no new DASH services are recommended at this time. Additionally, DOT states that they will provide a comprehensive report concerning Propositions A and C in the next 30-45 days. This report will include potential strategies, including increases to revenue and cost reductions, to address the significant shortfall in both funds.

KLS:ALB:06070205c

Attachment

Proposed FY 2007-08 Budget
Budget and Finance Committee Report Back
Subject: New DASH Service For CD 11 and CD 14 (ID # 222)

Councilmember Rosendahl of CD 11 and Councilmember Huizar of CD 14 raised questions at the Special meeting of the Budget and Finance Committee on April 30, 2007 concerning what steps are needed to implement a new DASH service in their districts. In general, the Department is not recommending that the City implement any new DASH services unless a new, stable funding source other than City Proposition A funds is identified.

As discussed in the Department's August 21, 2006 report to the City Council, the City is facing a projected \$200 million shortfall in its Proposition A funds over the next ten years. The City's local Proposition A funds are the primary source of funding for the City's transit program. The projected \$200 million shortfall assumes a Baseline Scenario in which no new transit services are implemented by the City. The Department also analyzed a DASH Expansion Scenario that assumes the addition of ten (10) new DASH services over the next ten years, or one new DASH service per year. This scenario resulted in a \$300 million shortfall over the next ten years. The Department is in the process of preparing a new report to the Transportation Committee concerning the City's Proposition A fund ten-year forecast, including recommendations to increase revenues and reduce costs in order to address the projected shortfall.

The Department recently completed a Community DASH Needs Assessment Study (CF 04-0823 S-1; adopted by the City Council on June 28, 2005) that identified where potential new DASH services might be successful throughout the City. This study identified a prioritized list of 22 potential new Community DASH services that the City should use as a guide for implementation, subject to available City funding. This prioritized list was adopted by the City Council at its June 28, 2005 meeting. As of today, no new DASH services recommended in the Study have been implemented due to the projected Proposition A shortfall.

Councilmember Rosendahl, at the Budget and Finance Committee meeting, also raised a concern about the mobility needs of seniors in his district. It should be noted that the Cityride Program administered by LADOT is available on a citywide basis for eligible seniors and persons with disabilities. The Cityride Program provides clients with subsidized scrip that may be used to purchase MTA bus passes, along with rides on City-franchised taxicabs and/or utilize City operated dial-a-ride service.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 71

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by m/f*Subject: **DEPARTMENT OF TRANSPORTATION – STOLEN VEHICLE RECOVERY PROGRAM FUNDING, RESPONSE TIME AND IMPACT ON LAPD**

The Budget and Finance Committee directed the City Administrative Officer (CAO) to provide information regarding the Department of Transportation (DOT) Stolen Vehicle Recovery Program.

Six resolution position authorities and related funding for the expanded Stolen Vehicle Recovery Program were not continued due to a lack of available funds. In 2007-08, the cost to continue the expanded program provided in 2006-07 is \$311,564. The expanded program would consist of six positions. The following is a detail of those costs.

<u>NO.</u>	<u>CLASSIFICATION</u>	<u>AVG ANN. SALARY</u>	<u>TOTAL AMOUNT</u>
5	Traffic Officer II	\$48,979	\$244,895
1	Sr. Traffic Supervisor II	\$66,669	\$ 66,669
	Total		\$311,564

Additionally, DOT has determined that the response time to recover a stolen vehicle and complete the investigation report is approximately two hours. If a stolen vehicle is discovered by a DOT unit during routine patrol, a request for tow service is made to the appropriate official police garage (OPG). OPG response time to the DOT call ranges between 25 and 30 minutes. The DOT Traffic Officer then completes the recovery investigation report at the nearest Los Angeles Police Department (LAPD) station and also completes a written notification of vehicle recovery to the registered and legal owners. If a call regarding an abandoned vehicle is received by the DOT radio communication center from the LAPD's complaint board or an LAPD desk officer, a DOT Traffic Officer typically responds within 38 minutes. If the vehicle is determined to be stolen, the above process is executed.

DOT estimates that the expanded Stolen Vehicle Recovery Program provides the LAPD with 16,000 additional patrol hours annually.

KLS:ALB:06070188c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 72

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*Subject: **DEPARTMENT OF TRANSPORTATION – STATUS OF THE WILSHIRE RESURFACING PROJECT**

The Budget and Finance Committee directed the Department of Transportation (DOT) to report on the status of the Wilshire Resurfacing project. Attached is DOT's response. DOT reports that on May 2, 2007, the City Council approved the Wilshire Boulevard Bus Lanes project and directed DOT to implement the project plan that will include resurfacing Wilshire Boulevard. DOT believes that the Los Angeles County Metropolitan Transportation Authority (MTA) may approve a fund swap of Proposition A funds for Proposition C funds for the resurfacing of Wilshire Boulevard. However, DOT also believes that MTA should also contribute its own funds toward the project because MTA would be a primary beneficiary of the repairs.

KLS:ALB:06070208

Attachment

10 # 234

**CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE**

Date: May 3, 2007

To: The Honorable City Council
C/o City Clerk, Room 395, City Hall
Attention: Honorable Bernard Parks, Budget and Finance Committee

From: Gloria J. Jeff, General Manager
Department of Transportation

Subject: **WILSHIRE BOULEVARD RESURFACING**

On May 2, 2007, the City Council approved the Wilshire Boulevard Bus Lanes project and directed LADOT to develop an implementation plan for end-to-end bus-only lanes and engineering enhancements, which would include repair of the damaged pavements on Wilshire Boulevard. The preliminary cost estimate for the Wilshire Bus Lanes project is approximately \$16 million. Metro staff indicated during the Transportation Committee meeting on April 25, 2007, that they would probably fund most if not all of the capital costs of the project.

In the City's FY 2007-08 Proposition A budget, there is an unallocated balance of \$10,178,000 for Wilshire Boulevard resurfacing work, which might be used to partially fund the Wilshire Boulevard Bus Lanes project if Metro Board approves the swap of City's Proposition A dollars for Metro's discretionary Proposition C Funds. However, Metro operates a very high volume of buses on Wilshire Boulevard and has contributed to the current street damage. The Wilshire Bus Lanes project would primarily benefit Metro's bus operations and it is reasonable to expect Metro pay for the project capital costs, including street repair.

More importantly, the City is facing a projected deficit of \$29 million within the Proposition A Fund starting in FY 2009-10. Significant annual shortfalls exist in each year thereafter through FY 2015-16, where the shortfall is projected to reach approximately \$200 million. It is critical for the City to save the \$10 million in Proposition A Fund to cover a portion of the projected shortfalls. LADOT would recommend reallocating the \$10 million balance to pay for other urgent transit needs in the City, instead of spending it on the Wilshire Boulevard resurfacing. Staff will work with Metro to identify other funding sources for the Wilshire Boulevard Bus Lanes project.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 73

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
by mtSubject: **DEPARTMENT OF TRANSPORTATION – STATUS OF UNCOLLECTED
CITATION REVENUE AND THE PROCESS OF CITATION REVENUE
COLLECTION**

The Budget and Finance Committee directed the Department of Transportation (DOT) to report on the status of uncollected citation revenue and the process of citation collection, including support from the Office of Finance. Attached is DOT's response. In this response, DOT provides a background of the policies and procedures for citation notification, tracking, collection, review and adjudication. Additionally, DOT addresses the "Difficult to Collect" citations. The current average citation collection rate for Los Angeles is 80.2 percent.

KLS:ALB:06070209

Attachment

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: May 3, 2007

TO: Iris Ingram, Assistant General Manager

FROM: Amir Sedadi, Assistant General Manager

SUBJECT: **SYSTEM ID – 232 FY 2007-08 BUDGET - REPORT REQUESTED BY THE BUDGET AND FINANCE COMMITTEE RELATIVE TO THE COLLECTION OF PARKING FINES THAT ARE CLASSIFIED AS “DIFFICULT TO COLLECT”**

INTRODUCTION

On April 30, 2007, the Chair of the Budget and Finance Committee requested that the Department of Transportation report on the status of uncollected parking citations and any new strategies to enhance collections. Further, the Chair requested the Department of Transportation to contact the Office of Finance and discuss any cooperative efforts to improve the collected amounts for parking citations.

RECOMMENDATION

Direct the Department of Transportation to report to the Transportation and Budget and Finance Committees with a pilot program to begin enhanced collections efforts including selected out-bound calling and any cooperative efforts with the Office of Finance.

BACKGROUND

In accordance with Article 3 of the California Vehicle Code (CVC), the Department of Transportation (DOT) established policies and procedures to notify, track, collect, review, and adjudicate parking citations. The Parking Violations Bureau (PVB), which is operated under contract by Affiliated Computer Services (ACS), is responsible for the processing and collection of all parking citations issued by City employees. In addition, DOT, with support from ACS, is responsible for the administrative review and adjudication of all contested City parking citations.

California public agencies may utilize only those legal sanctions authorized by the CVC to enforce the collection of parking citations. The sanctions include:

1. Placing unpaid citations as a lien on the California DMV registration renewal of vehicles registered in California;
2. Vehicle impound or immobilization (Denver boot) for five or more unpaid delinquent parking citations;

3. Impoundment of unregistered California plated vehicles;
4. Lien sale of impounded vehicles (Los Angeles delegates this function to the Official Police Garages (OPG) and recovery of any excess funds remaining after OPG lien and DMV fees are paid;
5. State Franchise Tax Board tax refund offset program in connection with collection of unpaid DMV fees;
6. Civil debt collection (requires Superior Court legal judgment to exercise this procedure)

Unpaid delinquent parking citations are assigned to a special collections program that, pursuant to contract, is administered by ACS. Under the current contract, ACS receives a fee of \$21 for each citation that is collected after assignment to the special collections program. The \$21 fee is not paid from the City's parking fines and late payment penalties. Rather, the fee is paid by the parking violator as an additional charge for the citation. This procedure is authorized by the CVC and the Los Angeles Municipal Code.

The ACS-administered special collections program utilizes multiple California DMV ownership inquiries and nationwide access to all out-of-state state motor vehicle registries to obtain vehicle ownership information, special noticing and follow-up to vehicle rental and leasing companies and their customers, special processing for delivery fleets, and the National Change of Address (NCOA) database and Accurant to obtain updated mailing addresses. Using information obtained from these sources, ACS mails State Franchise Tax Board notices to in-state registered owners, credit warning notices to both in-state and out-of-state registered owners, and twenty-four (24) specially designed collection notices that are custom-tailored to each specific delinquent citation population. Also included with the notice is a special collections letter designed by the Los Angeles City Attorney's Office. As a result of these efforts, special collection activities collected \$118.8 million in fines and penalties over the last three years. This represents approximately 28.7% of the total amount collected from citations during the period.

The collection of parking fines poses unique collection challenges because it depends upon the ability to positively identify vehicle ownership. The California Department of Motor Vehicles, under California law, must be the primary source to provide the vehicle ownership information to the PVB. In addition, specific exemptions are provided in state law for vehicle rental and leasing companies and their respective responsibilities for paying parking citations issued to their customers.

Unfortunately for collection activities, California law assigns the license plate to the vehicle rather than to the registered owner. Because vehicles frequently change ownership and new owners do not always register their vehicles in a timely manner and many vehicle owners fail to renew their registration at all, it can be difficult to reliably identify the person actually responsible for the citations and to collect the fines. Thus, collection is affected by multiple circumstances: 1) if a vehicle is transferred to another owner; 2) if a registration is not renewed; and, 3) if a vehicle owner moves and does not provide the DMV with an updated mailing address.

Efforts to implement Civil Debt Collection have been unsuccessful in Los Angeles due to the vehicle ownership identification issues, the complexity of the civil judgment legal procedures, and the cost of Superior Court filing fees.

ANALYSIS

The following analysis is a snapshot of the parking citation database. The database will change as new citations enter the parking citation processing cycle and as other citations are paid, dismissed, or age beyond the five-year statute of limitations. A three-year snapshot (July 1, 2003 thru June 30, 2006) was selected for reporting to allow sufficient time for completion of standard collection activities, including the California Department of Motor Vehicles collection procedure which may include two years of motor vehicle registration renewal notices. Selecting a shorter time period for reporting would not present an accurate representation of the parking citation collection process.

The total accumulated amount of uncollected parking citation fines for this three-year period is \$164.5 million. Of this amount, approximately \$52.8 million (based upon the current collection rate) will be collected. Approximately \$111.7 million, representing 1.3 million citations, has accumulated for unpaid parking citations that are deemed "difficult to collect".

California law generally permits parking citation collection activity to continue for five (5) years after a citation is issued. To maximize the enforcement of parking citations and collection of fines, the City does not delete unpaid parking citations from the citation processing database that are less than five-years old even if all legally permitted collection techniques have been exhausted. The accumulation of unpaid parking citations that may never be collected creates the appearance of a very large receivable balance. However, without significant changes in State law, there is very little that the City and private debt collectors may legally do to secure payments of uncollected parking fines.

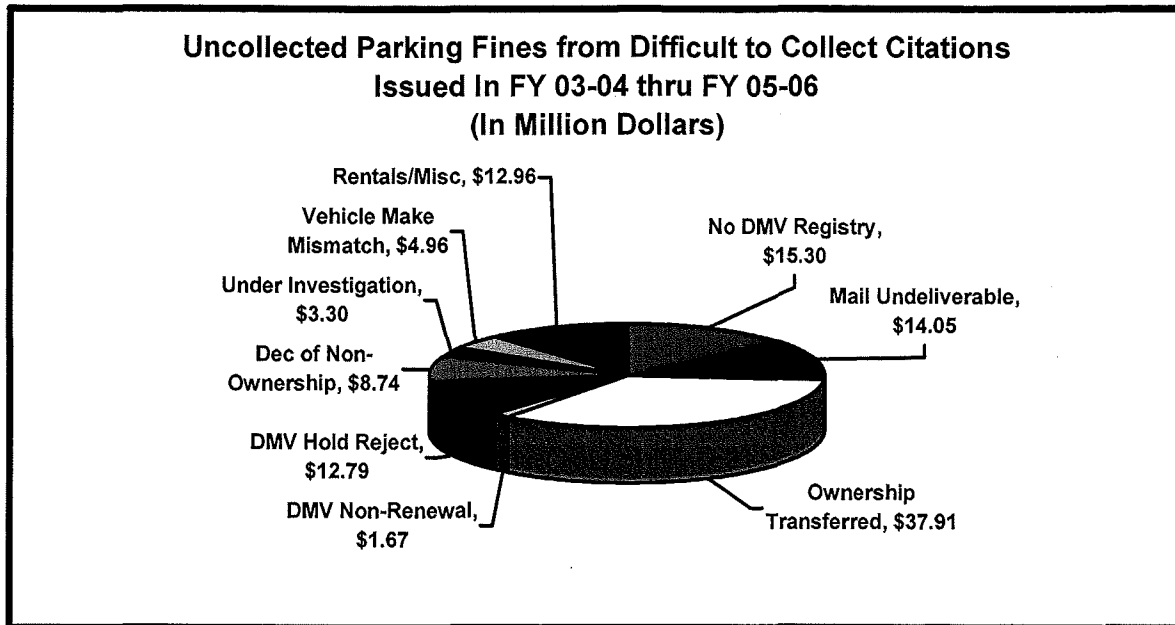
DIFFICULT TO COLLECT CITATIONS

Parking citations are considered difficult to collect if any of the following issues are identified during the processing and collection cycle -- most of these issues can make collection difficult, if not impossible:

- No DMV Registry (No Registered Owner Information to identify responsible party)
- Mail Undeliverable (New address search performed by ACS)
- Ownership Transferred (No enforcement against vehicle allowed)
- DMV Non-Renewal (No DMV collection of citations)
- DMV Hold Rejected (Cannot place citations on DMV vehicle record)
- Declaration of Non-Ownership (Release previous owner pending new DMV registration)
- Under Investigation (Pending DOT/PVB review due to customer complaint)
- Vehicle Make Mismatch (Vehicle make on citation does not match DMV/registry)
- Rental/Miscellaneous (Missing or incorrect vehicle operator information)

The registration, ownership and address issues mentioned above are due to missing or inaccurate information that must be provided by the California Department of Motor Vehicles as well as the vehicle registries of other states. While DOT and ACS continue to improve the system interface with DMV and the other states to enhance and clarify vehicle ownership information, significant improvements may require state legislation.

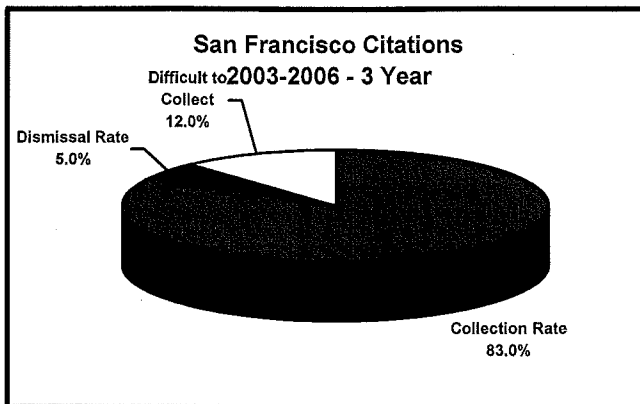
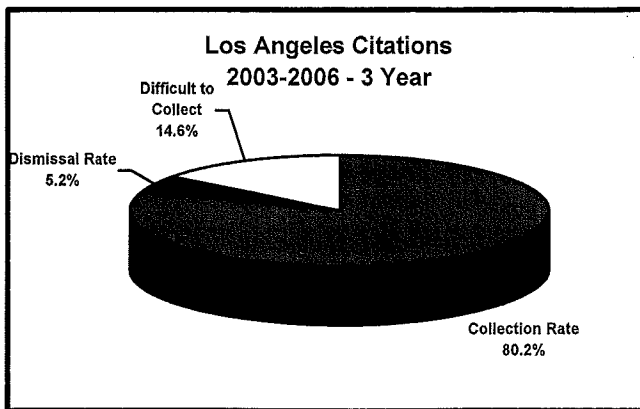
The following table presents the distribution of uncollected parking fines from “difficult to collect” citations:



CITATION COLLECTION RATE – Los Angeles and San Francisco

The average annual issuance for Los Angeles is 3.2 million parking citations. Annual issuance for San Francisco is approximately 2.1 million parking citations. The citation collection rate for parking citations issued in Los Angeles is approximately 80.2% of the total citations issued. For San Francisco, the corresponding collection rate is approximately 83.0%.

As displayed in the following charts, parking citations which are deemed “difficult to collect” comprise 14.6% of issuance in Los Angeles compared to 12.0% in San Francisco. This 2.6% variation may be related to demographic considerations in each city. The citation dismissal rate of 5.2% in Los Angeles and 5.0% in San Francisco is not significantly different.



The dollar value of the difficult to collect category for Los Angeles is \$111.7 million, representing 1.3 million citations. For San Francisco, it is \$66.2 million, representing 747,000 citations. This reporting is consistent with citation issuance in Los Angeles that is at least 53% higher than San Francisco's issuance.

COLLECTION RATE – Survey and Comparison

A survey was conducted of four (4) other cities' three-year parking citation collection rates. The States of Pennsylvania and Massachusetts mandate that license plates follow the person rather than the vehicle, thus allowing for more effective collections. The following table compares the collection rates for the cities of Boston, Philadelphia, San Francisco and Washington D.C.:

City	3-Year Parking Citation Collection Rates		
	12 Months	24 Months	36 Months
Boston	81.30%	83.70%	85.00%
San Francisco	81.30%	82.70%	83.10%
Los Angeles	75.00%	78.40%	78.30%
Washington D.C.	72.60%	73.40%	74.50%
Philadelphia	70.00%	71.00%	71.00%

ENHANCED COLLECTION EFFORTS

In an effort to enhance the collection rate of the outstanding parking cites, the DOT met its contractor, ACS State and Local Solutions (ACS), to discuss and consider new collection strategies and immediate steps that can be taken in an effort to collect on

these unpaid fines. The first step in this process is to propose and establish an outbound calling program through a working management agreement between ACS and MRS Associates, Inc. (MRS).

A partnership between ACS and MRS provides a unique benefit to the City of Los Angeles because MRS has the knowledge and experience of working with parking violations, understands the CVC and collection of parking fines, not just general debt collection. In addition, the partnership will not cost the City any money. The current special collections fee paid to ACS will cover the cost of this program. MRS will transmit payment data to ACS daily, and eTIMS will be updated to reflect payment data. This arrangement will provide a seamless interface for the public.

In December 2006, DOT met with ACS and MRS, to discuss DOT's desire to increase collections and to consider the use of specialized collection agency with highly trained collection agents who are able to contact citizens resourcefully, to refer individual citizens' complaints to ACS regarding the City's parking regulations, and to collect unpaid parking fines. MRS's general workplan and proposal, range of services, approach to collections and their client information and references provided a favorable impression. These key features of their services are highlighted below:

- Investment in employee training (twice the industry's normal standard) that result in call agents who can handle sensitive situations and apply client-specific processes to their interactions with citizens; their goal is to build trust and rapport.
- Emphasis on tailoring and sensitizing scripts and processes according to client needs, including developing client-specific training modules; client participation and approval.
- Quality Assessment (QA) – tracks by issues, errors, departments and callers; provides a direct line for 'complaints and complements', which are reviewed by executive management for appropriate action.
- Thought and strategy applied to pursuing 'pieces' of a debt portfolio through account scoring and 'text to speak' technology that prioritizes and routes answered calls.
- Certification in all states that have a requirement, as well as having its own stringent rules that follow and exceed the Federal Fair Debt Collections Practices Act (FDCPA).
- Proprietary analysis and strategies to determine the best methods to pursue and recover debt. MRS also provides litigation services through a nationwide network of vetted attorneys.

These efforts are similar to the efforts the Department of Water and Power has undertaken with collection agencies for its delinquent and difficult to collect accounts and it has proven to be very successful for DWP. The Department of Water and Power stated that outsourcing the difficult to collect accounts is measurably more prudent and more cost effective than hiring and training additional staff to execute collection efforts internally.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 74

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
5/7/07*

Subject: **DEPARTMENT OF TRANSPORTATION – PROPOSITION C FUNDING FOR
TRANSIT AND TAXI OPERATION CONSULTANT**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide additional information regarding the use of a Transit and Taxi Consultant as provided in the 2007-08 Proposed Proposition C Budget. DOT's attached response provides the specific issues to be handled by the consultant.

KLS:ALB:06070212

Attachment

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: 05/02/2007

TO: Iris Ingram

FROM: Amir Sedadi

SUBJECT: System ID 219-TAXI CONSULTANT SERVICES – Report Back to Ad-Hoc Budget

During the Budget and Finance Committee meeting on April 30th, 2007, the Committee directed the Department to provide additional information regarding the use of a Taxi Consultant as provided in the Proposition C Budget.

The Department anticipates the use of a consultant to address many of the salient issues highlighted in the recent UCLA Study of the Los Angeles Taxi industry. Specifically, the Department will request a review and analysis of the potential costs/benefits of driver benefits, particularly health-care benefits, a review and analysis of the Taxi Cost Index, the methodology and trip data analysis, drivers' safety, as well as, the current franchise system in anticipation of the upcoming re-franchising process.

The Taxi Consultant would be able to provide a frame of reference or additional perspectives of a franchise system, medallion system or a combination to allow the City to provide the most cost-effective and high quality service to the public. This course of action was taken prior to the fast re-franchising process in 1999.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 75

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by m.f.*Subject: **DEPARTMENT OF TRANSPORTATION – STOLEN VEHICLE RECOVERY PROGRAM AND REVENUE GENERATING ACTIVITIES**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide additional information regarding the Stolen Vehicle Recovery Program and its revenue generating activities. Attached is the DOT response.

In 2005-06, DOT was able to achieve efficiencies and implement the Stolen Vehicle Recovery Pilot Program through existing resources. In the 2006-07 Budget, six additional positions were added to expand the program Citywide. In a separate memo, the CAO estimates a total of \$311,000 in direct costs to continue the six positions in 2007-08 that were provided in the 2006-07 Budget.

KLS:ALB:06070214

Attachment

Id # 213

From: Jimmy Price
To: Sedadi, Amir
Date: 5/3/2007 3:58:04 PM
Subject: Re: B&F Report Assignments for Budget 5_02_07.xls

Amir, this is in response to system ID # 213 regarding Stolen Vehicle program

STOLEN VEHICLES

The Non-Felony Stolen Recovery Pilot Program was performed by utilizing existing resources. However, in order to expand the program citywide it was necessary to request 5 traffic officers (one for each enforcement area and 1 Lieutenant (SR. Traffic Supervisor II) to oversee the entire operations.

LADOT has recovered 8045 stolen vehicles since the inception of the Stolen Vehicle Recovery Pilot Program – December 2004

- This amounts to 16,000 police patrol hours
- 2,000 8hr police patrol days
- Since inception we saved 3.8 LAPD police positions
- Since inception we saved 102,351 dollars in salary costs

- Program start up costs –
\$585,113 (includes salaries, equipment, benefits, etc)

- Estimated Revenue Generated from Citation issued from personnel assigned to the Stolen Recovery detail –
 - o \$940,000 (based on ten citations per officer per work day)

Jimmy Price
Chief of Parking Enforcement and Traffic Control
213-972-5090

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 76

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mt*Subject: **DEPARTMENT OF TRANSPORTATION – STATUS OF THE SPEED HUMP PROGRAM**

The Budget and Finance Committee directed the Department of Transportation (DOT) to report on the status of the speed hump program. The attached information provided by DOT indicates that the level of funding provided in the 2007-08 Proposed Budget (\$668,700) will fund the construction of speed humps at 134 locations, or 64 percent of the total 210 locations anticipated for construction in 2007-08. Additionally, DOT states that speed hump construction is not eligible for Proposition A or Proposition C funds. General Funds, Gas Tax funds and designated developer fees may be used to finance speed humps. The \$668,700 provided in the 2007-08 Proposed Budget is entirely composed of Gas Tax funds.

KLS:ALB:06070207

Attachment

19 # 235

From: John Fisher
To: Jasmin San Luis
Date: 4/30/2007 3:00:14 PM
Subject: Budget Hearing Report on Speed Humps

The speed hump program has had wide fluctuations in funding. During the last two fiscal years, \$1,105,000 and \$1,103,000 has been programmed in the CIEP and the Department of Transportation's Budget. This level of funding has enabled DOT to keep up with the current demand for speed humps.

Currently, DOT receives approximately 1,400 requests for speed humps. In some cases, these streets related to the requests do not qualify, due to low traffic volumes, moderate speeds, adverse geometry or transit buses using the street. In other cases, the streets may be qualified for speed humps but inadequate petitions are received (a 75% petition is required). As a result, DOT approves approximately 210 streets (450 actual humps) per year for construction. The current funding of \$1,103,000 will finance speed humps for the 220 streets.

In the proposed FY ²⁰⁰⁷⁻⁰⁸~~2006-07~~ Budget only \$668,700 is programmed, with \$538,700 from the CIEP and \$130,000 in the Department's Contractual Services Account. That amount is only 61% of the current funding and will finance only 61% of the current level of demand. That amount will allow speed humps to be built on only 134 streets. As a result, under the current qualification criteria a backlog of 86 streets will result by the end of FY 2007-08, growing to 172 by the end of FY 2008-09.

Rather than allow backlogs to grow with uncertainty and frustration as to when they might be built, the Department will be forced to use stricter qualification criteria. That criteria likely would be to require that critical speeds exceed speed limits by at least 10 mph, rather than at least 5 mph.

Speed humps are not eligible for Proposition A or Proposition C funding. Currently, only General Funds, Gas Tax funds and designated developer fees may be used to finance speed humps. Per Council File 05-2580, we have submitted a report, dated April 5, 2007 which addresses the issue of sharing the cost for speed humps with residential groups.

CC: Glenn Ogura; Pauline Chan

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 77

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*Subject: **DEPARTMENT OF TRANSPORTATION – PROPOSED RISK MANAGEMENT DIVISION AND CLAIMS RATES**

The Budget and Finance Committee directed the City Administrative Officer (CAO) to provide information regarding the Department of Transportation (DOT) proposal for a Risk Management Division and a brief history of DOT's workers' compensation and liability claims.

In their 2007-08 Proposed Budget request, DOT requested five new positions to create a new Risk and Liability Management Division. The CAO-Risk Management Division (RMD) reviewed this request and provided comments on this request (Attachment 1). The CAO-RMD determined that a Risk Manager I familiar with public entity operations to develop and administer a comprehensive risk management program would benefit DOT in loss prevention. Additionally, the creation of a safety and loss control function would benefit DOT in reducing workplace safety-related or liability claims. We determined that this safety and loss control function would best be staffed by an experienced Safety Engineer and Safety Engineering Associate. These positions would direct, coordinate and develop occupational safety and health programs for the department, develop work instructions emphasizing safety for specific operations, as well as develop a loss prevention program for protection of City property. Although these positions would be beneficial to DOT, a lack of available funds prevented inclusion of these positions in the 2007-08 Proposed Budget.

Below is the requested information regarding the most recent Workers' Compensation data. Also, attached is the most recent data, with analysis provided by CAO-RMD, of DOT General Liability Claims (Attachment 2).

WORKERS' COMPENSATION

Fiscal Year	2003-04	2004-05	2005-06
Number of Claims	340	336	357
Expenditures	\$ 5,867,650	\$ 5,161,130	\$ 4,965,595

On January 5, 2007, the Mayor directed DOT to prepare a Risk Reduction Plan. DOT is currently in the process of preparing this Plan.

KLS:ALB:06070198

Attachments

ATTACHMENT 1

CAO RISK MANAGEMENT Review of Department of Transportation's Budget Request for a Risk and Liability Division

In reference to the Department of Transportation's 2007 – 2008 budget request for a new Risk and Liability Division, CAO Risk Management supports the establishment of a new unit that would report to a high-ranking City official, such as an Assistant General Manager, and focus on managing Transportation's risk and reducing the department's liability costs and claims count. The size of the department and its wide array of critical services support the need for dedicated personnel to perform loss prevention in these areas. An experienced and dedicated Risk Manager I familiar with public entity operations to develop and administer a comprehensive risk management program for the department would benefit Transportation as it recently has the City's Recreation and Parks Department, a slightly larger department having many work-related and public safety exposures.

Workers' Compensation (WC)

The department is amongst the top ten City departments, which when combined, account for over 90% of City workers' comp costs for **FYs 2001 – 2005**. It paid \$33,538,396 in total WC expenditures (salary continuation and other benefits) during that same time period. (This is based on data from the Personnel Department's website.)

Liability Claims

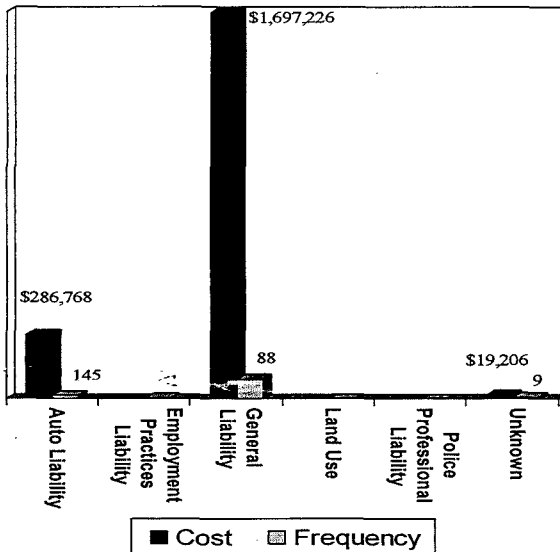
For liability claims, Transportation placed seventh in paid claim costs amongst the top ten departments with \$580,000 for 86 paid claims in **FY 05-06**. Similarly, it placed sixth in average annual paid claim costs of \$921,000 for an average annual of 101 paid claims for **FYs 2002 – 06**. (This is based on data provided by the City Attorney's Office.)

The creation of a safety and loss control function, staffed by an experienced safety engineer and safety engineering associate, and reporting to a high-ranking City official, such as an Assistant General Manager, is consistent with the October 29, 2001 consultant report prepared by Warren, McVeigh & Griffin, Inc. at CAO Risk Management's request. The division should be supported adequately with funding for specialized training and dedicated clerical support if these resources are not already available to a new division.

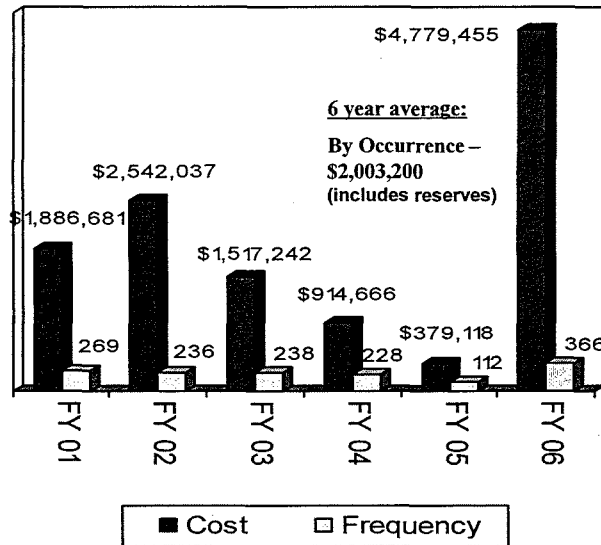
If the department were to add a new safety and loss control function, Transportation's anticipated initial year 10% reduction in the number of workplace safety-related or liability claims would be a reasonable estimate. However, any significant reduction on the department's ultimate expenditures would be realized over time as the program develops and new procedures are implemented.

Department of Transportation 7-01-2000 to 6-30-2006

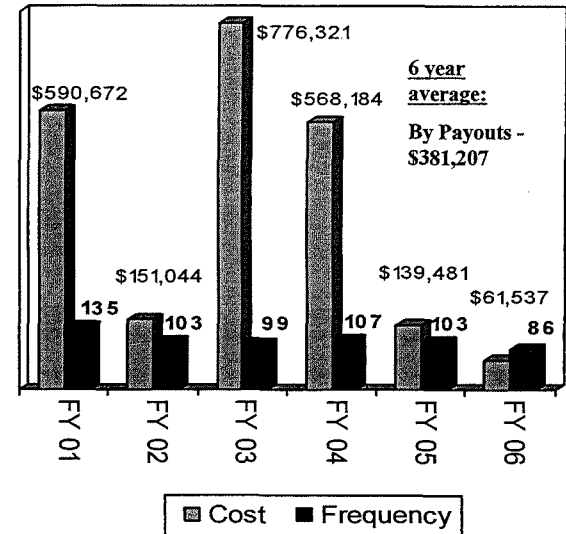
**6-year Average Cost and Frequency
Claim Type
By Date of Occurrence**



**Total Liability Cost and Frequency
By Date of Occurrence**



**Total Liability Cost and Frequency
By Date Claims Were Paid**



Data Analysis

- All data is provided by the Office of City Attorney.
- General Liability (GL) has been DOT's highest type of liability exposure in average cost and frequency for the last 6 fiscal years. Based on occurrence, the frequency of GL claims (e.g., injuries or wrongful death due to dangerous conditions, etc.) was trending lower from FY01 to FY05, down 75% to 35 claims per year, but experienced a marked increase to 102 claims in FY06.
- Based on occurrence, the average cost per General Liability claim for FYs 01 – 05 was **\$12,081** and then jumped to **\$42,448** in FY06 due to two wrongful death cases, which attributed for \$4 million in costs combined. One case had \$3 million in reserves, but was successfully tendered to a Dash bus operator, and the other involved an individual that was run over due to allegations that the traffic signals were allegedly malfunctioning.
- The highest frequency of Auto Liability claims is in the category of Vehicle Involved (81%), which are attributed to incidents involving third party vehicles, e.g., collisions caused by allegedly malfunctioning traffic signals, lack of a stop sign or crossing guard resulting in vehicles striking pedestrians, etc.
- Total liability payouts peaked FY03 with the average cost per payout being \$16,079, but have trended downward since then. That year, one case alleging a dangerous condition due to roadway design had a payout of \$660,000 involving an auto collision with a pedestrian.
- While DOT only had a few Employment Practices Liability claims based on occurrence data, these claims pose substantial potential severity.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 78

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*
mmf

Subject: **DEPARTMENT OF TRANSPORTATION – SPECIAL PARKING REVENUE FUND
SURPLUS PROPERTY RECOMMENDED FOR LIQUIDATION**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide a report on the surplus property purchased through the Special Parking Revenue Fund (SPRF) that can be liquidated to purchase better locations. DOT provided the attached list of property purchased through SPRF.

The 15 properties that DOT indicated as "Surplus asset recommended for liquidation" are:

Lot 657 – 221 Avenue 22 in Lincoln Heights
Lot 661 – 2416 Workman Street in Lincoln Heights
Lot 669 – 5033 Lincoln Avenue in the York Boulevard Area
Lot 746 – 115 South Avenue 56 in Highland Park
Lot 640 – 7130 Darby Avenue in Reseda
Lot 623 – 8707 South Menlo Avenue in the Vermont/Manchester Area
Lot 626 – 3328 West 43rd Street in Leimert Park
Lot 632 – 5345 11th Avenue in the Crenshaw/Slauson Area
Lot 633 – 5407 11th Avenue in the Crenshaw/Slauson Area
Lot 634 – 5701 11th Avenue in the Crenshaw/Slauson Area
Lot 665 – 323 West 87th Street in the Broadway/Manchester Area
Lot 666 – 237 West 87th Street in the Broadway/Manchester Area
Lot 647 – 462 West 9th Street in San Pedro
Lot 650 – 928 Marine Avenue in Wilmington
Lot 699 – 396 West 6th Street in San Pedro

However, prior to attempting to include one-time revenue from the disposition of these properties in the budget, the City should review other potential uses for the property by other City departments.

KLS:ALB:06070204

Attachment

1d #249

POTENTIAL MIXED-USE SITES

LADOT PARKING ENFORCEMENT OFFICES

Street Address	Community	Lot Size (Sq. Ft.)	Ownership	Comments
Valley Parking Enforcement 12544 Saticoy St, South	No. Hollywood	91,497	City-owned	24 hour/7 days a week operation. May not be suitable for residential use. Surrounding area can become congested during shift changes.
Southern Parking Enforcement 7510 S. Figueroa Street	Los Angeles	12,414	City-owned	24 hour/7 days a week operation. May not be suitable for residential use. Surrounding area can become congested during shift changes.

LADOT OFF-STREET PARKING FACILITIES

Lot	CD	Street Address	Community	Operator	Total Spaces	Avg % Use	Ground Area (Sq. Ft.)	Comments
628	1	2418 Daly St.	LINCOLN HTS	Metered	28	64%	10,150	
635	1	119 N. Ave. 56	HIGH-PARK	Mtrd/Free	84	37%	34,875	Proposed mixed-use development in progress
636	1	5712 E Marmion Wy	HIGH-PARK	Mtrd/Free	62	38%	21,845	Proposed mixed-use development in progress
637	1	124 N. Ave. 59	HIGH-PARK	Mtrd/Free	36	69%	13,500	Proposed mixed-use development in progress
638	1	120 S. Ave. 58	HIGH-PARK	Metered	28	64%	10,170	
639	1	116 S. Ave. 56	HIGH-PARK	Mtrd/Free	45	67%	17,525	
657	1	221 Avenue 22	LINCOLN HTS	Free	40	71%	15,500	Surplus asset recommended for liquidation.
658	1	216 Avenue 24	LINCOLN HTS	Metered	60	39%	19,800	
659	1	2334 Daly St.	LINCOLN HTS	Metered	80	47%	37,200	
660	1	154 Ave. 24	LINCOLN HTS	Metered	51	69%	18,975	
661	1	2416 Workman St.	LINCOLN HTS	Free	46	25%	16,500	Surplus asset recommended for liquidation.
669	1	5033 Lincoln Ave.	YORK BLVD	Metered	42	25%	15,600	Surplus asset recommended for liquidation.
672	1	124 S. Ave. 57	PARK	Mtrd/Free	32	55%	13,125	
673	1	117 S. Ave. 58	PARK	Free	32	55%	14,030	
695	1	123 N. Ave. 57	HIGHLAND PK	Mtrd/Free	38	44%	16,875	Proposed mixed-use development in progress
697	1	2332 Workman St.	LINCOLN HTS	Free	26	91%	13,200	
746	1	115 S Avenue 56	Highland prk				10,500	Surplus asset recommended for liquidation.
690	2	12225 Ventura Blvd	STUDIO CITY	GSD	397	16%	41,859	Existing parking structure
618	3	7134 Remmet Ave.	CANOGA	Free	19	75%	7,500	
621	3	7120 Baird Ave.	RESEDA	Free	81	41%	33,600	
622	3	7131 Canby Ave.	RESEDA	Free	62	77%	25,994	

Lot	CD	Street Address	Community	Operator	Total Spaces	Avg % Use	Ground Area (Sq. Ft.)	Comments
624	3	7222 Baird Ave.	RESEDA	Free	78	66%	33,573	
640	3	7130 Darby Ave.	RESEDA	Free	46	32%	20,825	Surplus asset recommended for liquidation.
644	3	7219 Remmet Ave.	CANOGA	Metered	18	41%	7,244	
674	3	7220 Jordan Ave.	CANOGA	Free	35	67%	10,994	
687	3	7141 Remmet Ave.	CANOGA	Free	21	84%	7,244	
704	3	7128 Jordan Ave.	CANOGA	Metered	37	58%	15,000	
705	3	21901 W. Costanzo St.	WOODLD HLS	Metered	29	62%	17,146	
712	3	7246 Baird Ave.	RESEDA	Free	34	79%	15,000	
725	3	7117 Remmet Ave.	CANOGA PK	Free	17	79%	7,500	
602	4	11320 Chandler Blvd.	N. HOLLY	Metered	46	70%	17,578	
614	4	728 S. Cochran Ave.	WILSHIRE	Metered	41	88%	13,380	
619	4	1451 Gardner St	SUN-GARD	Metered	22	87%	12,962	
627	4	11231 Magnolia Blvd.	N HOLLY	Metered	47	70%	19,476	
675	4	4642 Russell Ave.	VER-HOL	Metered	32	90%	12,600	
694	4	209 N. Larchmont Blvd.	LARCH-3RD	Metered	34	96%	12,251	
732	4	218 N. Larchmont Blvd.	BEV-3RD	GSD	167	60%	19,224	Existing subterranean parking structure
629	5	14591 Dickens St.	SHER OAKS	Metered	198	21%	47,250	Existing parking structure below condos
642	5	1421 S. Wooster St.	PICO-ROBER	Metered	49	86%	14,859	Existing parking structure below condos
680	5	1036 Broxton Ave.	WESTWOOD	GSD	366	62%	29,072	Existing parking structure with retail
685	5	2386 Malcolm Ave.	PICO-WEST	Metered	19	78%	6,750	
688	5	1156 Clark Dr.	PICO ROBERT	Metered	27	88%	8,769	Existing parking structure below condos
689	5	8866 Pico Blvd.	PICO ROBERT	Metered	39	87%	14,400	
698	5	2367 Prosser Ave.	PICO-WEST	Metered	28	55%	11,882	
703	5	123 S. Robertson Blvd.	Beverly Cntr	Edington	334	61%	23,616	Existing parking structure with retail
707	5	2377 Midvale Ave.	PICO-WEST	Metered	40	77%	15,312	
715	5	2371 Overland Ave.	PICO-WEST	Metered	27	49%	10,922	
748	5	11010 Santa Monica Blvd	West LA	Free	24			Being transferred from BOE
601	6	14401 Friar St.	VAN NUYS	Edington	237	74%	43,340	Existing parking structure
609	6	14521 Friar St.	VAN NUYS	Edington	76	65%	29,700	
610	6	14532 Gilmore St.	VAN NUYS	Edington	138	43%	50,765	
620	6	14607 Sylvan St.	VAN NUYS	Edington	53	71%	24,000	
630	6	14517 Erwin St.	VAN NUYS	Edington	75	54%	28,000	
631	6	14402 Gilmore St.	VAN NUYS	Edington	68	43%	30,000	
752	6	6265 Sylmar St.	VAN NUYS	GSD	302	23%	38810	Existing subterranean parking structure
623	8	8707 S. Menlo Ave.	VER-MAN	Free	77	31%	31,680	Surplus asset recommended for liquidation.
625	8	3416 W. 43rd St.	LEIMERT	Metered	173	25%	75,200	
626	8	3328 W. 43rd St.	LEIMERT	Metered	105	41%	48,285	Surplus asset recommended for liquidation.
632	8	5345 11th Ave.	CREN-SLAU	Free	32	24%	15,000	Surplus asset recommended for liquidation.
633	8	5407 11th Ave.	CREN-SLAU	Free	32	19%	15,000	Surplus asset recommended for liquidation.
634	8	5701 11th Ave.	CREN-SLAU	Free	36	12%	16,313	Surplus asset recommended for liquidation.

Lot	CD	Street Address	Community	Operator	Total Spaces	Avg % Use	Ground Area (Sq. Ft.)	Comments
665	8	323 W. 87th St.	BROA-MAN	Free	65	30%	31,347	Surplus asset recommended for liquidation.
666	8	237 W. 87th St.	BROA-MAN				22,800	Surplus asset recommended for liquidation.
678	8	8509 S. Broadway	BROA-MAN	Free	61	64%	22,800	
700	8	239 W. 86th Pl.	BROA-MAN	Free	21	70%	8,640	
744	8	8463 S. Vermont Ave.	VER-MAN	Metered	23	96%	8,800	
753	9	601 E. 1st St.	Civic Center	GSD	397	52%		Proposed mixed-use development in progress
755	9	237 S. Los Angeles St	Civic Center	GSD	95	75%	31200	Proposed LAPD HQ
691	10	682 S. Vermont Ave.	VER-WIL	GSD	65	63%	24,600	
692	10	601 S. Vermont Ave.	VER-WIL	Metered	57	91%	24,500	
749	10	4702 W Washington Blvd	Mid City	Free	7			
750	10	4600 W Washington Blvd	Mid City	Free	22			
751	10	4601 W Washington Blvd	Mid City	Free	60			
613	11	2010 S. Pisani Pl.	VENICE	Free	55	55%	25,380	
616	11	1411 Electric Ave.	VENICE	Free	29	92%	9,216	
617	11	1511 Electric Ave.	VENICE	Free	22	93%	11,200	
645	11	1540 Purdue Ave.	SAN-SAWTEL	Metered	37	71%	14,000	
651	11	1516 Barry Ave.	SAN-SAWTEL	Metered	20	75%	7,000	
652	11	1530 Butler Ave.	SAN-SAWTEL	Metered	43	50%	14,850	
653	11	1547 Corinth Ave.	SAN-SAWTEL	Metered	38	75%	13,994	
654	11	1611 Beloit Ave.	SAN-SAWTEL	Metered	20	65%	7,006	
655	11	11312 Idaho Ave.	SAN-SAWTEL	Metered	17	66%	9,617	
656	11	1615 Colby Ave.	SAN-SAWTEL	Metered	33	69%	12,320	
681	11	15216 Sunset Blvd.	PALISADES	Metered	25	98%	9,000	
701	11	2150 Dell Ave.	VENICE	PCI	150	9%	78,269	
731	11	200 N. Venice Blvd.	VENICE	PCI	177	18%	101,433	
740	11	301 S. Main St.	VENICE	Mtrd/PCI	42	24%	12,768	
643	13	1147 Echo Park Ave.	SUN-ALVARA	Metered	37	62%	15,000	
646	13	3528 Larga Ave.	GLEN-ATWA	Free	38	83%	13,500	
649	13	1533 N. Schrader Blvd.	SUN-VINE	PCI	55	67%	21,422	
662	13	1152 Lemoyne St.	SUN-ALVARA	Metered	73	52%	26,725	
663	13	1146 Logan St.	SUN-ALVARA	Metered	34	76%	13,031	
670	13	1710 Cherokee Ave.	HOL-VINE	PCI	386	55%	49,385	Existing parking structure with retail
676	13	1146 Glendale Blvd.	ALVARADO	Metered	9	77%	3,974	
702	13	1625 N. Vine St.	HOL-VINE	PCI	107	44%	68,779	Proposed parking structure with retail
711	13	3528 Garden Ave.	ATWATER	Free	34	65%	13,500	
742	13	1637 N. Wilcox Ave.	HOL-WILCOX	PCI	147	71%	45,674	
745	13	6801 Hollywood Blvd	Hol-Highland	Five Star	3006	26%		Existing subterranean parking structure
664	14	4883 Navarro St.	EL SERENO	Free	30	55%	12,250	
668	14	5058 Meridian St	YORK BLVD	Metered	45	44%	15,600	
682	14	318 N. Breed St.	BOYLE HTS	Metered	28	86%	12,500	

Lot	CD	Street Address	Community	Operator	Total Spaces	Avg % Use	Ground Area (Sq. Ft.)	Comments
686	14	5063 Caspar Ave.	EAGLE ROCK	Metered	29	56%	14,390	
713	14	249 N. Chicago St.	BOYLE HTS	PCI	70	37%	27,133	
728	14	2129 E. 1st St.	BOYLE HTS				11,988	Leased to LAPD
641	15	462 W. 9th St.	SAN PEDRO	Metered	102	23%	39,150	
647	15	474 W. 8th St.	SAN PEDRO	Metered	41	37%	15,000	Surplus asset recommended for liquidation.
650	15	928 Marine Ave.	WILMINGTON	Free	40	8%	15,300	Surplus asset recommended for liquidation.
683	15	445 W. 5th St.	SAN PEDRO	Metered	26	73%	11,500	
684	15	460 W. 7th St.	SAN PEDRO	Metered	85	85%	16,800	
696	15	835 Avalon Blvd.	WILMINGTON	Free	14	91%	6,750	
699	15	529 11th St.	SAN PEDRO	Free	40	34%	18,900	Surplus asset recommended for liquidation.
735	15	396 W 6th St.	SAN PEDRO	Pay Station	50	48%	11,760	

NOTES:

Lots with lowest usage which should be considered as surplus

Lots with lower usage which could be considered as surplus

Ave % Use: Average usage based on random weekday daytime checks within the last 18 months

The primary factor for consideration as surplus is average usage in the last 18 months of the lot and/or adjacent lots. Secondary factors are size of the lot and proximity to other lots.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 79

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mt*Subject: **DEPARTMENT OF TRANSPORTATION – OVERTIME FUNDING AND INTERNAL CONTROLS TO MANAGE OVERTIME EXPENDITURES**

The Budget and Finance Committee directed the City Administrative Officer (CAO) to provide information regarding Department of Transportation (DOT) overtime funding and DOT's internal controls for managing overtime costs.

The overtime funding level provided to DOT in the 2007-08 Proposed Budget is a continuation of the 2006-07 funding level, less any one-time overtime costs from 2006-07 and including one-time overtime costs for 2007-08. Funding was provided at this level to allow DOT to establish and assess the success of internal controls for managing overtime costs. According to DOT, the following internal controls have been implemented:

- In January 2005, DOT management prepared quarterly reports to Bureau Chiefs on use of all overtime funds.
- In February 2007, DOT began to generate Merlin reports each pay period to show overtime usage by unit and employee. Reports also include year-to-date usage.
- Also in February 2007, training sessions were conducted for all Assistant General Managers, Bureau Heads and Division Heads regarding the new overtime reports and the importance of controlling overtime usage. Managers with units or employees incurring excessive overtime are directed to report the reasons for the excessive overtime.
- In April 2007, the General Manager instituted a policy that all overtime requests must be approved in writing by an Assistant General Manager.

It is anticipated that DOT will incur lower overtime expenditures in 2007-08. However, the CAO will continue to work with DOT to monitor and report through the Financial Status Reports the overtime costs throughout the fiscal year. Additionally, the CAO Employee Relations Division will work with DOT to clarify the intent of Memoranda of Understanding language regarding special event overtime usage.

KLS:ALB:06070184c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 80

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
gmtSubject: **CITY ATTORNEY LETTER TO THE BUDGET AND FINANCE COMMITTEE
REGARDING THE 2007-08 PROPOSED BUDGET**

The City Attorney's correspondence dated April 20, 2007, addressed to the Budget and Finance Committee, indicated the following concerns with the Proposed Budget for 2007-08:

- Funding is not provided for seven new gang prosecutors and two related support staff
- Nine existing criminal prosecutors are eliminated
- Three existing School Safety Prosecutors are eliminated
- Family Violence Prosecutor is eliminated
- Kidwatch is transferred to Commission on Children, Youth, and Their Families (CCYF) and is buried in an untested bureaucracy
- Operation Bright Future supervision is transferred to CCYF and is buried in an untested bureaucracy
- Neighborhood Council Attorneys are eliminated.

CAO Response:

Gang Prosecutors

Funding was not provided for nine new positions in the Gang Prosecution Program. Full funding for these positions is \$0.94 million. The proposed budget for the City Attorney's Salaries account is \$77.3 million. These positions were not identified to be held vacant. The City Attorney can fill these new positions by holding lower-priority positions vacant if that is necessary to stay within budget.

Criminal Prosecutors

Due to fiscal constraints, City departments were asked to cut their budgets by 5% (about \$5 million for the City Attorney's Budget). As part of these reductions, the City Attorney's Salaries account was reduced by \$1 million. The City Attorney believes that this reduction is equivalent to the elimination of nine existing criminal prosecutors. Specific positions were not identified to be held vacant. The City Attorney has the flexibility to apply the \$1 million reduction among any program in the office including General Administration and Support, Civil Representation or Criminal Prosecution programs, and could hold either Attorney or non-Attorney positions vacant to achieve the necessary savings.

School Safety Prosecutors

Position authorities for the School Safety Prosecutor Program are continued for 2007-08, but funding was not included (approximately \$0.42 million). This issue is addressed in another CAO Budget Memo.

Family Violence Prosecutor

One Deputy City Attorney II position formerly on resolution is not continued for 2007-08. This issue is addressed in another CAO Budget Memo.

Kidwatch

Kidwatch is a program providing safe passages to and from school, where administrative staff of the City Attorney recruit parents and residents surrounding schools as volunteers to assist LAPD in ensuring safety along paths to and from school. This issue is addressed in another CAO Budget Memo.

Operation Bright Future

Operation Bright Future is an anti-truancy program administered by the City Attorney's Office. No associated funding or positions for this program were eliminated from the City Attorney's budget. This issue is addressed in another CAO Budget Memo.

Neighborhood Council Attorneys

Two Deputy City Attorney IV positions formerly on resolution authority are not continued for 2007-08. This issue is addressed in another CAO Budget Memo.

Attached is the City Attorney's memo submitted to the Committee on April 20, 2007, addressing his concerns with what is proposed in the Mayor's 2007-08 Budget.

KLS:JL

KLS

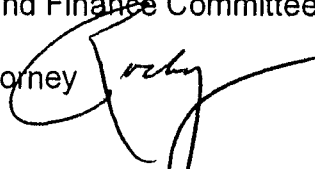


2007 APR 20 PM 3:16

CITY ADMINISTRATIVE OFFICER

OFFICE OF THE CITY ATTORNEY
ROCKARD J. DELGADILLO
CITY ATTORNEY

April 20, 2007

TO: Honorable Members Budget and Finance Committee
FROM: Rockard J. Delgadillo, City Attorney 
SUBJECT: 2007-08 Proposed Budget

As you review the 2007-08 Proposed Budget, I appreciate you considering several significant concerns identified by my Office. The majority of these concerns, as detailed in the attached, focus on cuts that compromise our ability to protect the residents of this City, including our ability to fight gangs and other public safety threats.

I look forward to discussing these issues with you more fully and to identifying opportunities to restore and enhance these critical programs. Thank you in advance for your support. If you have any questions, please feel free to contact me or Jennifer Krieger at (213) 978-8366.

Attachment

cc: Honorable Members of the City Council
Gerry Miller, Chief Legislative Analyst
Karen Sisson, City Administrative Officer



MAYOR'S PROPOSED 2007-08 BUDGET PUBLIC SAFETY IMPACTS

- **SEVEN "NEW" GANG PROSECUTORS UNFUNDED**

No funding provided in Mayor's Proposed Budget for seven new gang prosecutors and necessary related support staff (two additional positions).

- **NINE EXISTING CRIMINAL PROSECUTORS ELIMINATED**

Proposed \$1 million reduction will eliminate funding for the equivalent of nine existing criminal prosecutors. This salary savings rate is disproportionately higher than that of other Departments/Offices.

- **THREE EXISTING SCHOOL SAFETY PROSECUTORS ELIMINATED**

No funding provided in Mayor's Proposed Budget for three existing school safety prosecutors located at Fremont, Venice and East Valley High Schools and related support staff (one additional position).

- **FAMILY VIOLENCE PROSECUTOR ELIMINATED**

Existing family violence prosecutor working on domestic violence and child abuse crimes is eliminated in the Mayor's Proposed Budget.

- **KIDWATCH TRANSFERRED TO COMMISSION ON CHILDREN YOUTH AND FAMILIES (CCYF) BURIED IN UNTESTED BUREAUCRACY**

Successful program focused on children's safety traveling to and from schools is transferred in Mayor's Proposed Budget to an untested bureaucracy with no knowledge or experience in public safety.

- **OPERATION BRIGHT FUTURE SUPERVISION TRANSFER TO CCYF BURIED IN UNTESTED BUREAUCRACY**

Oversight of well established anti-truancy prosecution-based program transferred to untested bureaucracy with no law enforcement experience and no legal oversight authority.

OTHER

- **NEIGHBORHOOD COUNCIL ATTORNEYS ELIMINATED**

Mayor's Proposed Budget eliminates all legal advice to City's 89 Neighborhood Councils.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mt*

Subject: DEPARTMENT OF ENVIRONMENTAL AFFAIRS (EAD) – REPORT ON POSITION AND FUNDING FOR LOCAL ENFORCEMENT AGENCY (LEA) POSITIONS

The LEA conducts permitting, inspection and enforcement of solid waste regulations at all landfills, transfer stations, composting facilities and waste collection vehicle yards within the City's jurisdiction. The estimated revenue from LEA fees for 2006-07 is \$925,000. These fees are deposited directly into the General Fund as revenue.

EAD has the following positions assigned to LEA projects:

<u>No.</u>	<u>Classification</u>
1	Environmental Affairs Officer
1	Environmental Supervisor II
1	Environmental Supervisor I (vacant – March 2006)
1	Industrial Hygienist
1	Environmental Specialist III
3	Environmental Specialist II
1	Environmental Specialist I
1	Clerk Typist
<u>1</u>	Student Professional Worker (vacant)
11	

The estimated salary of these positions for 2006-07 is \$832,000. LEA fees also fund Contractual services and other accounts. However, it does not appear that sufficient revenue exists to fully reimburse the General Fund for indirect costs.

Recommendation

That the Council instruct EAD to review LEA fees to ensure full cost recovery and submit necessary changes to the Council for adoption prior to the beginning of the Fiscal Year.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 82

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by m x*

Subject: **DEPARTMENT OF ENVIRONMENTAL AFFAIRS – VARIOUS BUDGET AND FINANCE QUESTIONS**

The attached document from the Environmental Affairs Department (EAD) responds to the Committee's questions. The following recommendations and departmental advisements are listed in the order of the department's responses.

Question

"All departments who have fees must ensure that they are evaluating their fee structure and should take immediate steps to ensure full cost recovery and take the necessary steps to ensure implementation by July 1."

Recommendation

CAO recommends that the EAD report back in thirty days with an evaluation of their fee structure and whether they anticipate full cost recovery for 2006-07 and 2007-08 by July 1.

Question

"Send a Green Agenda Report to Councilmember Gruel"

Advisement

EAD reports that they forwarded a copy of the Green Agenda to Councilmember Gruel.

Question

"Report back on projection over the next three years in the trend of clean fuel vehicles."

Recommendation

CAO recommends that the EAD report back in thirty days with a projection of the trend of clean fuel vehicles over the next three years.

Question

"Report back on the "Small Businesses Assisted" line item which is reported as a reduction from 950 to 80 in the Workload Indicators, page 179."

Advisement

Due to clerical error, EAD's workload indicators for small businesses assisted in the Environmental Business and Neighborhood Services Program were not separated from the Materials and Waste Resources Program for 2005-06 actuals and 2006-07 estimates as they should have been.

Question

"Report back on what EA is doing to ensure that City departments are in compliance with environmental regulations. Also, how can the department assert itself as the lead regulator for City department on environmental matters? EAD to include proposal for compliance as part of 2008-09 Budget request."

Recommendation

CAO recommends that the EAD report back in thirty days regarding what they are currently doing to ensure that City departments are in compliance with environmental regulations and define the scope of those regulations. CAO recommends that EAD report back in ninety days with a plan on how the department can assert itself as the lead regulator for City departments on environmental matters.

Question

"Report back on grants and sources of grants. How much has been received and provide specifics on how grant dollars have been expended. Which funds might be forthcoming to relieve the General Fund contribution to EA."

Recommendation

CAO recommends that the EAD report back to the Council and CAO in thirty days on grants and sources of grant funds, including how much has been received and provide specific information on how the grant funds have been expended and what funds might be forthcoming to relieve the General Fund contribution to EAD's budget.

Question

"Ask every department to report back, through the CAO, a 1% AND 3% cut to the Mayor's Proposed Budget. Although this was not discussed in Committee, ask Departments to report back on any potential revenue increases"

Recommendation

A one percent and three percent decrease in the Mayor's Proposed budget for EAD would result in a reduction of \$32,386 and \$97,159, respectively. If all of the money were taken from Salaries General the department will not have sufficient funds to maintain their current work force or to fill vacant positions. We recommend that EAD report back in thirty days regarding potential revenue increases that could offset General Fund costs.

Question

"Departments to report back, through the CAO, on increasing salary savings rate by 1%, which may be a part of the 1% and 3% reduction exercise."

Recommendation

EAD's salary savings rate was already increased by an additional one percent in the Mayor's Proposed Budget. This increased the salary savings from three percent to four percent. We do not recommend any additional increase to the salary savings rate.

Question

"Department of Environmental Affairs Letter to Budget and Finance Committee."

Advisement

This question was not directed to EAD. CAO responded to this question in Memo 2.

Question

"Report back on position and funding for the LEA outreach positions."

Advisement

This question was not directed to EAD. We have addressed this as a separate budget memo.

KLS:EOS:06070216

Attachment

Date: May 4, 2007

To: Elaine Owens-Sanchez
CAO Liaison Analyst

From: Darlene Fields
EAD Budget Director

System ID:	Date Assigned	Memo No	Date Released	CAO Analyst	Regarding	Other Notes:	Long Term
143	4/27/2007			All Budget Analyst	C. All City		<input type="checkbox"/>

All departments who have fees must ensure that they are evaluating their fee structure and should take immediate steps to ensure full cost recovery and take the necessary steps to ensure implementation by July 1.

System ID: 143 - EAD will report back on potential revenue increases before the end of the fiscal year. An ordinance that includes fee and revenue adjustments is being prepared that will go to Council.

System ID:	Date Assigned	Memo No	Date Released	CAO Analyst	Regarding	Other Notes:	Long Term
252	4/30/2007			Elaine Owens - Sanchez - Group B	Environmental Affairs		<input type="checkbox"/>

Send a Green Agenda report to Councilmember Gruel.

System ID: 252 - Yes, a Green Agenda report has been given to Councilmember Gruel.

System ID:	Date Assigned	Memo No	Date Released	CAO Analyst	Regarding	Other Notes:	Long Term
256	4/30/2007			Elaine Owens - Sanchez - Group B	Environmental Affairs		<input type="checkbox"/>

Report back on projection over the next three years in the trend of clean fuel vehicles.

System ID: 256 - EAD is gathering information from other departments and will have a spreadsheet by May 8, 2007.

System ID:	Date Assigned	Memo No	Date Released	CAO Analyst	Regarding	Other Notes:	Long Term
254	4/30/2007			Elaine Owens - Sanchez - Group B	Environmental Affairs		<input type="checkbox"/>

Report back on the "Small Businesses Assisted" line item which is reported as a reduction from 90 to 80 in the Workload Indicators, page 179, Bluebook.

System ID: 254 - The "Small Business Assistance" indicator amounts were shown under two different programs. Overall, the workload has increased.

Under the Materials and Waste Resources Program (MWR), shown as Land and Materials Program in the Blue Book, the amounts should have been shown as follows:

Actual for FY05-06 74, not 860
Est. for FY06-07 77, not 950
Est. for FY07-08 80

Under the Environmental Business and Neighborhood Services (EBNS) Program, the "Small Business Assistance" amounts are correct:

Actual for FY05-06 814
Est. for FY06-07 959
Est. for FY07-08 1108

Under the EBNS category, EAD would like to suggest that the title of "Small Business Assistance Workshops" be changed to "Pollution Prevention Business Assistance" with a note that the work is not all workshops.

After FY04-05, EAD counted small business assistance under the MWR and the EBNS separately. For a more complete picture of our indicators of workload, we would refer back to the indicators of workload submitted by the department in November 2006.

System ID:	Date Assigned	Memo No	Date Released	CAO Analyst	Regarding	Other Notes:	Long Term
258	4/30/2007			Elaine Owens - Sanchez - Group B	Environmental Affairs		<input type="checkbox"/>

Report back on what EA is doing to ensure that city departments are in compliance with environmental regulations? Also, how can the department assert itself as the lead regulator for city departments on environmental matters. EAD to include proposal for compliance program as part of 2008-09 Budget request.

System ID: 258 - Per instructions from the Budget and Finance Committee to include a proposal for compliance as part of the FY 2008-09 budget, EAD will research what other city departments are doing to comply with environmental regulations and report back during the summer on how EAD can assert itself as the lead regulator for city departments on environmental matters.

System ID:	Date Assigned	Memo No	Date Released	CAO Analyst	Regarding	Other Notes:	Long Term
250	4/30/2007			Elaine Owens - Sanchez - Group B	Environmental Affairs		<input type="checkbox"/>

Report back on grants and sources of grants. How much has been received and provide specifics on how grant dollars have been expended. Which funds might be forthcoming to relieve the General Fund contribution to EA.

System ID: 250 - EAD is reviewing the grant information and will provide a spreadsheet by May 8, 2007.

Questions Regarding: 0- All City

Date Assigned	System ID:	Long Term	Committee	Question
4/26/2007	15	<input type="checkbox"/>	Budget & Finance	Ask every Department to report back, through the CAO, a 1% AND 3% cut to the Mayor's Proposed Budget. Although this was not discussed in Committee, ask Departments to report back on any potential revenue increases. (NOTE: See System ID # 200).
Memo Number: Date Memo Was Released:				
4/30/2007	200	<input type="checkbox"/>	Budget & Finance	Departments to report back, through the CAO, on increasing salary savings rate by 1%, which may be a part of the 1% and 3% reduction exercise. (NOTE: Add on to System ID # 15).
Memo Number: Date Memo Was Released:				

System ID: 15

EAD would suggest a 1% and a 3% cut from salaries account, 1010.

EAD will report back on potential revenue increases before the end of the fiscal year. An ordinance that includes fee and revenue adjustments is being prepared that will go to Council.

System ID: 200

EAD does not wish to increase the salary savings rate.

CAO Analyst Responsible For The Following Questions: Elaine Owens - Sanchez - Group B

Questions Regarding: Environmental Affairs

Date Assigned	System ID:	Long Term	Committee	Question
4/30/2007	203	<input type="checkbox"/>	Budget & Finance	Department of Environmental Affairs Letter to Budget and Finance Committee
Memo Number: 2 Date Memo Was Released: 4/27/2007				
4/30/2007	253	<input type="checkbox"/>	Budget & Finance	Report back on position and funding for the LEA outreach positions.
Memo Number: Date Memo Was Released:				

System ID: 203 EAD did not submit a letter to Budget and Finance Committee.

System ID: 253 The LEA position is an inspector position and it is fee-funded.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 83

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mp*Subject: **DEPARTMENT OF TRANSPORTATION – TIGER TEAM ESTIMATED REVENUE**

The Budget and Finance Committee directed the City Administrative Officer (CAO) to provide information regarding the estimated revenue generated by the Department of Transportation (DOT) Tiger Team.

Initially, in its inception, the Tiger Team was not anticipated to be a full-cost recovery operation through its citation issuance. This Team was created to address peak hour violations and respond to emergency traffic situations. However, since the implementation of the Anti-Gridlock Ordinance, revenue estimates show that the Tiger Team is a full-cost recovery operation.

The Tiger Team issues citations for peak hour violations which occur from 7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 7:00 p.m. According to DOT, the Tiger Team issues an average of 1,670 peak hour citations per month, including approximately 1,181 No-Stopping – Tow Away (\$70 fine) violations and 489 Anti-Gridlock (\$140 fine) violations. Although actual revenue collected is not tracked to specific violations, based on this citation issuance rate and a 67 percent collection rate, revenue generated from the Tiger Team for its peak hour issuance is approximately \$101,257 per month, or \$1.2 million annually.

The average annual cost of the 15 Traffic Officers is approximately \$735,000.

KLS:ALB:06070196c

CITY OF LOS ANGELES
 INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS m/f*

Subject: **DEPARTMENT OF TRANSPORTATION – MICLA FINANCING FOR REPLACEMENT COMMUTER EXPRESS AND DASH VEHICLES**

The Budget and Finance Committee directed the City Administrative Officer (CAO) to provide information regarding debt finance cost estimates for 34 replacement vehicles for the Department of Transportation (DOT).

The 2007-08 Proposed Budget includes funding in Proposition A for 34 replacement transit vehicles: 17 Commuter Express buses (\$5.6 million) and 17 DASH buses (\$7.5 million). Debt service estimates are provided below based on a 5.5 percent interest rate and the stated useful-life period. Commuter Express vehicles can have a maximum useful life of 10-15 years. DASH vehicles can have a maximum useful life of 10-12 years.

<u>COMMUTER EXPRESS VEHICLES</u>	<u>ANNUAL DEBT SERVICE</u>	<u>TOTAL DEBT SERVICE</u>
10-Year Useful Life	\$743,000	\$7,429,000
15-Year Useful Life	\$558,000	\$8,369,000
<u>DASH VEHICLES</u>	<u>ANNUAL DEBT SERVICE</u>	<u>TOTAL DEBT SERVICE</u>
10-Year Useful Life	\$995,000	\$ 9,950,000
12-Year Useful Life	\$870,000	\$10,443,000

The 2007-08 Proposed Budget did not include the recommendation to debt finance these replacement vehicles as the availability of Proposition A funds in future years is not known.

KLS:ALB:06070197c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 85

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject: **DEPARTMENT OF TRANSPORTATION – STATUS OF AVAILABLE STATE AND FEDERAL FUNDS FOR THE BRIDGE PROGRAM**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide information regarding the status of available State and Federal funds for the City of Los Angeles Bridge Program. DOT's response, indicating that State and Federal funds are limited at this time, is attached.

KLS:ALB:06070203c

Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: May 3, 2007
To: Iris Ingram
From: Michael Uyeno
Subject: **BRIDGE PROGRAM**

Since transportation funding is oversubscribed at the federal, state, and regional levels, funding for the bridge program is limited. The program is already funded by a combination of federal bridge, local bond, and Proposition 1B bond funds. The one area where some funding may become available is the State-Local Partnership Program funds from Proposition 1B. Unfortunately, these funds will not be available until 2011 and will focus on projects with regional impacts. The decision on how and when the State-Local Partnership Program funds are being delayed due to a lack of consensus among the major stakeholders.

Recommendations

1. Re-examine the Proposition G program to determine whether some projects may be eliminated.
2. Examine whether the Bureau of Engineering should focus on completing the State-mandated seismic retrofit program first.
3. Work with Metro and state legislators to keep the State-Local Partnership program funds available for the bridge program.

Originally the Bridge program consisted of two separate programs: a State-mandated, seismic retrofit programs and Proposition G funded bridges. For the bridges in the State-mandated program, federal funding paid for 80 percent of the cost and the State provided the required local match of 20 percent. Proposition G program consisted of the seismic retrofit of local bridges (ineligible for federal funding) and bridges that were not part of the State-mandated program.

When the State budget shortfall began in 2001, the State rescinded the mandate and withdrew the State match funds. This left the City program with about \$100 million in bridge projects with 80 percent coming from the federal highway bridge funds. To secure this \$80 million, the City needed to find \$20 million for the local match. The City agreed to use Proposition C funds. However, not all of the bridges qualified for Proposition C funds. So the Bureau of Engineering used Proposition G funds on these bridges and backfilled the Proposition G program with the Proposition C.

Proposition 1B returns funding for the local match for the federal highway bridge funds.

With the passage of SAFETEA-LU, the federal transportation authorization legislation, the required local match has been reduced from 20 percent to 11.5 percent. This would eliminate the need for Proposition C funds to match federal funds. Unfortunately, there are other issues that need to be addressed to free Proposition C funds. First, the construction industry has seen extraordinary increases in costs due primarily to construction in China sweeping up resources. As a result, the Proposition G funded program costs have increased and the bond funds do not cover the intended program.

In addition, the State-mandated program has experienced cost increases too, and the Proposition 1B funds programmed for the local match will not be sufficient to fund all the eligible projects. As a result, the Proposition 1B projects may be available on a first-come, first-served basis. Because of delays in this program and the desire to spend the bond funds as soon as possible, a first-come, first-served basis provides a huge incentive to deliver projects quickly.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 86

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by m.f.*Subject: **DEPARTMENT OF TRANSPORTATION – SPECIAL PARKING REVENUE FUND
PROJECTS TO BE DESIGNATED**

The Budget and Finance Committee directed the Department of Transportation (DOT) to provide information regarding the list of projects associated with the Projects to be Designated line item in the Special Parking Revenue Fund (SPRF). Attached is the information provided by DOT.

In the 2006-07 Budget, the SPRF - Projects to be Designated line item included \$18.9 million for specific projects, as listed in the attachment. In the 2007-08 Proposed Budget, the same line item is \$1.4 million with no specified projects. Projects are not specified for 2007-08 due to no active projects identified requiring funds.

KLS:ALB:06070200c

Attachment

Parking Lot Projects to be Designated from SPRF

PROJECTS TO BE DESIGNATED:

<i>Project/Location</i>	<i>2007</i>	<i>2008</i>
PARKING STRUCTURE AT 36TH & GRAND	3,000,000	
MARINA DEL REY WESTSIDE LEADERSHIP PARKING	1,000,000	
ANTES COLUMBUS	9,800,000	
TARZANA LOT	700,000	
OFFICE DEPOT LOT (MANGROVE)	4,400,000	
Total	18,900,000	1,409,942

In FY06-07 budget preparation, the mantra in budgeting for "Projects to be Designated" was to identify projects that then were on the discussion table with Council District, CLA and/or CRA and has a certain amount of probability that it might be introduced in the City Council as a SPRF-funded parking project. The list of projects was a result of discussions between Wayne Moore, Allyn Rifkin, Martin Bland and myself. For FY07-08, I sat down with Parking Facilities to look back and review the FY06-07. All of the FY06-07 projects listed are currently inactive except for the \$4.4 M to repurchase the Office Depot lot from Proposition Q. For FY07-08, there are no probable projects on tab. The \$1.4 M requested for FY07-08 was a contingent amount for the account.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by m f*

Subject: **CITY ATTORNEY HISTORY OF FUNDED/UNFUNDED POSITIONS, LIABILITY CLAIMS AND OUTSIDE COUNSEL**

The Committee requested a report on the three-year history of the following:

- Funded and unfunded positions
- Liability Claims budgeted, expended, and transfers to other accounts
- Expenditures for Outside Counsel

The table below is a historical number of funded and unfunded positions in the City Attorney's Office for 2004-05 through the Proposed Budget for 2007-08.

Fiscal Year	Regular Authorities			Resolution Authorities		
	Full Funding	Partial Funding	No Funding	Full Funding	Partial Funding	No Funding
2004-05	808	0	0	188	2	24
2005-06	808	0	0	212	12	5
2006-07	852	0	0	174	5	5
2007-08 (Proposed)	851	0	0	171	2	24

Liability Claims History

Please find attached the amounts budgeted, expended and transferred from Liability Claims for 2004-05 through 2006-07. The expenditures reported are based on data extracted from the Financial Management Information System (FMIS).

Outside Counsel History

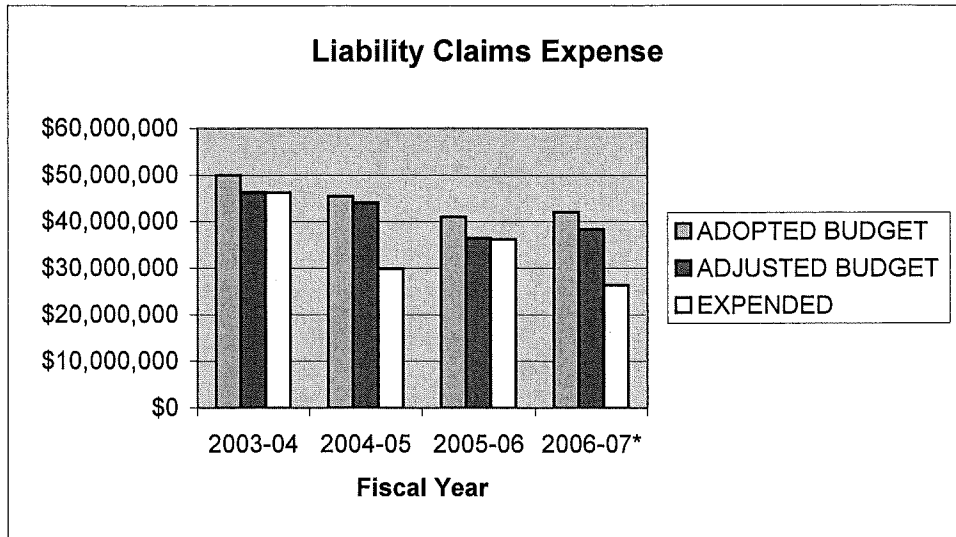
Please find attached the General Fund expenditures for Outside Counsel from 2001-02 through 2006-07. The appropriation for outside counsel in 2006-07 is due to an increase in the number of cases including Telephone Users' Tax matters, four new FLSA cases and five new labor and employment cases.

KLS:JL

LIABILITY CLAIMS EXPENSE

FISCAL YEAR	ADOPTED BUDGET	ADJUSTED BUDGET	ENCUMBERED	EXPENDED	UNCOMMITTED
2003-04	\$50,000,000	\$46,333,512	\$0	\$46,186,387	\$147,124
2004-05	\$45,435,972	\$44,056,235	\$0	\$29,846,552	\$14,209,683
2005-06	\$41,000,000	\$36,472,915	\$0	\$36,206,912	\$266,003
2006-07*	\$42,000,000	\$38,401,450	\$14,820	\$26,348,364	\$12,053,086

*2006-07 expenditure as of 5/2/07



*2006-07 expenditure as of 5/2/07

HISTORICAL TRANSFERS
(Includes Midyear/Year-end Transfers)

FISCAL YEAR	NET TRANSFER	TRANSFER TO OUTSIDE COUNSEL
2003-04	(\$3,666,488.07)	\$1.075 million
2004-05	(\$1,379,737.00)	\$1.047 million
2005-06	(\$4,527,084.97)	\$1.000 million
2006-07	(\$3,598,550.00)	\$3.599 million

NOTE:

City Attorney estimated 2006-07 expenditure = \$33.54 million

Projected Balance = \$4.75 million

**CITY ATTORNEY
OUTSIDE COUNSEL EXPENSE**

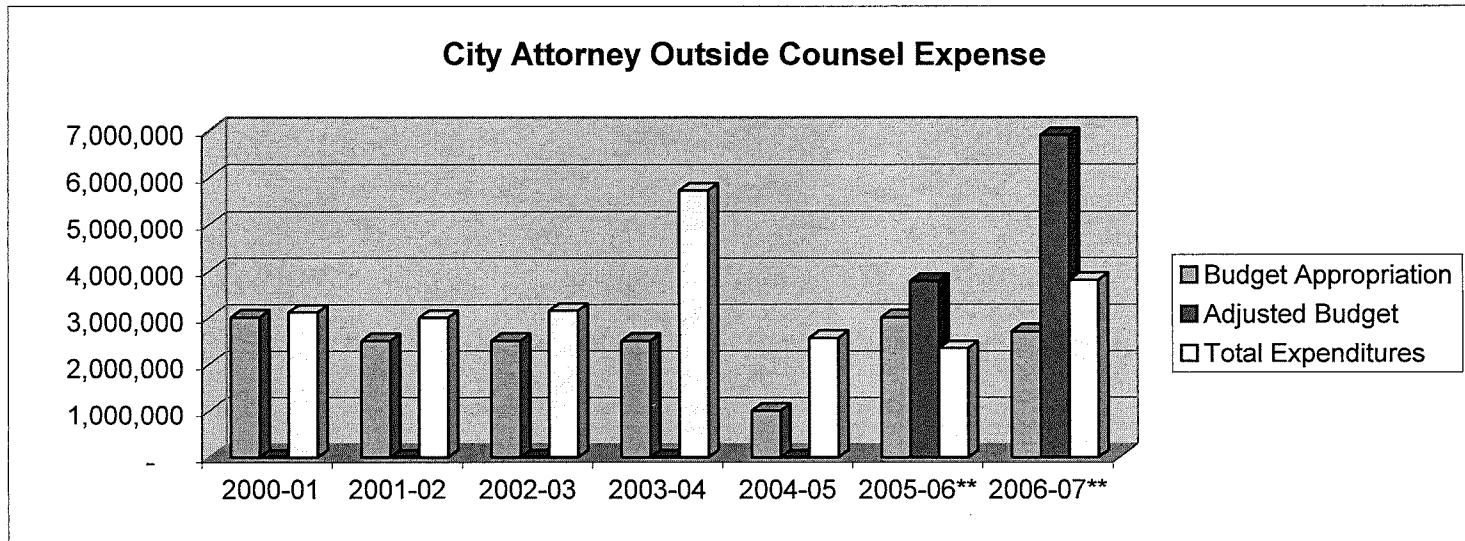
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06**	2006-07**
Budget Appropriation	3,000,000	2,500,000	2,500,000	2,500,000	1,000,000	3,000,000	2,700,000
Adjusted Budget	*	*	*	*	*	3,780,500	6,898,550
Total Expenditures	3,104,398	2,988,708	3,141,617	5,721,617	2,562,090	2,338,777	3,800,230 ***
Unexpended Balance	(104,398)	(488,708)	(641,617)	(3,221,617)	(1,562,090)	661,223	(1,100,230)

* Prior to 2005-06, Outside Counsel expenses were budgeted within the City Attorney's Contractual Services Account.

** Outside Counsel expenses for Workers' Compensation were included beginning in 2005-06.

*** 2006-07 Adjusted Budget includes a recent transfer of \$2.3 million that was approved by Council on 4/13/07.

The 2006-07 expended amount will be much larger after outstanding invoices have been processed.



NOTE:

2006-07 increase due to increased number of cases:

FLSA - 4 new cases

Labor and Employment - 5 new cases

Telephone Users' Tax

Accelerated litigation activity in Wallace & Grobeson matters

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 88

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
dy m 7*Subject: **DEPARTMENT OF GENERAL SERVICES CORRESPONDENCE ON THE
2007-08 PROPOSED BUDGET**

The Department of General Services (Department) highlights the following service implications in their correspondence dated April 23, 2007 (attached) to your Committee regarding the Department's 2007-08 Proposed Budget.

- **City Hall Conference Center Support Cut**
(Two resolution positions provided scheduling, reception and other services for Council committee rooms on the 10th floor of City Hall)

Department will discontinue these services.

- **Supply Services Division Support Cut**
(Seven resolution positions provided vendor relations services, payment related services, and compliance with various ordinances such as Sweat-Free Procurement, Contractor Responsibility, Equal Benefits and Slavery Disclosure).

Department expects to lose early payment vendor discounts, and other services and activities will be either discontinued or severely limited.

During the Committee hearing, the General Manager of the Department offered to absorb the cost of the nine positions if position authorities were included in the Department's 2007-08 position authority.

Recommendation:

That the Budget and Finance Committee amend the Mayor's 2007-08 Proposed Budget to include two resolution positions (one Clerk Typist and one Senior Clerk Typist) for the City Hall Conference Center Support and seven resolution positions (two Procurement Analyst II, one Senior Clerk Typist, one Management Assistant, two Management Analyst II, and one Senior Management Analyst I) for the Supply Services Division Support.



Fiscal Impact Statement:

There is no General Fund impact. The Department will absorb the cost of the nine resolution positions for 2007-08.

Attachment

KLS:JSS:05070033c



CITY OF LOS ANGELES

CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

ANTONIO R. VILLARAIGOSA
MAYOR

April 23, 2007

Honorable Bernard C. Parks
Chairperson, Budget and Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

DEPARTMENT OF GENERAL SERVICES 2007-08 PROPOSED BUDGET

The Mayor's Proposed Budget allows the Department of General Services (GSD) to continue providing a high level of service to client-departments and the residents they serve. The GSD budget also addresses key public safety, environmental and other outcomes by including resources to:

- Enhance security at the Mount Lee Communications Site.
- Address tripping hazards and other safety issues for employees and the public, thereby also reducing potential liability claims against the City.
- Allow for timelier testing and certification of fire alarm systems, emergency lighting and egress systems and five-year testing and certification of sprinkler systems to ensure the safety of employees and visitors to City buildings consistent with Los Angeles Fire Code, Regulation IV requirements.
- Perform mandated boiler maintenance to improve air quality through meeting strict emission control and other requirements required by the South Coast Air Quality Management District.
- Maintain ten new facilities comprised of an additional 47,000 square feet, including an animal shelter, two fire stations, and seven police facilities.

Additional funding was also included in GSD's budget to finance higher fuel costs and the volatility of fuel prices is also being addressed through funds set aside in the Unappropriated Balance. The fluctuating cost of petroleum makes it difficult to project the level of funding required to support City operations. The price fluctuations seen in this commodity will likely continue in 2007-08.

The Mayor's Proposed Budget also added resources to continue the City's alternative fuel program. Over the last five years, the City completed four alternative fuel sites and three facilities to maintain and repair the alternative fuel

fleet. Next year, GSD will begin the installation of five new alternative fuel sites and upgrade an existing site.

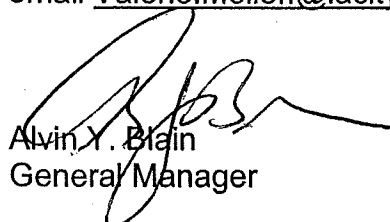
The Mayor's Proposed Budget did not continue nine resolution authorities for a total of nine positions. Of the nine positions, two positions provide scheduling, reception and other services for ten Council Committee rooms on the 10th floor of City Hall (City Hall Conference Center) and support community events sponsored by the Council and other elected officials. GSD will be unable to provide the services associated with these positions.

The remaining seven positions are assigned to the Supply Services division and responsible for vendor relations, including payment resolution and expediting payments to suppliers, market research and analysis to achieve contract savings and compliance with various socio-economic ordinances, e.g., Sweat-Free Procurement, Contractor Responsibility, Equal Benefits and Slavery Disclosure ordinances. The loss of the Supply Services positions will also result in the loss of early payment vendor discounts, strained relations with the local business community and delays in the purchase and payment of supplies.

Finally, the Mayor's Proposed Budget also reduced the department's salary account by \$1.5 million. GSD will manage this reduction through judicious hiring and attrition.

I understand that many difficult decisions were made to maintain important City services and balance the budget. GSD will do its part to continue providing a high level of service to the City departments it supports.

Please contact Valerie Melloff, Director of Finance, at (213) 928-9577 or via email Valerie.Melloff@lacity.org for additional information.



Alvin Y. Brain
General Manager

c: Budget and Finance Committee:
Councilmember Wendy Greuel
Councilmember Jose Huizar
Councilmember Greig Smith
Councilmember Bill Rosendahl
Marcus Allen, Deputy Chief of Staff
Sally Choi, Deputy Mayor of Finance and Performance Management
Karen Sisson, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 89

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mt*Subject: **BUREAU OF STREET SERVICES – RESPONSE TO BUDGET AND FINANCE COMMITTEE – PLAN FOR 2007-08 RESURFACING BUDGET**

The Budget and Finance Committee (Committee) requested the Bureau of Street Services (Bureau) to report on the 2007-08 street resurfacing budget plan for each Council District. The Committee also requested the Bureau to report on the MicroPaver system and the amount of funding available to each Council District from the various funding sources. The response from the Bureau is attached.

The Bureau provided a list of the number of miles in each Council District that it proposes to repair in 2007-08, as calculated by the MicroPaver system. The total number of miles is 176 due to the incremental increases to complete street segments. The plan seems reasonable. The amount of \$59.6 million is provided in the 2007-08 Proposed Budget to fund 175 miles of street resurfacing. The City Administrative Officer will work with the Bureau during 2007-08 on any additional funds needed for the additional mile.

The Bureau provided a list of the funding sources for the 2007-08 street resurfacing program and the eligible use of these funds.

KLS:BLT:06070218

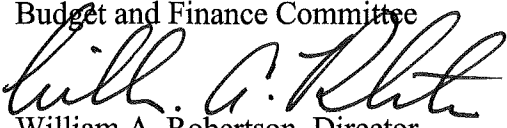
Attachment

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

2007 MAY -4 PM 4: 57

CITY ADMINISTRATIVE OFFICER

DATE: May 4, 2007**TO:** Budget and Finance Committee**FROM:** 
William A. Robertson, Director
Bureau of Street Services**SUBJECT:** 2007-08 RESURFACING PROGRAM AND IDENTIFICATION OF FUNDING SOURCES (BUDGET MEMOS 174, 175)

The goal for the 2007-2008 Resurfacing Program (Program) is 175 miles. In order to achieve this goal, the Bureau of Street Services (BSS) will use the MicroPaver System to evaluate and select the streets to be included in the Program. MicroPaver is recognized world-wide as the industry standard for Pavement Management Systems and provides a scientific, systematic and consistent method for selecting maintenance and rehabilitation needs based on the actual pavement condition.

MicroPaver assigns a Pavement Condition Index (PCI) to each street segment. The PCI is a numerical index ranging from zero for failed pavement to 100 for pavement that is in perfect condition. Pavement management data indicates that if repairs are performed during the early stages of deterioration preceding the sharp decline in pavement condition that repair savings of 80 percent can be achieved.

The Bureau must be fully empowered to solely manage the program by identifying and selecting streets to be repaired using proven Pavement Management methodologies. Resurfacing efficiencies can only be achieved if a network strategy is used instead of a subdivided network method. It is critical to emphasize that any deviation from the aforementioned strategy may result in the selection of more expensive resurfacing projects which consequently will reduce the overall number of miles resurfaced at the end of the year.

The Attachment to this Budget Memo identifies the resurfacing miles by Council District and the funding sources allocated to the Program. A total of 176 miles is identified in the Attachment and is due to the incremental increases to complete street segments from block-to-block.

Attachment

BUREAU OF STREET SERVICES
PROPOSED 2007-08 RESURFACING PROGRAM

Council District	Miles
1	6.12
2	15.35
3	18.30
4	9.00
5	16.47
6	10.55
7	9.76
8	9.78
9	8.87
10	7.52
11	16.18
12	20.16
13	5.63
14	10.64
15	11.67
Total	176.00

Funding Source	Amount
Proposition C	11,089,626
Gas Tax	35,098,967
General Fund	4,300,000
Surface Transportation Program (STP)	9,162,000
Total	59,650,593

Eligibility:

- Proposition C - major streets on transportation corridors
- Gas Tax - local streets in the City street system
- General Fund - local streets in the City street system
- STP - local streets designated as federal highways

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 90

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*Subject: **BUREAU OF STREET SERVICES – RESPONSE TO BUDGET AND FINANCE COMMITTEE ON FUNDING FOR TREE TRIMMING AND SIDEWALK REPAIR AND LIABILITY CLAIMS FILED**

The Budget and Finance Committee (Committee) requested the Bureau of Street Services (Bureau) to report on funding provided for tree trimming and sidewalk repair. The Committee also requested information on the number of liability claims filed. The response from the Bureau is attached.

The Bureau reports that it is not possible to calculate a breakeven point between deferred maintenance of trees and the resulting emergency response (clearance of debris from limb drops). The failure of tree limbs could depend on the increased tree trimming cycle, the age and health of trees and on weather conditions.

The Bureau reports that funding provided for sidewalk repair for 2000-01 through 2005-06 varied from 26 miles to 98 miles. The annual number of slip, trip and fall claims for the same period varied from 238 to 527.

A comparison of the annual miles funded and liability claims filed do not indicate a consistent pattern. Information on the comparison of funding for tree trimming and liability claims will be obtained from the Bureau and provided to Council within 90 days.

KLS:BLT:06070217

Attachment

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

2007 MAY -4 PM 4:57

CITY ADMINISTRATIVE OFFICER

DATE: May 2, 2007**TO:** Budget and Finance Committee**FROM:** William A. Robertson, Director
Bureau of Street Services**SUBJECT:** TREE TRIMMING AND SIDEWALK LIABILITY (BUDGET MEMO 173)Tree Trimming

The Urban Forestry Division (UFD) of the Bureau of Street Services (BSS) responds to requests for debris clearance in the public right-of-way. Due to the extreme heat experienced during the summer months (July and August) of 2006-07, UFD responded to a significant increase in "summer limb drop" instances than in prior years, increasing the use of overtime to clear debris in the public right-of-way. Similar increases in overtime usage were experienced in the winter months (December and January) and in the spring months (March and April) of 2006-07 due to severe wind storms. The chart included as an Attachment to this budget memo indicates the average overtime usage and the fluctuations in overtime costs by pay period (year-to-date).

The ideal tree trimming cycle is 5-7 years. Since 2005-06, the tree trimming cycle has been approximately 9 years. As a result of the increase in the tree trimming cycle, tree limbs become larger and heavier between trimmings, increasing the probability of tree limb failure when severe weather conditions are experienced. While there is a correlation between the tree trimming cycle, failure of limbs and clearance of debris in the public right-of-way, it is not possible to calculate a break even point related to deferred maintenance (tree trimming) and emergency response (debris clearance) because weather conditions are the primary influence on tree limb failures. Furthermore, the age and health of trees also impact the probability for tree limb failure and these factors vary significantly.

Sidewalk Liability

There are approximately 11,000 miles of sidewalks and 4,600 miles requiring repair. In 2000-01, funding was provided to the Bureau to establish a program for sidewalk repair. Although funding has continued since inception of the sidewalk repair program, the amount of funding provided is not sufficient to make a significant impact in the reduction of liability claims filed against the City for slip, trip and fall incidents.

The funding has fluctuated from year-to-year and provided a range of 26-98 miles of annual sidewalk repair. At 100 miles of sidewalk repair, this represents approximately 2 percent of the total miles of sidewalk repair needed. However, the need for sidewalk repair will grow until funding can be allocated to implement a comprehensive plan for repair.

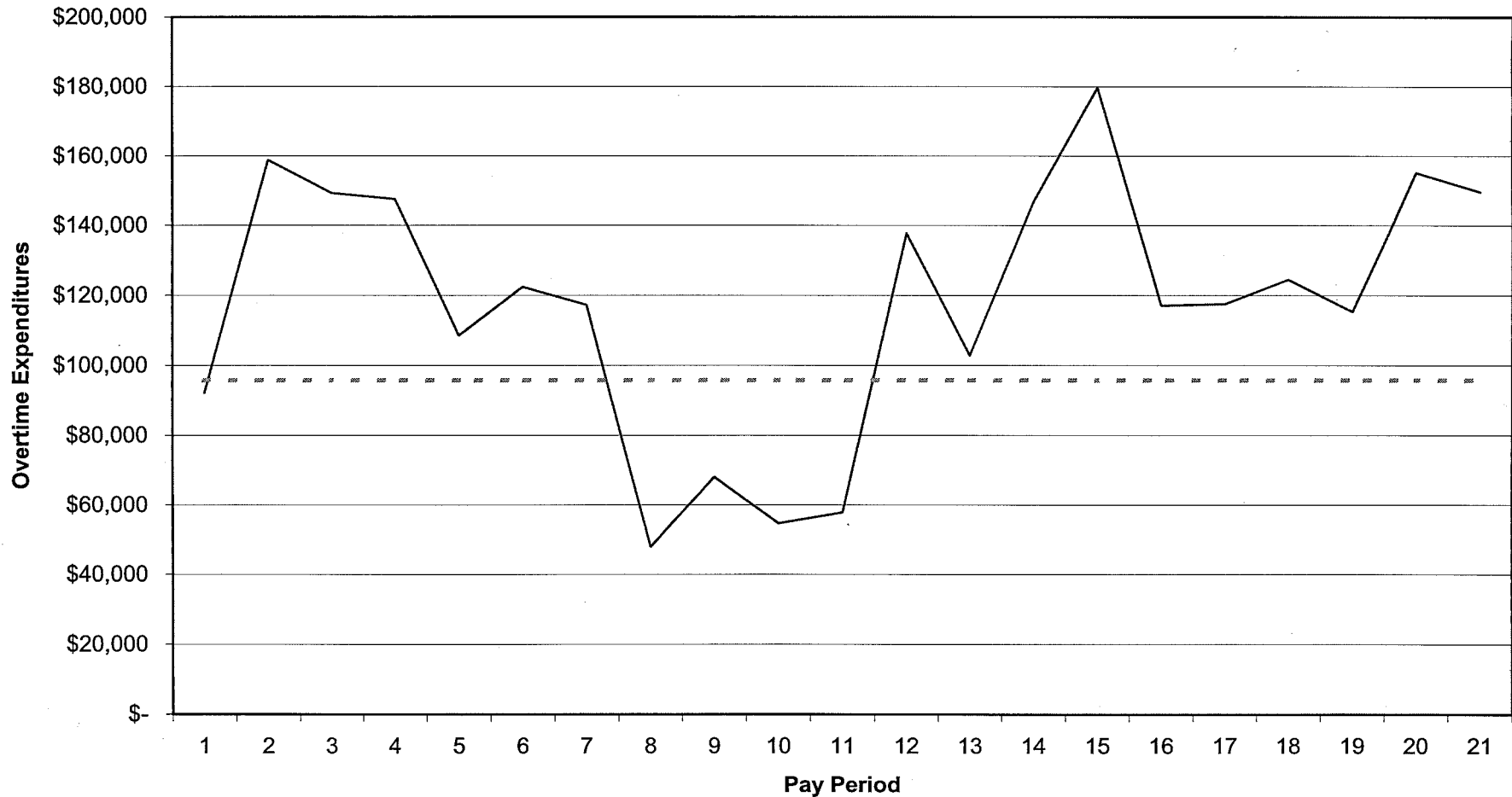
Annual slip, trip and fall claims filed against the City are as follows:

Fiscal Year	No. Claims	Sidewalk Repair Miles Funded
2000-01	542	26
2001-02	507	78
2002-03	527	98
2003-04	477	62
2004-05	238	52
2005-06	364	78 *

* Includes 50/50 Program

Attachment

**BUREAU OF STREET SERVICES
URBAN FORESTRY DIVISION
2006-07 OVERTIME**



— OT Cost by Pay Period - - - Avg OT, Excluding Peak Months

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 91

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject: **BUREAU OF STREET SERVICES – RESPONSE TO BUDGET AND FINANCE
COMMITTEE – DIRT STREETS AND ALLEYS**

The Budget and Finance Committee requested the Bureau of Street Services (Bureau) to report on the number of dirt streets and alleys in the City. The response from the Bureau is attached.

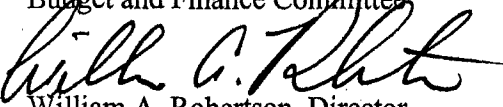
KLS:BLT:06070220

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2007

TO: Budget and Finance Committee

FROM: 
William A. Robertson, Director
Bureau of Street Services

SUBJECT: DIRT STREETS AND DIRT ALLEYS (BUDGET MEMOS 177, 245)

The number of dirt streets and dirt alleys remaining in the City are identified in the Attachment to this memo. The Bureau of Street Services (BSS) will maximize the use of funds allocated to dirt streets and dirt alleys. However, it should be noted that until each site is surveyed and assessed, the actual costs to pave the remaining dirt streets and dirt alleys may be significantly higher than anticipated due to engineering and construction costs associated with project specific field conditions, including but not limited to drainage and easements. The potential increase in costs may impact the amount of dirt streets and dirt alleys that can be paved. At this time, the only funds available for paving of dirt streets and dirt alleys is the General Fund.

Attachment

BUREAU OF STREET SERVICES
REMAINING DIRT STREETS AND DIRT ALLEYS

<u>Council District</u>	<u>Dirt Alleys</u>	<u>Dirt Streets</u>	<u>Total</u>
1	0.96	1.57	2.53
2	1.13	3.04	4.17
3	0.27	3.63	3.90
4	1.04	0.06	1.10
5	0.56	4.64	5.20
6	0.37	0.38	0.75
7	0.79	0.80	1.59
8	8.25	-	8.25
9	8.64	-	8.64
10	1.85	-	1.85
11	4.05	0.40	4.45
12	0.13	0.77	0.90
13	0.97	0.05	1.02
14	0.13	1.12	1.25
15	3.64	3.07	6.71
Total	32.78	19.53	52.31

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 92

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by m/f*Subject: **NEIGHBORHOOD COUNCIL SUPPORT**

The Committee requested a report on the impact of cutting legal support for neighborhood councils.

Two Deputy City Attorney IV resolution positions are not continued for 2007-08. Full funding for these positions would be \$0.3 million. The City Attorney currently has one regular position assigned to Neighborhood Councils. In addition, three regular positions (two attorneys and one administrative support position) were authorized in 2000-01 to support the Department of Neighborhood Empowerment and its Commission.

Similar to other City departments, legal support may be provided to the Neighborhood Councils through the City Attorney's Municipal Legal Counsel Section, as Neighborhood Councils have become a permanent part of City government. This may result in increased demand for municipal counsel and would require the City Attorney to identify efficiencies to meet this demand.

Attached is the City Attorney's memo submitted to the Committee on May 1, 2007, detailing the impact of deleting two attorneys providing legal support to neighborhood councils.

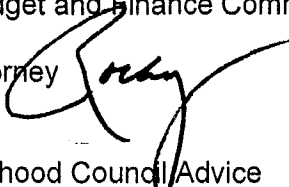
KLS:JL



2007 MAY -4 PM 7:19

OFFICE OF THE CITY ATTORNEY CITY ADMINISTRATIVE OFFICER
ROCKARD J. DELGADILLO
CITY ATTORNEY

May 4, 2007

TO: Honorable Members of the Budget and Finance Committee
FROM: Rockard J. Delgadillo, City Attorney 
SUBJECT: Budget Follow-Up
Impact of Eliminating Neighborhood Council Advice

Your Committee requested information regarding the impact of the Proposed Budget's elimination of two filled positions dedicated by Council action to providing advice to the City's neighborhood councils. The Mayor's budget specifically proposes that two attorneys be eliminated from our Neighborhood Council Advice Division, cutting our service to neighborhood councils in half. The proposed budget cut will significantly impair this Office's ability to provide advice regarding the neighborhood council system, as explained below.

DISCUSSION

Demand for legal services imposed by the Neighborhood Council System

The City Attorney is the legal advisor to "all City boards, departments, officers and entities." Charter § 271 (b). Our Neighborhood Council Advice Division currently consists of three attorneys and a supervisor, and is tasked with providing legal advice to the Department of Neighborhood Empowerment ("DONE"), the Board of Neighborhood Commissioners ("BONC"), the Education and Neighborhoods Committee ("E & N Committee"), and 89 certified neighborhood councils comprised of more than 1600 board members.¹ Neighborhood councils are subject to ethics laws, such as the Political Reform Act, Government Code Section 1090, and open government laws such as the Brown Act and the Public Records Act, just as are other City officers and commissioners. However, the demand for advice generated by neighborhood council boards is often greater than other city boards and meeting the demand more challenging.

¹ In addition to the 89 certified neighborhood councils, DONE advises that there are nine other groups prepared to file for certification this year.



Neighborhood council board members are community volunteers who are typically unfamiliar with applicable state and local laws that govern their activities, lack paid staff and other dedicated resources to facilitate the flow and retention of institutional knowledge and know-how, and experience higher turnover rates due in part to neighborhood council board election cycles. There is a high demand for conflict-of-interest advice given the broad advisory function of neighborhood councils and frequent intersection of that function with board members' respective community interests. Additionally, each neighborhood council is budgeted \$50,000 a year for community improvement projects, the expenditure of which is inevitably dependent upon city attorney review of contracts or advice regarding permissible expenditures.

Further adding to the workload of the Neighborhood Council Advice Division is the recently enacted Assembly Bill 1234 (codified at Government Code Section 53234 *et seq.*) which, beginning in 2006, requires that neighborhood council board members, among other city officials, receive 2 hours of training on ethics laws at least every two years. Guidelines issued by the State Attorney General indicate that this office is required to perform any in-person training on ethics laws and supervise the preparation of online or self-study training materials.

Staffing History

Soon after the adoption of the amended City Charter, this office re-assigned two attorneys from within the Municipal Council Branch to staff a newly created Neighborhood Council Advice Division. At that time, no neighborhood councils existed. Accordingly, the attorneys in the Division advised DONE, BONC, and the E & N Committee on the certification process, proposed neighborhood council by-laws, and provided a large body of foundational legal analysis for the neighborhood council system.

During fiscal year 2002-03, two additional attorney positions were approved by resolution authority. As the pace of the certification process rapidly advanced, this office has requested additional resources every fiscal year to meet the exploding demand for legal services by what is now a robust city department, a dynamic commission and council committee, 89 active neighborhood councils comprised of over 1600 board members. Notwithstanding this new and enormous demand for legal services, requests for additional resources consistently have been turned down.

Current Services to Neighborhood Councils

Each of the three staff attorneys in our Neighborhood Council Division is assigned a neighborhood council region averaging approximately 30 neighborhood councils and provides advice directly to those boards. The supervisor, in addition to overseeing and assisting in meeting the workload demands of the Division, is responsible for advising DONE, the E & N Committee, and providing formal advice memoranda and letters to DONE, BONC, Council and elected city officials on the existing system and on a variety of neighborhood council-related proposals and initiatives.

Other services and programs provided by the Division include:

- Creation of a Leasing Program streamlining the ability of neighborhood councils to obtain office space.
- A variety of training sessions on conflict of interest, Brown Act, Public Records Act, and other laws.
- In-person, state-mandated AB 1234 training specifically geared toward neighborhood councils that supplemented the City's on-line ethics training.
- Creation of a City Attorney - Neighborhood Council Round Table Program to meet informally with the "legal liaisons" of the neighborhood councils.
- Direct legal advice to Presidents and/or legal liaisons on board, such as on conflict of interest matters.
- Attendance at neighborhood council meetings to advise on legal issues upon request.
- Assistance with Public Records Act requests and a variety of board governance issues (Brown Act compliance, bylaws, grievances, elections, removals, funding, etc.).
- Creation of a Neighborhood Council Training Manual (soon to be distributed).

Impact on Service to Neighborhood Councils

The elimination of two attorneys serving our neighborhood councils will leave only two attorneys to address the continually growing demand for legal services from DONE, BONC, the Education and Neighborhoods Committee, elected offices, 89 neighborhood council boards, and 1600 board members. The workload will far exceed the capacity of the remaining two attorneys, requiring the following decrease in service to the neighborhood councils:

- Direct communication with neighborhood council boards and board members will cease. Direct communication with neighborhood council boards, their legal liaisons and/or board presidents regarding open meeting laws, ethics laws and other laws applicable to neighborhood councils will cease. Instead, all requests for advice from neighborhood councils – from both the boards and individual board members - will need to be submitted to DONE. DONE will be asked to prioritize the requests for advice, assist in distributing the advice, relay additional facts and/or information between the City Attorney's Office and neighborhood councils and manage any follow-up requests.
- Increased delay in providing Conflict of Interest Advice to individual board members. All conflict of interest advice will be transferred to the Public Integrity Division. This additional workload for the Public Integrity Division which is already responsible for providing ethics and conflict of interest advice to all elected officials, city commissioners and other city officials city-wide, will result in unavoidable delays for all city clients.
- The Neighborhood Council Round Table Program will be eliminated. This newly implemented and well-received program provides an opportunity for this office to meet with neighborhood council legal liaisons and provide guidance on legal issues common among neighborhood councils, as well as training on various topics. Staffing cuts will force the elimination of this program.

- Neighborhood council training will be dramatically reduced. Currently, to supplement the citywide on-line training created in response to AB 1234, Division attorneys conduct periodic training sessions. Division attorneys have also, on an as-needed basis, attended neighborhood council meetings or assisted DONE in "new board member training" on topics such as the Brown Act and other governance issues. This training is likely to be reduced or eliminated requiring neighborhood councils to instead rely on the citywide on-line training and existing written materials.
- Limited capacity to meet demands for legal advice or services resulting from recommendations of the Neighborhood Council Review Commission. Pursuant to Charter Section 912, the Neighborhood Council Review Commission is examining the entire neighborhood council system and will submit its recommendations to the City Council later this year. Implementation of any recommendations will impose an additional strain on *existing* staff resources – not to mention *reduced* staff resources – if new ordinances, Plan amendments, Charter amendments and related legal analysis are required. This additional burden will result in delays throughout the civil advice section of this office.

CONCLUSION

The new City Charter was enacted with the promise of a neighborhood council system, and neighborhood councils must be given the necessary resources to meet their basic operational needs. The proposed reduction will not only significantly impair neighborhood council operations, but impact the timely provision of legal services to other city officials and entities. I strongly urge that the City Council restore the two position authorities in the Neighborhood Council Advice Division.

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 93

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **LETTER FROM THE OFFICE OF FINANCE TO THE BUDGET AND FINANCE
COMMITTEE REGARDING REVENUE POTENTIAL OF ADDITIONAL
RESOURCES**

The Office of Finance (Finance) letter on the revenue potential of adding additional resources dated May 3, 2007 to the Budget and Finance Committee is attached. Finance's letter raises several issues that merit further response from our Office as discussed below:

- (1) We concur with Finance's statement that additional position authorities not be added at this time.
- (2) We agree that clerical retention problems must be addressed and recently met with Finance and Personnel Department staff to discuss the issue. All of the issues were discussed and appropriate options were developed. We expect a resolution to this issue in the next few months.
- (3) In light of efforts underway to improve employee retention, the issue of increased salary funding may be merited once the details of the retention plan have been determined. Our Office will recommend an additional appropriation, if necessary, in the 2007-08 Mid-Year Financial Status Report.

KLS:TAB:01070068c

Attachment.

ANTOINETTE CHRISTOVALE
DIRECTOR OF FINANCE

CITY OF LOS ANGELES
CALIFORNIA

TAB ①
OFFICE OF FINANCE
200 N. SPRING ST.
ROOM 220 - CITY HALL
LOS ANGELES, CA 90012

(213) 978-1774

2007 MAY -3 PM 4:48
CITY ADMINISTRATIVE OFFICER



ANTONIO R. VILLARAIGOSA
MAYOR

COPY

May 3, 2007

Honorable Members of the Budget and Finance Committee
C/o Lauraine Braithwaite, Legislative Assistant II
City Clerk, Room 395 City Hall

OFFICE OF FINANCE -REVENUE POTENTIAL OF ADDITIONAL RESOURCES

This letter is in response to the Budget and Finance Committee's request regarding the possibility of increasing General Fund revenue by investing additional resources in the Office of Finance (Finance).

While grateful for the opportunity to request new resources, we respectfully recommend not adding positions at this time for reasons outlined below. The investment by the Mayor and City Council in a new tax system, LATAx, and our continual efforts to increase efficiencies throughout the department, have allowed substantial realignment of resources to revenue generating activities. As a result, we have exceeded budgeted revenue targets and nearly doubled business tax receipts since 2000. LATAx and other operational improvements provided Finance the ability to propose 4 new revenue programs in 2007-08 with estimated revenue of \$6.3 million while absorbing the associated cost of \$0.6 million. We strongly support the continued investment in LATAx, which includes the necessary funding to maintain this system as requested by Finance and the Information Technology Agency in our 2007-08 budget packages.

We would, however, like to request your assistance in the resolution of our clerical retention problem at our Public Counters and Call Center. These are our front line positions dealing with the business community and they deal with complex tax issues daily. As mentioned in my budget presentation we have experienced a 287% attrition rate in our Call Center and 97% in our Public Counter positions. By avoiding any further delay and putting our 14 Tax Compliance Officers (Field Enforcement) who are currently diverted to work in these two areas back in the field, we firmly believe that the City will see immediate results as well as revenue. Several recommendations are pending with the CAO-Employee Relations group that we believe may mitigate this situation and it is essential that this is resolved immediately, but no later than this fiscal year end. We also believe that over hiring in this area using substitute authorities may help alleviate field staff diversions, but in no way will this address the attrition problem. Doing so will help secure the resources needed to meet our revenue target of \$2.24 billion next year.

In general, our revenue producing capabilities fall into 4 major areas: Field Audit, Field Enforcement, Citywide Collection Unit and our Public Counters/Call Centers. I've outlined above our challenges at the Public Counter/Call Center. In the prior two budget cycles, 23 tax auditors and associated support were provided as a revenue opportunity. We have just recently completed the hiring and training of these staff and expect to realize a full year benefit in 2007-08.

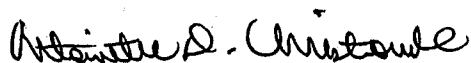
Field Enforcement positions primarily generate revenue through field and tax discovery activities. By solving the clerical attrition issue mentioned earlier, we effectively would gain 14 additional staff for these activities. We believe this is a more cost effective approach rather than adding Tax Compliance Officers.

The Citywide Collection Unit (CCU) consists of 13 Investigators assigned to collecting delinquent debt greater than \$1,000 for all City departments. Items less than \$1,000 are referred to an outside collection agency. Due to the current high volume of referrals, individual caseloads have risen to more than 1,000 cases—double the industry standard. It is our plan to recommend to the Mayor and City Council that the \$1,000 threshold for referral to outside collection agencies should be raised to allow Finance to reduce caseloads in-house by leveraging outside resources. If the number of referrals of delinquent accounts continues to rise at the same pace after taking this action, it may be prudent to add staff in this area. This will be looked at as part of our 2008-09 Budget submission.

Finally, the proposed budget includes a 4.5% salary savings rate, which requires that 20 positions are kept vacant year round. Due to our continual realigning of resources, our non-revenue related positions are few. It may be more advantageous to allow a continuous hiring practice in Finance by reducing the salary savings rate as an alternative to adding additional positions. Our current vacancy rate runs at 6.0% due in part to our clerical attrition but also to the requirement that we absorb nearly \$1 million in salary costs. A reduction in the salary savings factor would allow Finance to immediately proceed with filling any revenue producing positions, which contributes to revenue production as our campaigns could proceed uninterrupted. Alternatively, we might be provided substitute authority in revenue generating positions to insure hiring sufficient numbers in each class.

As we continue to streamline our operations, I believe the most benefit to the City at this time is to find a creative solution that addresses Finance's obstacles to full employment and continued support for LATAX. Thank you for the opportunity to reply to your request. Should you have any questions, or require additional information, please contact me directly at (213) 978-1774.

Sincerely,



Antoinette D. Christovale
Director of Finance

AC:JW:cc

c: Todd Bouey, Finance Specialist II, City Administrative Office
Sally Choi, Deputy Mayor of Finance and Performance Management

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 94

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **DOMESTIC VIOLENCE ATTORNEY POSITION**

The Committee requested a report on why the Domestic Violence attorney position was deleted. No positions were eliminated from the Domestic Violence Unit. One Deputy City Attorney II resolution position for Family Violence Prosecution was not continued for 2007-08.

This resolution position was initially approved by Council and the Mayor in 2000-01 (C.F. No. 00-2050) as a grant-funded position. Given there are no longer grant funds for this program, the resolution position was not continued. While eliminating one position may impact the City Attorney's Office workload, this service may continue to be provided by realigning existing resources.

The City Attorney has existing staff assigned for prosecutions related to domestic violence, some of which are funded off-budget by special funds and/or grant funds. Existing resources include the continuation of one Deputy City Attorney III, one Administrative Coordinator I, and two Investigator II's for the Domestic Violence Unit (please see City Attorney Blue Book Item #7, page 64).

Attached is the City Attorney's memo submitted to the Committee on May 1, 2007, regarding the impacts of eliminating the Domestic Violence Prosecutor Position.

KLS:JL

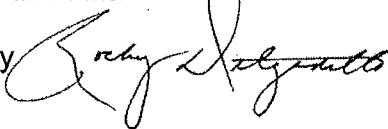


2007 MAY -3 AM 11:09

OFFICE OF THE CITY ATTORNEY
ROCKARD J. DELGADILLO
CITY ATTORNEY
CITY ADMINISTRATIVE OFFICER

May 1, 2007

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney 

SUBJECT: **Budget Follow-up**
Impact of Eliminating Existing Domestic Violence Prosecutor

Your Committee requested information regarding the impact of the Proposed Budget eliminating funding and position authority for an existing Domestic Violence Prosecutor. This reduction will have a significant impact on our ability to both protect victims of family violence and to hold their abusers accountable. These cases involve some of the most violent and dangerous defendants we prosecute. They often include allegations of serious injuries, gang involvement, repeat offenders, use of deadly weapons and the involvement of children. In addition, the reduction runs counter to the City's anti-gang efforts, particularly in light of the link detailed in the Mayor's Gang Reduction Strategy regarding the "clear links between childhood experience of [domestic] violence and gang involvement" (page 8).

Over the course of the last five years, the Office of the City Attorney has reviewed approximately 68,000 domestic violence cases. We have filed approximately 20,000 criminal cases and resolved over 25,000 cases by City Attorney Hearing. In the area of child abuse, we have reviewed approximately 8,000 cases, filed 3,200 and referred 3,500 to hearing. During this same time frame we reviewed approximately 4,000 child sexual abuse cases, filed 1,500 and conducted 850 City Attorney Hearings. Without question, these are some of the most serious cases handled by this Office. In any other city in the country, these cases would be prosecuted as felonies. Here, however, due to the sheer volume of such cases and the limited capacity of the District Attorney's Office to vertically prosecute them, they are prosecuted by our Domestic Violence Prosecutors as misdemeanors.

Recanting victims, absent victims, victims in fear for their lives and others who are unable to cooperate for whatever reason, make these cases especially difficult. Establishing a relationship between the prosecutor, the victim advocate and the victim as early in the process as possible is often critical to our ability to achieve a successful outcome. Further, the dynamic nature of the law in this area, including the recent United States Supreme Court cases involving the ability to present the testimony of absent victims and witnesses, along with a complex pre-trial motion practice involving admissibility of 911 tapes, doctors reports and statements to police, and complicated post conviction requirements, including forfeiture of guns and batterers' treatment counseling, make our domestic violence cases some of the most contentious matters we handle.



Our domestic violence prosecutors are among our most skilled and experienced trial deputies. They are specially trained in this area and are considered experts in the litigation of these very difficult cases. Due to the skill and experience of our vertical prosecution team, these lawyers have consistently achieved over a 98% conviction rate, substantially higher than cases which are handled on a non-vertical basis. This establishes clear evidence that the ability to establish rapport with the victim, to have specially trained attorneys capable of handling difficult motions and evidentiary matters and to advocate for serious sentences upon conviction is crucial in our attempt to hold violent and repeat offenders accountable.

The loss of even one position in the effort to end domestic violence is a critical loss. I urge you to maintain your commitment to the victims of domestic violence and child abuse by enhancing resources in this area.

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 95

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **SCHOOL SAFETY PROSECUTOR PROGRAM**

The Committee requested a report on the effectiveness of the School Safety Prosecutor Program. Funding was provided to implement a pilot School Safety Prosecutor Program in the Unappropriated Balance of the 2006-07 Adopted Budget. In November 2006, Council authorized the City Attorney's Office to implement the program with three attorneys and one support position.

Funding was not provided for the four existing positions under the School Safety Prosecutor Program. Full funding for these positions is \$0.4 million. Specific positions were not identified to be held vacant. The City Attorney has the flexibility to continue this program by holding lower-priority positions vacant if that is necessary to stay within budget.

Attached is the City Attorney's memo submitted to the Committee on May 1, 2007, along with a summary report of the School Safety Prosecutor Program's achievement to date.

KLS:JL



JL①

2007-MAY -3 AM 11:09

CITY ADMINISTRATIVE OFFICER

OFFICE OF THE CITY ATTORNEY
ROCKARD J. DELGADILLO
CITY ATTORNEY

May 1, 2007

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney

SUBJECT: **Budget Follow-up**
Impact of Eliminating School Safety Prosecutors

Your Committee requested information related to the impact of the Proposed Budget eliminating all funding for the School Safety Prosecutor Program created last year by your Council. At a time of increasing campus violence, this cut will have a direct impact on the safety of our children.

As you know we currently have school safety prosecutors assigned to:

- Venice High School
- Fremont High School
- Arleta High School
- Panorama High School

These School Safety Prosecutors began their work in March 2007. Since that time, they have made substantial progress in enhancing the safety of children around the 4 designated school sites. Attached is a full report, detailing accomplishments at each of the school sites. In addition, we have provided a summary report of all achievements to date.

The elimination of these prosecutors would have a direct public safety impact on the children in the communities surrounding these schools. I urge you to continue your commitment to the safety of our children and to expand this important program.

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

Attachment

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst



School Safety Prosecutors
Safe Neighborhoods Division
ACCOMPLISHMENTS
March – April 2007

Enforcement Efforts

- LAPD Meetings
 - LAPD-Pacific Division Command Staff and Officers
 - West Bureau Deputy Chief and Commander
 - Assistant Chief Earl Paysinger
- Review and track all arrests and crime reports for surrounding neighborhood
- Attend and moderate regularly scheduled Westside Gang Task Force Meetings, most recently on April 17, 2007
- Coordinated 290 Sex Offender Registrant Compliance Check on April 18, 2007
 - 14 registrants checked: 13 in compliance
 - Identified and requested follow-up on one registrant violator due to his proximity to a student hang-out
- Narcotic Registrant Compliance Check scheduled for first week of May, 2007
 - Training on filing guidelines
- Vice Minor Decoy Task Force for alcohol sales to minors on April 17, 2007
 - 6 problem locations identified within 1,000 feet of Venice High School
 - Compliance check scheduled through May of 2007
- Implementing protocol for Tobacco Compliance Checks to ensure business owners are not selling to minors and are complying with laws relating to sales of cigarettes
- Identified high priority problem location (address confidential): serious allegations of crimes involving minors
 - LAPD and School Safety Prosecutor are coordinating enforcement and prosecution efforts
- Identified 3 problem alleys: coordinating enforcement and enhancement strategies
- Tracking cases re 4 juvenile truants who are also vandalism suspects
 - Working with Juvenile Probation to coordinate possible disposition, including graffiti clean-up around Venice High School
- Set up system to obtain and analyze crime stats from RDs 1433, 1434, 1443, and 1445
- Working with LAPD, School Police, Venice High Administration, and Multi-Agency "At-Risk Student Task Force (MAARSTF) regarding Crisis Response at Venice High School, in light of Virginia Tech tragedy



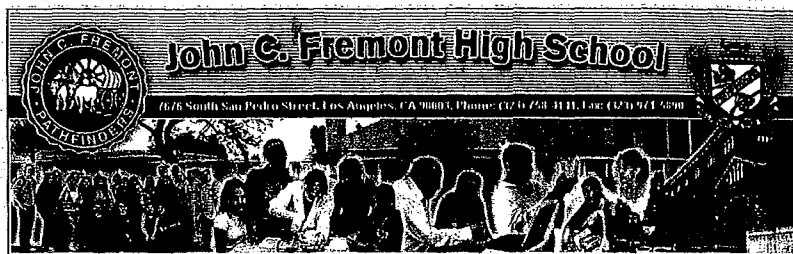
School Safety Prosecutors
Safe Neighborhoods Division
ACCOMPLISHMENTS
March – April 2007

Enhancement Efforts

- Met with CD-11 Field Deputies Grant and Velasquez who provided local City agency contacts
- Lighting survey revealed upgrades are complete
- Identified chronic graffiti locations and discussed with local graffiti contractor, Pacific Graffiti Solutions
- Develop contact with Caltrans concerning Venice Boulevard median issue
- Identified problem alley and working with residents, City agencies and LAPD for possible closure
- Regularly survey the physical area around school campus for enhancement needs and make appropriate referrals

Outreach Meetings

- Met with Principal Davis and Title 1 Coordinator
- Attend TRIP, anti-truancy diversion program
- Participate in Teen Court program
- Attend "Multi-Agency At-Risk Students Task Force" (MAARSTF) that provides services to "at-risk" youth and their parents
- Attended Parent Conference Night and addressed 200 parents
- Attended C-PAB and Homeowners Association meeting
- Attended Friends of Beethoven Elementary School meeting
- Attended Neighborhood Youth Association meeting



School Safety Prosecutors
Safe Neighborhoods Division
ACCOMPLISHMENTS
March – April 2007

Enforcement Efforts

- Coordinated 290 Sexual Registrant Compliance Check
 - Arrest of drug dealer/ex-felon in possession of semi-automatic weapon and ammunition
 - Arrest Location
 - Across the street from Fremont High School
 - Narcotics eviction initiated by School Safety Prosecutor
 - Recovery of 6 bricks of marijuana, an entire suitcase full of small bags of marijuana, crack cocaine, PCP, crystal meth, and weight scales
- Coordinated Narcotics Registrant Task Force
 - 13 Arrests for failing to notify LAPD of change of address
- Coordinated Narcotics Quality of Life Task Force
 - 11 narcotics related arrests
- Coordinating Gang Probation Compliance Check: May 2007

Outreach Meetings

- Principal Higgins and School Safety Collaborative
- "Unity One" and "Unity Two" Gang Intervention Programs to discuss forming collaborative to deter gang violence
- LAPD Commander Gannon to discuss development of "Fight the Blight" presentation to encourage Fremont students to become more involved in neighborhood improvement efforts
- LAPD to discuss efforts to expand its Explorer Program



PANORAMA HIGH SCHOOL

School Safety Prosecutors Safe Neighborhoods Division ACCOMPLISHMENTS March – April 2007

Enforcement Efforts

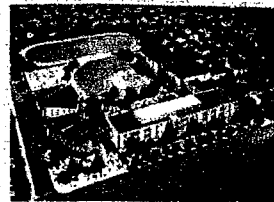
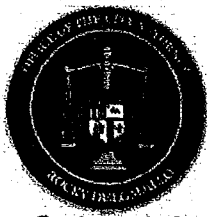
- Analyzing crime stats and trends for RD 925/926
- Developed system to track problem people and problem locations
- LA SAVES Task Force: April 20, 2007
 - 2 parole violations
 - 1 probation violation
 - 2 drug paraphernalia arrests (to be filed April 26, 2007)
 - 2-year old child removed from home due to narcotics
- Narcotics Registrant Task Force: May 11, 2007
- Anti-Truancy Task Force with LAPD Mission Area Senior Lead Officers and School Police: April 24, 2007
 - 18 Truants picked up
- Illegal Vending Task Force: Pending
- Minor Decoy Task Force for liquor sales to minors
 - Identified 3 problem liquor stores

Enhancement Efforts

- Neighborhood survey for Code Violations: Referred to LADBS and LAHD
- Lighting survey conducted: Reported deficiencies to Bureau of Street Lighting
- Graffiti locations reported to both LADBS and Pacoima Graffiti Busters
- Working with Senior Lead Officer to tackle the issue of street-racing group gathering weekly in parking lot of the neighboring businesses and causing disturbance; meeting pending to discuss issues and potential solutions with property owners and managers

Outreach Meetings

- Met with Principal Lepisto, Assistant Principal Sainz, Senior High School Director Ron Oswald to discuss school's primary safety concerns
- Met with Career Counselor regarding scheduled May 19, 2007 Job Fair and Panorama High School's involvements in the event
- Met with Councilmember Tony Cardenas' field deputy to tour the area, discuss ongoing issues throughout the area, and visited the local community based organization
- Met with LAPD Captains, Senior Lead Officers, Narcotics Detectives, and REACT Detectives
- Met with Panorama Neighborhood Council
- Met with Casa Esperanza Community Center
 - Peace March scheduled for June 9, 2007
 - Exploring Mentor/Tutoring program between Panorama High School students and Casa Esperanza youth
- Met with Panorama Business Improvement District (BID)
- Pending meeting to discuss formation of Panorama Safety Collaborative
- Exploring programs to educate parents and students regarding truancy laws



School Safety Prosecutors
Safe Neighborhoods Division
ACCOMPLISHMENTS
March – April 2007

Arleta High School

Enforcement Efforts

- Vertical Prosecution – Analyzing crime stats and trends for RDs 1651, 1652, 1661
- Truancy Task Force – Coordinating with LAPD Foothill Bike Detail for truancy enforcement
- Narcotics Enforcement – Working with merchants and LAPD to identify “hot spots” on public and private property
- Graffiti – Surveying and reporting chronic graffiti locations for enforcement by LADBS and LAPD
- Illegal Vending – Pending task force
- ABC Minor Decoy Task Force re alcohol sales to minors
 - Identified 2 problem liquor stores

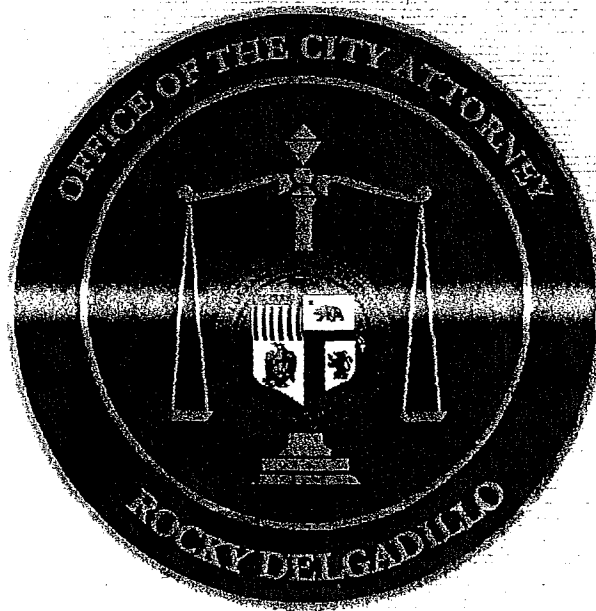
Enhancement Efforts

- Surveyed adjacent neighborhoods with Bureau of Street Lighting to identify locations in need of increased lighting
- Reported chronic graffiti locations to Pacoima Graffiti Busters
- Identified properties with code violations and referred to LADBS

Outreach Meetings

- Principal Calvo, School Staff and LAUSD Police
- “Diploma Project Advisor” re Teen Court
- LAPD Captains, Vice Unit and Senior Lead Officers
- Owner of large retail store re crime issues on private property
- Neighborhood Council
- Neighborhood Watch
- Pending meeting to discuss formation of Panorama Safety Collaborative
- Exploring programs to educate parents and students regarding truancy laws

School Safety Prosecutors Safe Neighborhoods Division



Criminal and Special Litigation Branch

Admiral David Brewer III
Superintendent of LAUSD

- *“If you stabilize the neighborhoods around our schools, then I can educate your kids.”*

WHY?

- A survey of LAUSD students shows that a vast majority said they had been exposed to violence, either as victims or witnesses. School officials say the findings could help explain an “achievement gap” between pupils in poor, crime-plagued neighborhoods and their more affluent counterparts.

WHY?

- Students exposed to violence frequently develop
 - Post-traumatic stress symptoms
 - Behavioral problems
 - Poor school performance
 - More absences
 - Feelings of depression and anxiety

OBJECTIVE of School Safety Prosecutor Program

- Crime free and safe environment
 - In the geographic area surrounding the school
 - In recreational areas frequented by students

Safe School Zone

- 1,000 foot buffer around School
 - Street Crime/Gang Activity
 - Nuisance Properties
 - Code Violations
 - Zoning Violations
 - Registered Sex Offenders (REACT)
 - Wanted Felons (LA SAVES)

Ongoing Data Collection

- Crime Statistics
- Truancy Rates
- ID Parolees, Probationers & 290s
- Census Information
- Student Mapping and Surveys
 - School Campus and Community Safety Indicator System

Selected LAUSD High Schools

John C. Fremont High School

■ 7676 San Pedro St.

Council District 9 – Jan Perry

Venice High School

■ 13000 Venice Blvd.

Council District 11 – Bill Rosendahl

Panorama High School

■ 8015 Van Nuys Blvd.

Council District 6 – Tony Cardenas

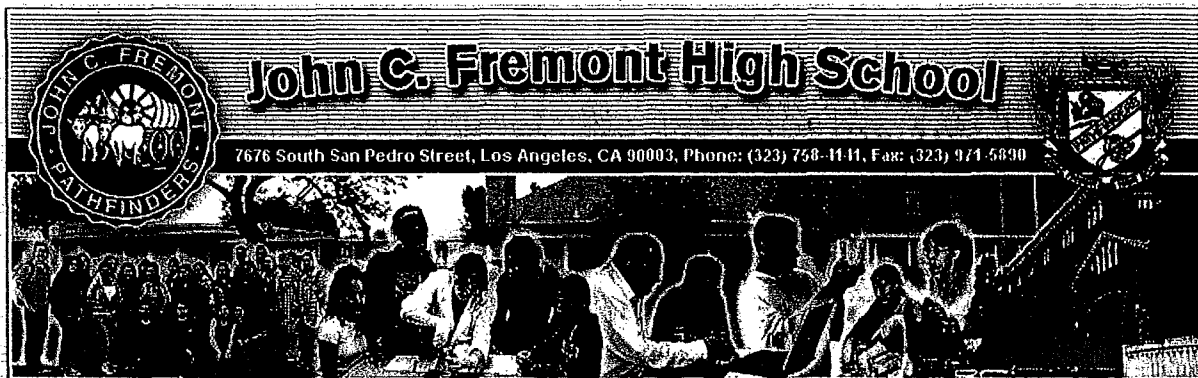
Arleta High School

■ 14200 Van Nuys Blvd.

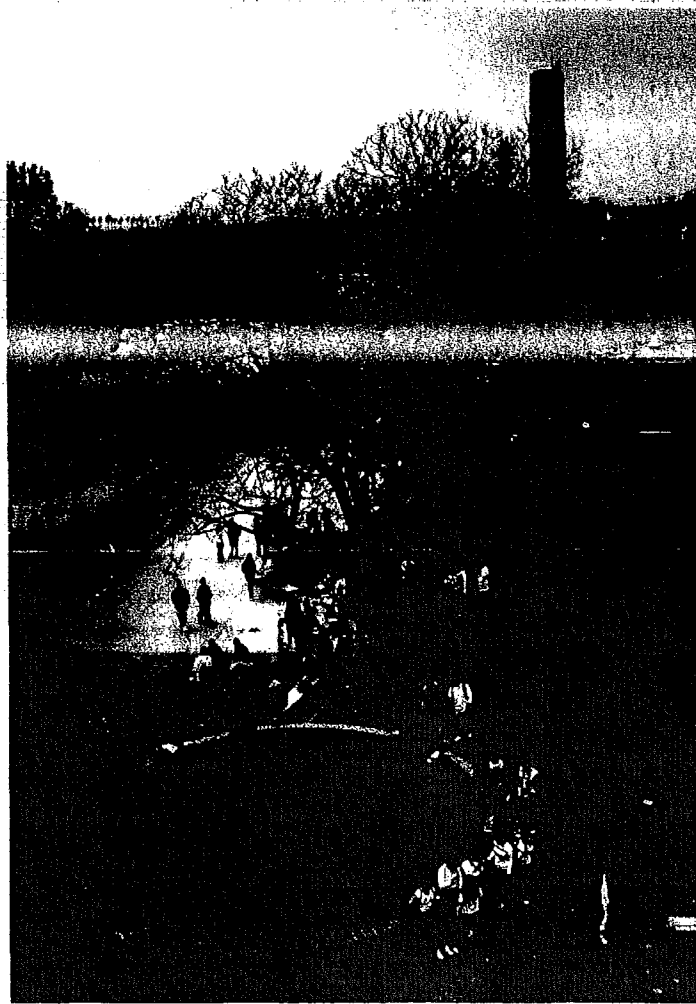
Council District 6 – Tony Cardenas

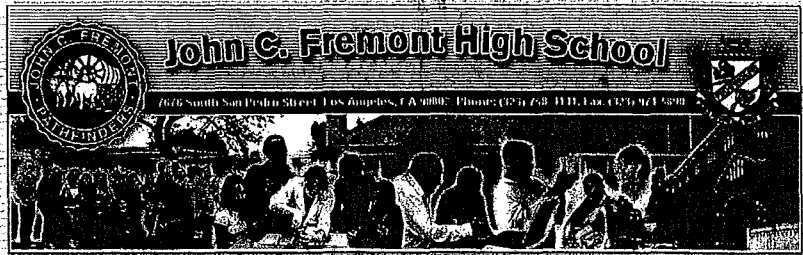
School Safety Prosecutor Accomplishments March – April 2007

- Set forth on the following pages are the School Safety Prosecutor Accomplishments for the Selected LAUSD High Schools regarding:
 - Enforcement
 - Enhancement
 - Outreach
-



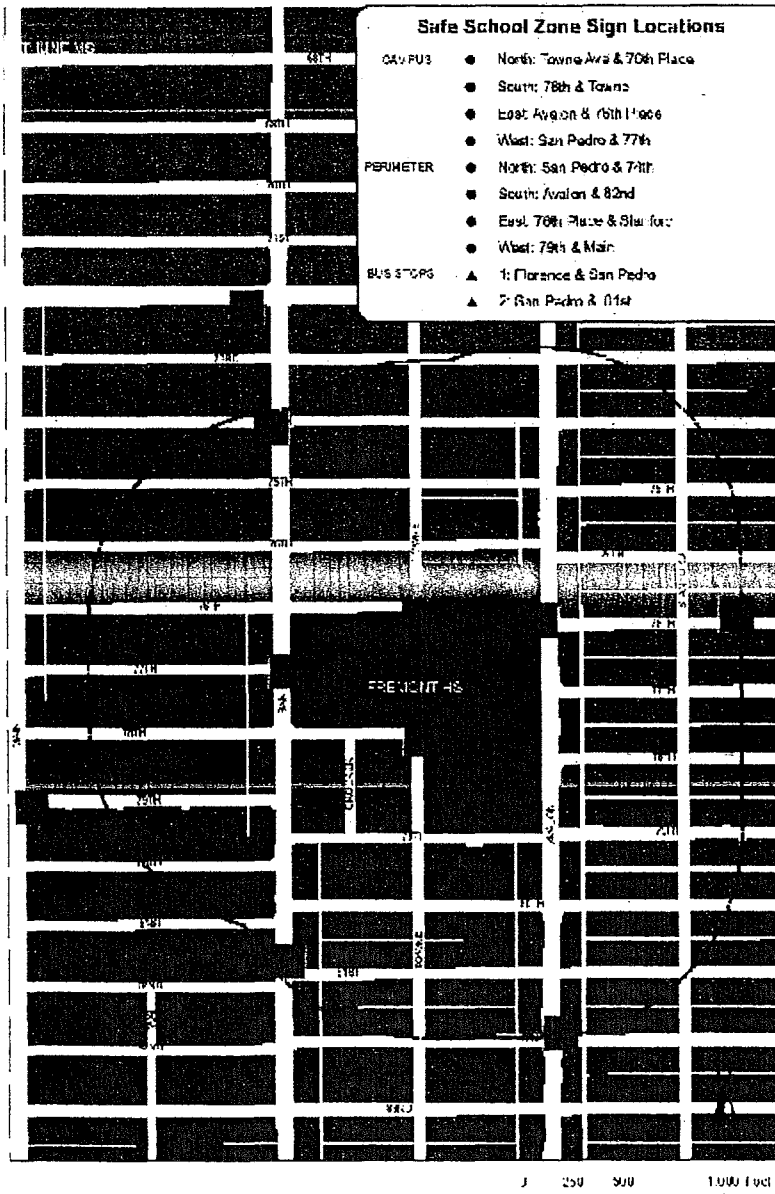
- 7676 South San Pedro Street
- Council District 9 – Jan Perry

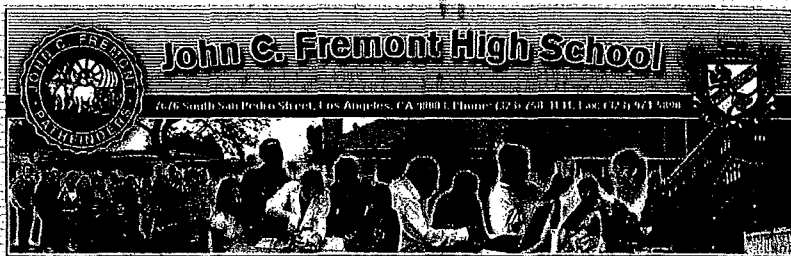




1,000^{ft} Safe School Zone

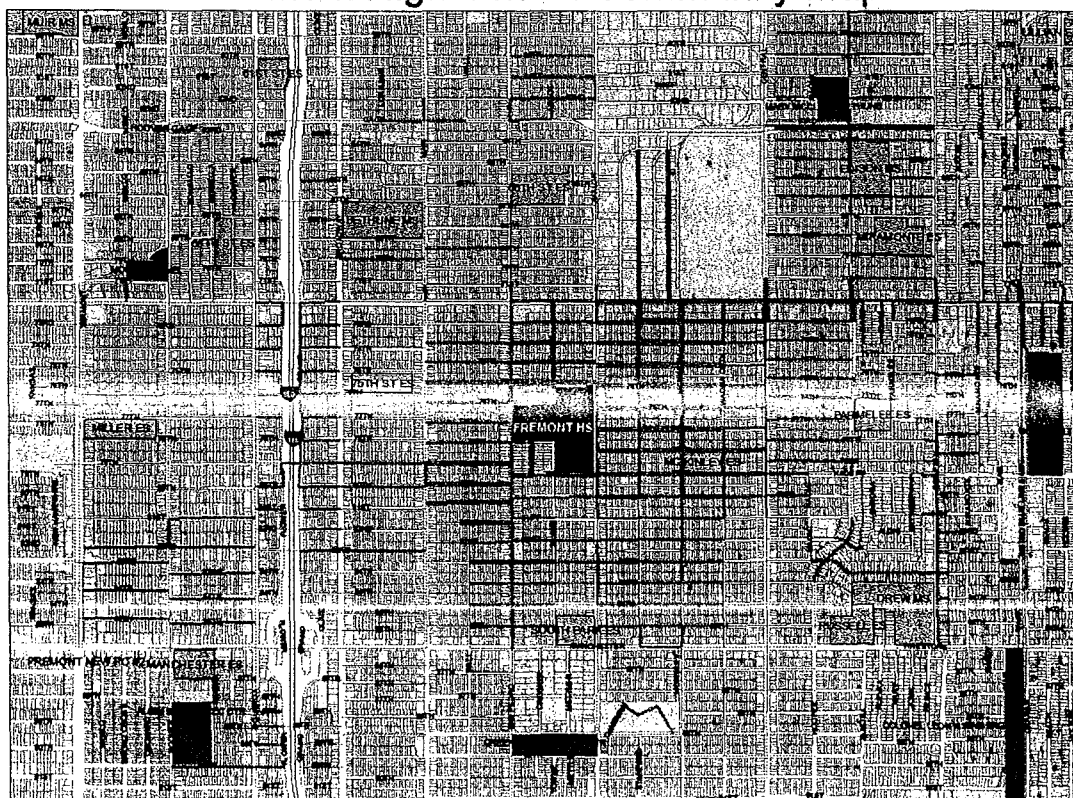
Fremont High Safe School Zone





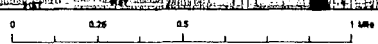
Places Students Avoid

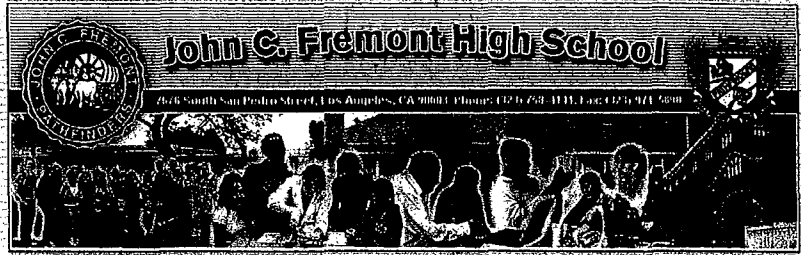
Fremont High School Community Map



I Avoid These Places

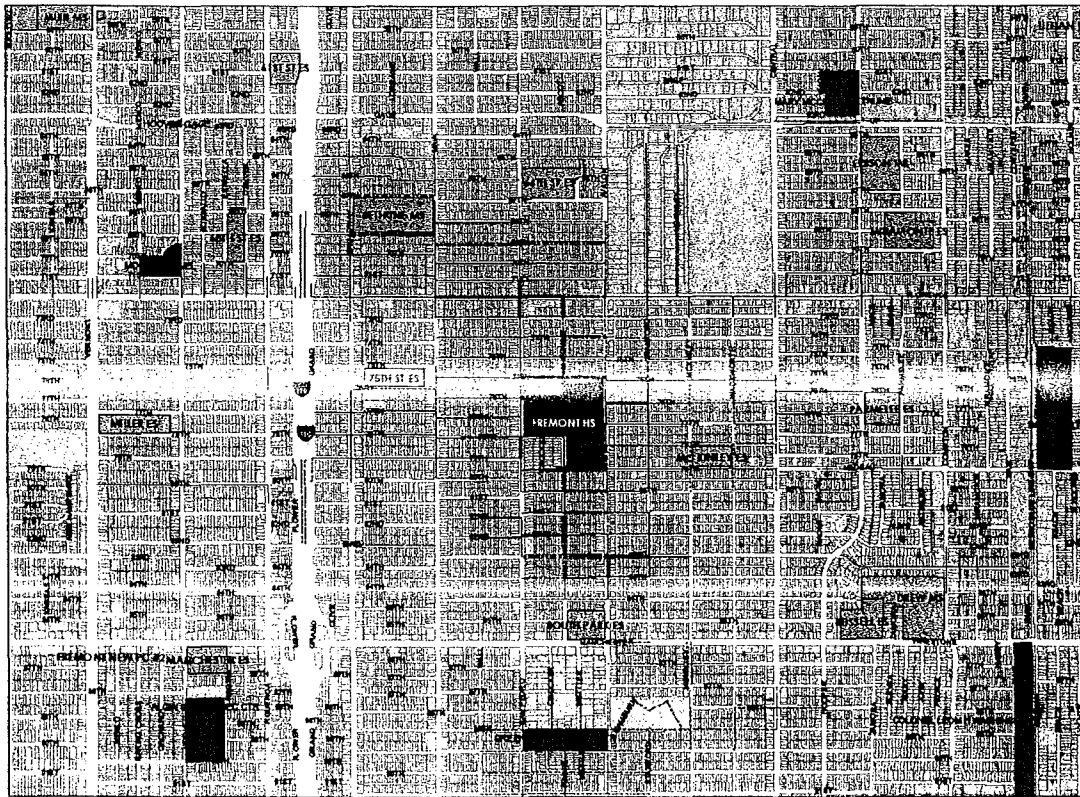
- 1-3
- 4-6
- 7-10
- 11-13





Unsafe Places

Fremont High School Community Map

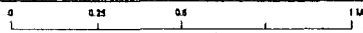


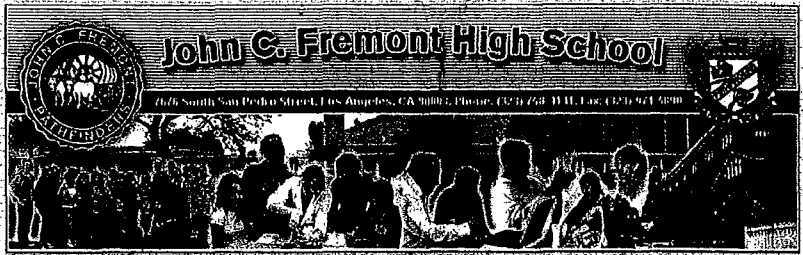
Unsafe Places On My Way To School

- 1-3
- 4-6

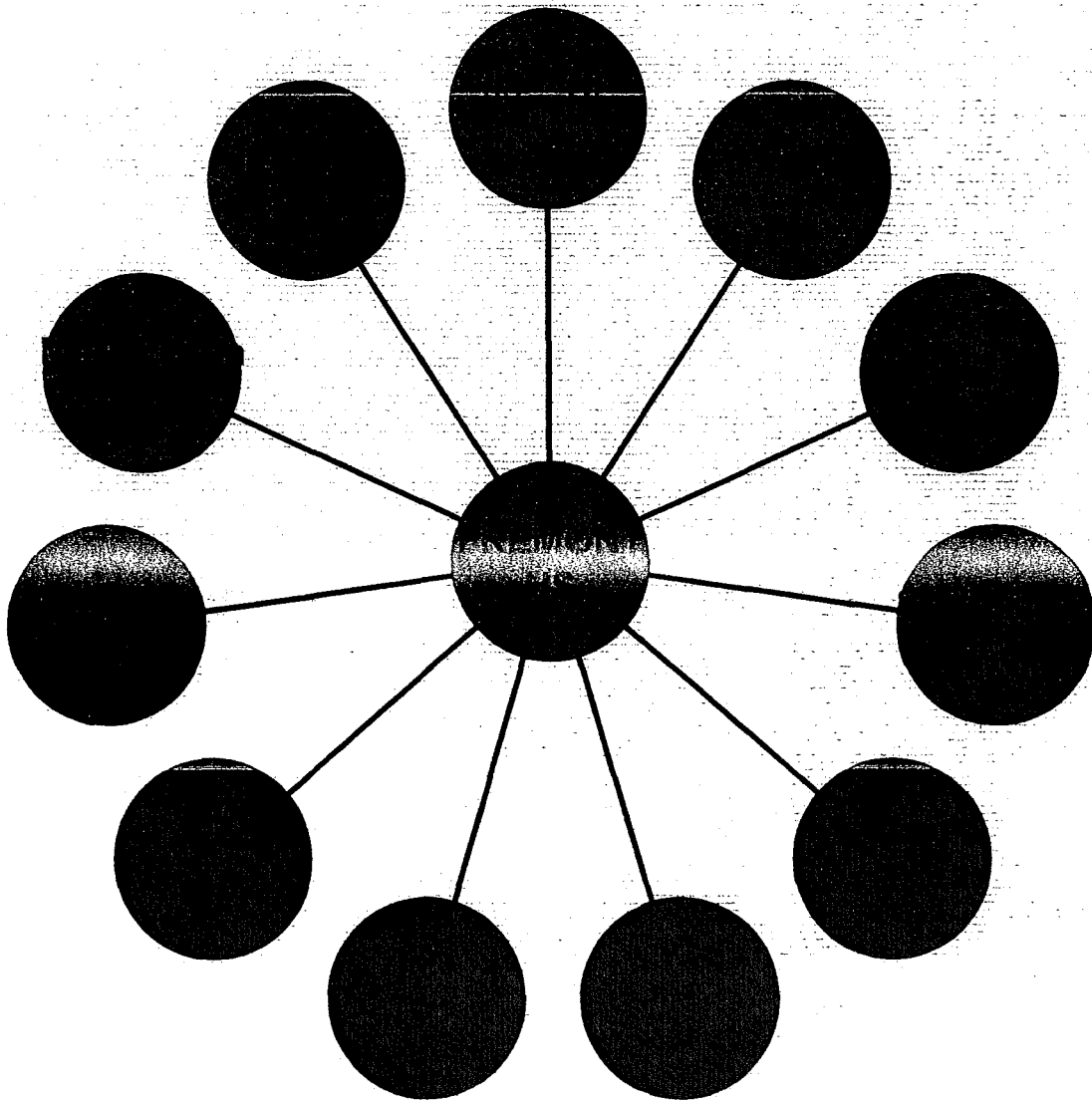
Unsafe Places On My Way Home

- 1-3
- 4-6
- 7

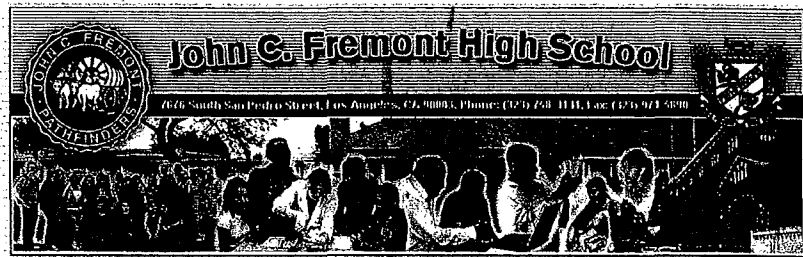




Feeder Schools



*Not In City



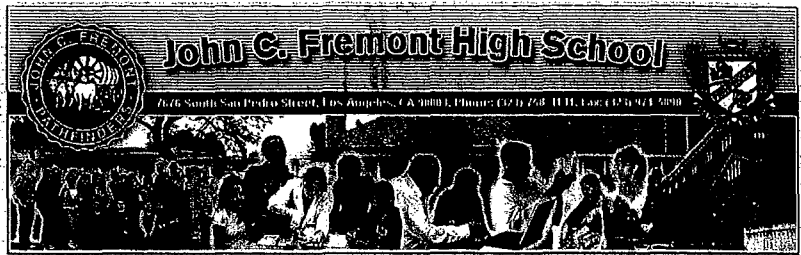
Crime Within 1,000^{ft} Safe School Zone

□ Criminal Activity During 2006 and early 2007

■ 1,090 Crimes Reported – Examples:

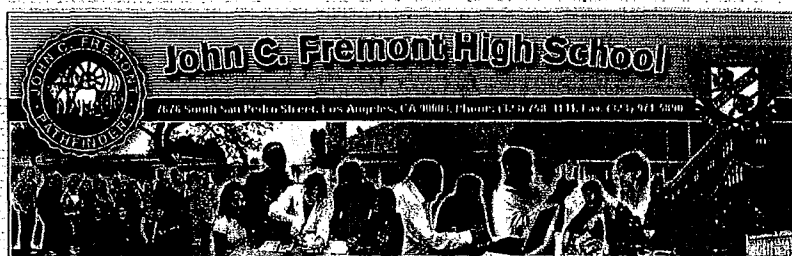
ADW W/FIREARM
 ANNOY CHILD UNDER 17
 ASSAULT ON SCHOOL DISTRICT POLICE O
 ASSAULT WITH DEADLY WEAPON
 ATMP BURGLARY - RESIDENTIAL
 ATMP ROBBERY - BUSINESS
 ATMP ROBBERY - STREET
 ATTEMPT MURDER/HOMICIDE
 BATT ON SCHL EMPLOYEE/RETALIATION W
 BATTERY ON PEACE OFFICER
 BATTERY ON SCHOOL/PWK/HOSPITAL GROU
 BURGLARY - COMMERCIAL
 BURGLARY - RESIDENTIAL
 BURGLARY - SCHOOL
 CARRY CONCEALED DIRK OR DAGGER
 CARRY LOADED FIREARM IN PUBLIC PLAC
 CARY LOAD FIREARM/PUB/S/CIR
 CHILD NEGLECT/ENDANGER
 CRIME AGAINST CHILD
 CRIMINAL HOMICIDE
 CRUEL TO CHILD LIKELY TO PROD GB/D
 DEFACE/DAMAGE PROPERTY <\$400
 DRINKING IN PUBLIC
 DRUNK DRIVING ALCOHOL/DRUGS
 EVADE PO:DISREGARD SAFETY
 EXHIBIT DEADLY WEAPON
 FAIL PROTECT CHILD FROM SEXUAL ABUS
 FEL VNDL - TO VEHICLE (CNVY)
 FELONY BATTERY ON POLICEMAN
 FELONY VANDALISM
 FIGHT/CHALLENGE IN PUBLIC PLACE
 GIVE FALSE INFO TO PEACE OFFICER
 GRAND THEFT (OVER \$400)
 GRAND THEFT FIREARM/ETC
 INDECENT EXPOSURE
 JUVENILE VIOLATION OF PROBATION
 LEWD CALLS/LETTERS
 LEWD/LASCIVIOUS ACTS W/CHILD < 14 Y
 LOITERING WHERE CHILDREN PRESENT
 MFG/SELL/POSS DANGEROUS WEAPON/ETC
 MINOR IN POSSESSION OF LIVE AMMUNIT
 MISDEMEANOR BATTERY
 MISDEMEANOR VANDALISM
 MISSING JUVENILE
 MISSING JUVENILE - RUNAWAY
 MURDER:FIRST DEGREE:SHOOT FROM VEHI
 OBSTRUCT/ETC PUB OFCR/ETC
 OTHER SEX OFFENSE
 OWN/POSS FIREARM IN VIOL OF PROB CO
 PETTY THEFT
 PETTY THEFT FROM VEHICLE
 POSS KNIFE/ETC AT SCHL W/GRADES 1 T
 POSS PROHIB WEAPON BY JUVENILE
 POSS/PURCHASE COCAINE BASE FOR SALE
 POSS/SELL/MFG DANGEROUS WEAPON
 POSSESS 28.5 GRAMS OR LESS OF MARIJ
 POSSESS/PURCHASE CONTROLLED SUBS FO
 POSSESS/SELL SWITCHBLADE KNIFE
 POSSESS/SELL/MFG DANGEROUS WEAPON
 POSSESSION BURGLARY TOOLS
 POSSESSION CNTL SUBSTANCE PARAPHERN
 POSSESSION CONTROLLED SUBSTANCE

POSSESSION CONTROLLED SUBSTANCE FOR
 POSSESSION MARIJUANA FOR SALE
 POSSESSION NARCOTIC CONTROLLED SUBS
 POSSESSION OF NITROUS OXIDE
 PROSTITUTION
 PROT.CUST/ENDANGER.SIBLINGS/UNFIT H
 RECEIVING KNOWN STOLEN PROPERTY,>\$4
 RESISTING ARREST
 ROBBERY - BUSINESS
 ROBBERY - STREET
 SEXUAL BATTERY BY RESTRAINT
 SODOMY
 SODOMY ACTING IN CONCERT W/FORCE
 STALKING
 STRANGER RAPE
 SUSPECTED CHILD ABUSE
 SUSPECTED CHILD ABUSE REPORT
 TERRORIST THREATS
 THEFT FROM PERSON
 THEFT FROM VEHICLE
 TRANSPORT/SELL/ETC CONTROLLED SUBST
 TRANSPORT/SELL/FURNISH/ETC MARIJUAN
 TRESPASS
 TRESPASS:RAILROAD PROPERTY
 TRUANCY
 VAGRANCY
 VANDALISM
 VANDALISM W/LOSS VALUED AT > \$5000
 VERBAL THREATS
 VIOLATION OF PAROLE
 VIOLATION OF PAROLE:FELONY



Enforcement Efforts

- Coordinated 290 Sexual Registrant Compliance Check
 - Arrest of drug dealer/ex-felon in possession of semi-automatic weapon and ammunition
 - Arrest Location
 - Across the street from Fremont High School
 - Narcotics eviction initiated by School Safety Prosecutor
 - Recovery of 6 bricks of marijuana, an entire suitcase full of small bags of marijuana, crack cocaine, PCP, crystal meth, and weight scales
- Coordinated Narcotics Registrant Task Force
 - 13 Arrests for failing to notify LAPD of change of address
- Coordinated Narcotics Quality of Life Task Force
 - 11 narcotics related arrests
- Coordinating Gang Probation Compliance Check: May 2007

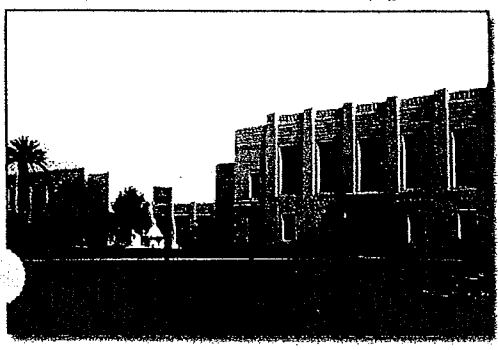


Outreach Meetings

- Principal Higgins and School Safety Collaborative
- “Unity One” and “Unity Two” Gang Intervention Programs to discuss forming collaborative to deter gang violence
- LAPD Commander Gannon to discuss development of “Fight the Blight” presentation to encourage Fremont students to become more involved in neighborhood improvement efforts
- LAPD to discuss efforts to expand its Explorer Program



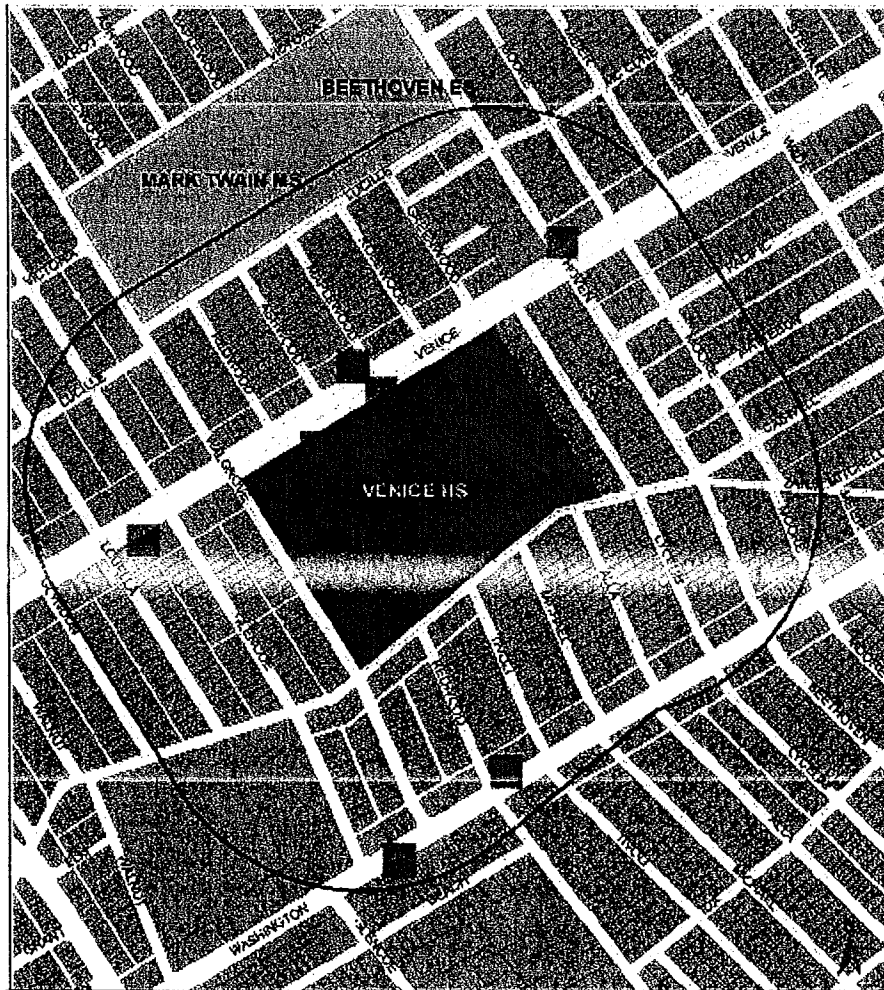
- 13000 Venice Boulevard
- Council District 11 – Bill Rosendahl





1,000^{ft} Safe School Zone

Venice High School Safe School Zone



Safe School Zone Sign Locations

Campus

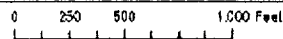
- Northeast Venice, main entrance
- Northwest Venice near staff parking lot
- West Walgrove, service road
- Center Venice, near school bridge

Perimeter

- Northeast: Venice & Berthouven
- Northwest: Venice between Glendale and LeLafa
- Southeast: Washington & Redwood
- Southwest: Washington between Walgrove and Glendale

Bus Stops

- ▲ 1 Venice in York of campus
- ▲ 2 Venice & Maplewood





Crime Within 1,000^{ft} Safe School Zone

☐ Criminal Activity During 2006 and early 2007

■ 2,041 Crimes Reported – Examples:

ADW POLICE OFFICER
 ADW W/FIREARM
 ANNOY CHILD UNDER 17
 ASSAULT WITH DEADLY WEAPON
 ATTEMPT - BURGLARY
 ATTEMPT - MURDER
 ATTEMPT - ROBBERY
 ATTEMPT MURDER/HOMICIDE
 BATT ON SCHL EMPLOYEE/RETALIATION
 BATTERY ON PERSON
 BATTERY ON PO/EMERGENCY PERSON
 BATTERY ON SCHOOL/PRK/HOSPITAL
 BOMB SCARE
 BRING/SEND NARC/CONT SUBS/ALCOHOL
 BURGLARY - COMMERCIAL
 BURGLARY - GARAGE
 BURGLARY - RESIDENTIAL
 BURGLARY - SCHOOL
 CARJACKING
 CARRY CONCEALED DIRK OR DAGGER
 CARRY LOADED FIREARM IN PUBLIC PLAC
 CHILD ABUSE AGGRAV ASSAULT
 CHILD NEGLECT/ENDANGER
 CHILD STEALING
 CONTRIB TO DELINQUENCY OF MINOR
 CORPORAL INJURY ON CHILD
 CRUEL TO CHILD LIKELY TO PROD GB/D
 CURFEW - JUV ONLY
 DEFACE PROPERTY
 DEFRAUD INNKEEPER/THEFT
 DISORD CONDUCT:UI/DRUG, ALCOHOL
 DISTURBING THE PEACE
 DRUNK DRIVING .10 OR ABOVE
 DRUNK DRIVING ADDICT DRIVE VEHICLE
 DRUNK DRIVING ALCOHOL/DRUGS
 EMBEZZLEMENT-GRAND THEFT
 EXHIBIT DEADLY WEAPON
 EXTORTION
 FAIL PROTECT CHILD FROM SEXUAL ABUS
 FAIL TO REGISTER AS FELONY SEX OFFE
 FEL VNDL - TO VEHICLE (CNVY)
 FELONY BATTERY CAUSING GB
 FELONY VANDALISM
 FIREARM DISCHARGE
 FORGERY
 GRAND THEFT (OVER \$400)
 GRAND THEFT AUTO
 GRAND THEFT FIREARM/ETC
 GRAND THEFT FROM VEHICLE
 GRAND THEFT MONEY/PROPERTY > \$400
 GRAND THEFT PROPERTY

ILLEGAL SEXUAL INTERCOURSE W/MINOR
 ILLEGAL SPEED CONTEST
 JUVENILE RUNAWAY, MISSING
 LEWD CALLS/LETTERS
 LEWD/LASCIVIOUS ACTS W/CHILD < 14 Y
 MINOR BUY/ETC TOBACCO/ETC
 MISD VNDL-TO VEHICLE (CNVY)
 MISDEMEANOR BATTERY
 MISDEMEANOR VANDALISM
 MISSING JUVENILE - RUNAWAY
 MURDER-FIRST DEGREE
 OBSTRUCT/ETC PUB OFCR/ETC
 PARENT IN CUSTODY, NO CARETAKER
 PETTY-THEFT FROM VEHICLE
 PETTY-THEFT SHOPLIFTING
 PETTY-THEFT W/PRIOR-THEFT
 POSS KNIFE/ETC AT SCHL W/GRADES 1 T
 POSS/PURCHASE COCAINE BASE SALE
 POSS/SELL/MFG DANGEROUS WEAPON
 POSSESS 28.5 GRAMS OR LESS OF MARIJ
 POSSESS OF MARIJUANA WHILE DRIVING
 POSSESS SHOPPING CART
 POSSESS/CONTROL SLOT MACHINE/ETC
 POSSESS/PURCHASE CONTROLLED SUBS
 POSSESSION CANNABIS
 PROT CUST/ENDANGER SIBLINGS/UNFIT H
 RAPE - USE OF DRUGS/INTOXICANTS
 RAPE BY FORCE/FEAR
 ROBBERY - STREET
 SEX WITH MINOR 3+ YRS YOUNGER
 SEX WITH MINOR UNDER 18
 SEXUAL BATTERY BY RESTRAINT
 SHOTS INHABITED DWELL
 SOLICIT SIDEWALK
 SOLICIT BUS SDWK
 SPOUSAL RAPE
 STALKING
 STRANGER RAPE
 SUSPECTED CHILD ABUSE
 SUSPECTED ELDER ABUSE
 TERRORIST THREATS
 THEFT FROM PERSON
 THREATENING CALLS/LETTERS
 TRANSPORT/SELL/CONTROLLED SUBST
 TRUANCY
 UNDER INFLUENCE CNTL SUB
 VAGRANCY
 VANDALISM W/LOSS VALUED AT > \$5000
 VERBAL THREATS
 VIOLATION OF PAROLE:FELONY
 VOLUNTARY MANSLAUGHTER



Enforcement Efforts

- LAPD Meetings
 - LAPD-Pacific Division Command Staff and Officers
 - West Bureau Deputy Chief and Commander
 - Assistant Chief Earl Paysinger
- Review and track all arrests and crime reports for surrounding neighborhood
- Attend and moderate regularly scheduled Westside Gang Task Force Meetings, most recently on April 17, 2007
- Coordinated 290 Sex Offender Registrant Compliance Check on April 18, 2007
 - 14 registrants checked: 13 in compliance
 - Identified and requested follow-up on one registrant violator due to his proximity to a student hang-out
- Narcotic Registrant Compliance Check scheduled for first week of May, 2007
 - Training on filing guidelines
- Vice Minor Decoy Task Force for alcohol sales to minors on April 17, 2007
 - 6 problem locations identified within 1,000 feet of Venice High School
 - Compliance check scheduled through May of 2007



Enforcement Efforts (Continued)

- Implementing protocol for Tobacco Compliance Checks to ensure business owners are not selling to minors and are complying with laws relating to sales of cigarettes
- Identified high priority problem location (address confidential): serious allegations of crimes involving minors
 - LAPD and School Safety Prosecutor are coordinating enforcement and prosecution efforts
- Identified 3 problem alleys: coordinating enforcement and enhancement strategies
- Tracking cases re 4 juvenile truants who are also vandalism suspects
 - Working with Juvenile Probation to coordinate possible disposition, including graffiti clean-up around Venice High School
- Set up system to obtain and analyze crime stats from RDs 1433, 1434, 1443, and 1445
- Working with LAPD, School Police, Venice High Administration, and Multi-Agency "At-Risk Student Task Force (MAARSTF) regarding Crisis Response at Venice High School, in light of Virginia Tech tragedy



Enhancement Efforts

- Met with CD-11 Field Deputies Grant and Velasquez who provided local City agency contacts
 - Lighting survey revealed upgrades are complete
 - Identified chronic graffiti locations and discussed with local graffiti contractor, Pacific Graffiti Solutions
 - Develop contact with Caltrans concerning Venice Boulevard median issue
 - Identified problem alley and working with residents, City agencies and LAPD for possible closure
 - Regularly survey the physical area around school campus for enhancement needs and make appropriate referrals
-

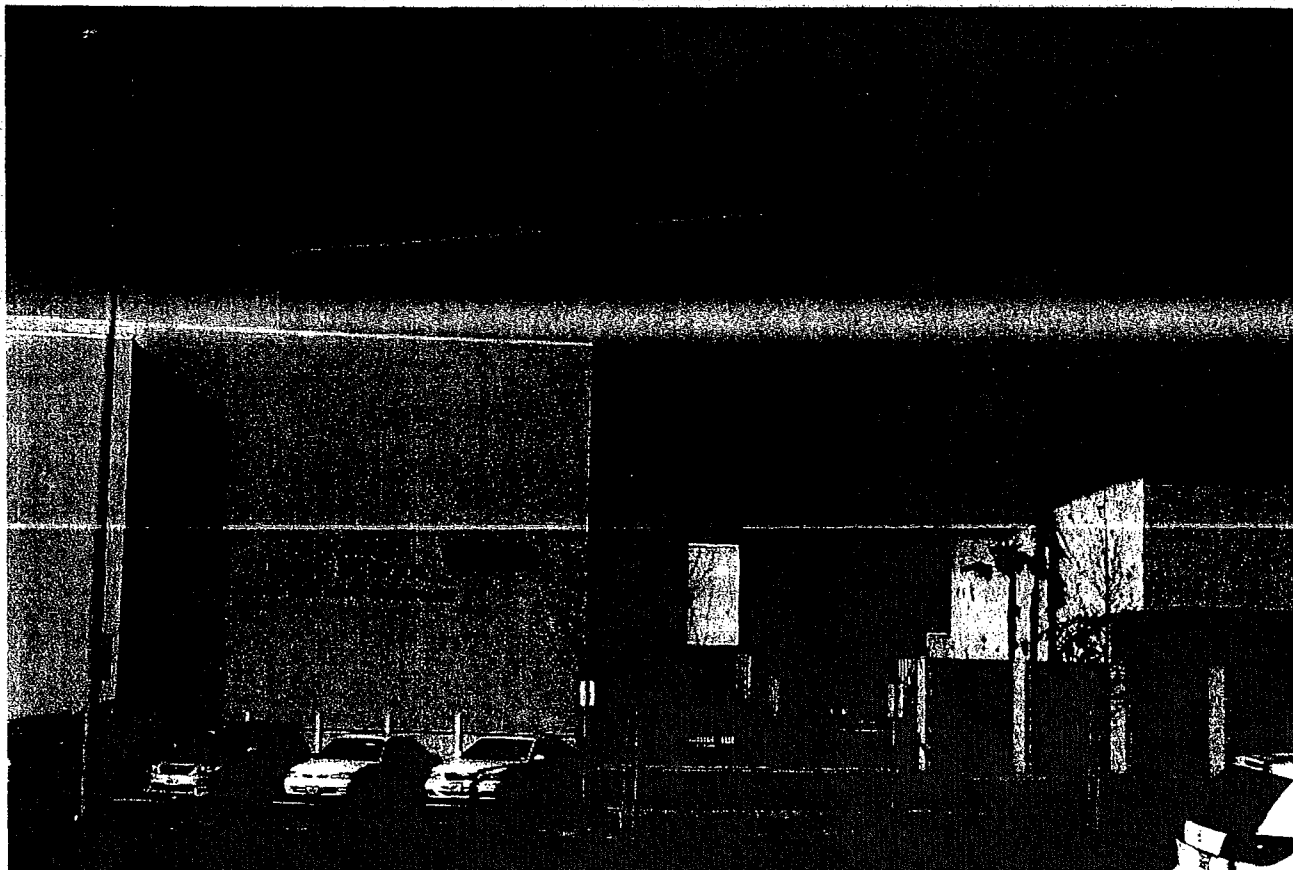


Outreach Efforts

- Met with Principal Davis and Title 1 Coordinator
- Attend "Truancy Reduction, Intervention & Prevention Program" (TRIPP)
- Participate in Teen Court program
- Attend "Multi-Agency At-Risk Students Task Force" (MAARSTF) that provides services to "at-risk" youth and their parents
- Attended Parent Conference Night and addressed 200 parents
- Attended C-PAB and Homeowners Association meeting
- Attended Friends of Beethoven Elementary School meeting
- Attended Neighborhood Youth Association meeting

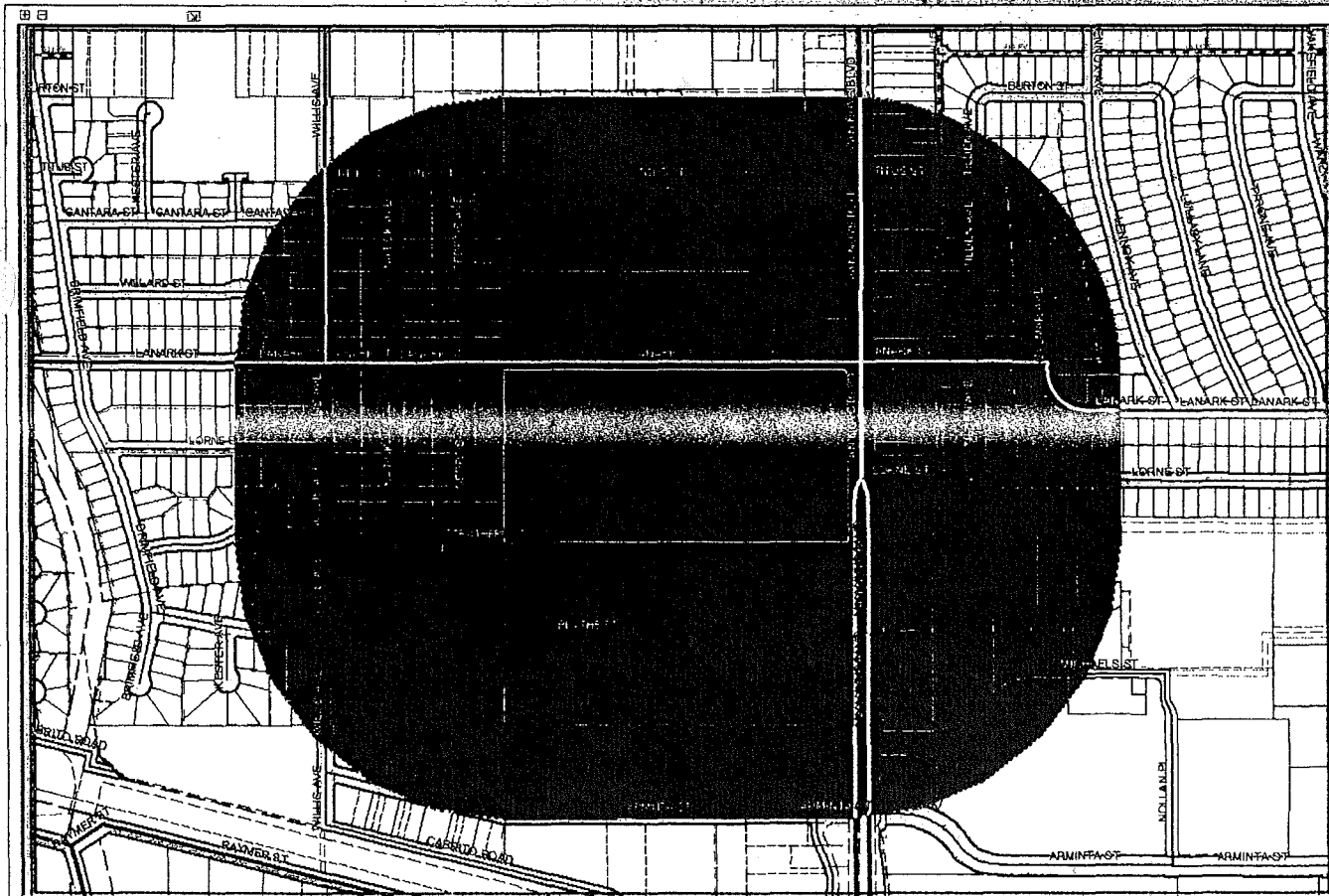
PANORAMA HIGH SCHOOL

- 8015 Van Nuys Boulevard
- Council District 6 – Tony Cardenas



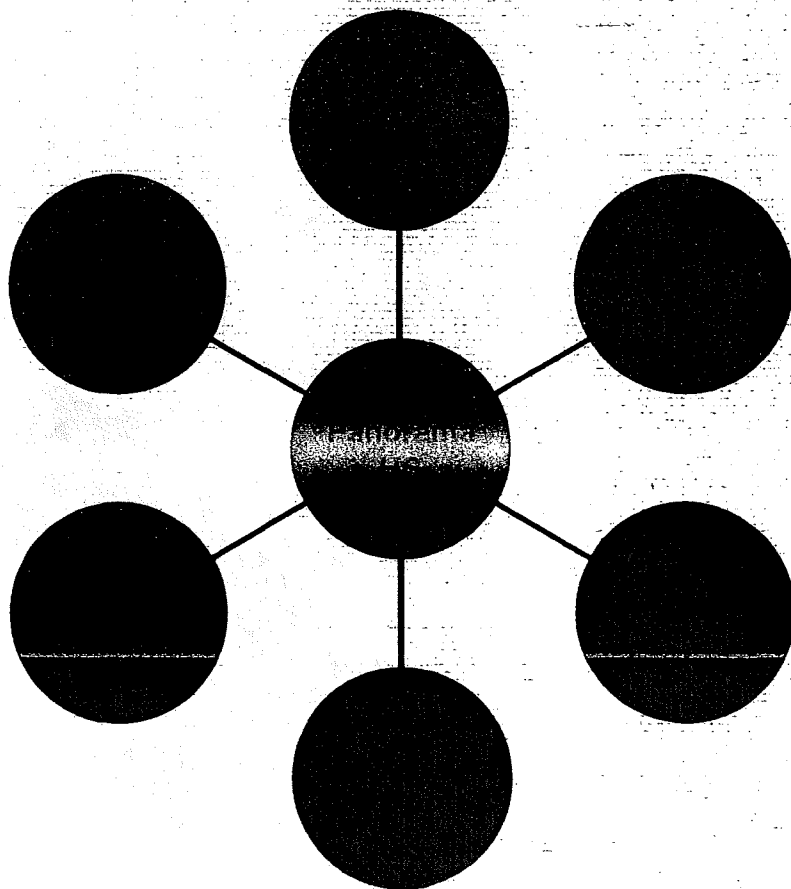
PANORAMA HIGH SCHOOL

1,000^{ft} Safe School Zone



PANORAMA HIGH SCHOOL

Feeder Schools



PANORAMA HIGH SCHOOL

Crime Within 1,000^{ft} Safe School Zone

□ Criminal Activity During 2006 and early 2007

■ 764 Crimes Reported – Examples:

ANNOY CHILD UNDER 17
ASSAULT WITH DEADLY WEAPON
ATMP BURGLARY - COMMERCIAL
ATMP BURGLARY - SCHOOL
ATMP ROBBERY - BUSINESS
ATTEMPT - MURDER
ATTEMPT LEWD/LASCIVIOUS ACTS W/CHIL
BATTERY ON PERSON ON SCHOOL
BATTERY ON PO/EMERGENCY
BURGLARY - COMMERCIAL
BURGLARY - RESIDENTIAL
BURGLARY FROM VEHICLE
CCW:CRIM ST GANG:ACTIVE
CHILD ABUSE AGGRAV ASSAULT
CHILD STEALING
CRIMINAL HOMICIDE
CURFEW - JUV ONLY
DEFACE PROPERTY
DISORD CONDUCT:U/DRUG, ALCOHOL
DISTURBING THE PEACE
DRUNK DRIVING .10 OR ABOVE
DRUNK DRIVING ALCOHOL/DRUGS
EXHIBIT DEADLY WEAPON
FALSE ID TO PEACE OFFICER
FEL VNDL - TO VEHICLE (CNVY)
FELONY BATTERY ON POLICEMAN
FELONY VANDALISM
GRAND THEFT (OVER \$400)
GRAND THEFT BUNCO
GRAND THEFT FROM VEHICLE
GRAND THEFT MONEY/PROPERTY > \$400
INDECENT EXPOSURE
LEWD CALLS/LETTERS
MANUFACTURE/CONTROLLED SUBSTANC
MINOR BUY/ETC TOBACCO/ETC
MISD VNDL-TO VEHICLE (CNVY)
MISDEMEANOR BATTERY
MISDEMEANOR VANDALISM
MISSING JUVENILE
MISSING JUVENILE - RUNAWAY
PARTICIPATE IN KNOWN STREET GANG
PETTY THEFT FROM VEHICLE
PETTY THEFT SHOPLIFTING
PETTY THEFT W/PRIOR THEFT
PETTY THEFT W/SPECIFIC PRIOR THEFT
POSS KNIFE/ETC AT SCHL W/GRADES 1 T
POSS/SELL/MFG DANGEROUS WEAPON
POSSESS 28.5 GRAMS OR LESS OF MARIJ
POSSESS/PURCHASE CONTROLLED SUBS
POSSESSION CANNABIS
POSSESSION CONTROLLED SUBSTANCE

POSSESSION MARIJUANA FOR SALE
POSSESSION NARCOTIC CONTRLD SUBS
ROBBERY - BUSINESS
ROBBERY - CARJACKING
ROBBERY - STREET
SHOTS MOVING VEHICLE
STALKING
SUSPECTED CHILD ABUSE
SUSPECTED CHILD ABUSE REPORT
TERRORIST THREATS
TRESPASS
TRUANCY
UNLAWFUL SEX
UNLAWFULLY PLANT/CULTIVATE/MARI
USE/UNDER INFLUENCE CONFLD SUB
VANDALISM W/LOSS VALUED AT > \$5000
VERBAL THREATS

PANORAMA HIGH SCHOOL

Enforcement Efforts

- Analyzing crime stats and trends for RD 925/926
- Developed system to track problem people and problem locations
- LA SAVES Task Force: April 20, 2007
 - 2 parole violations
 - 1 probation violation
 - 2 drug paraphernalia arrests (to be filed April 26, 2007)
 - 2-year old child removed from home due to narcotics
- Narcotics Registrant Task Force: May 11, 2007
- Anti-Truancy Task Force with LAPD Mission Area Senior Lead Officers and School Police: April 24, 2007
- Illegal Vending Task Force: Pending
- Minor Decoy Task Force for liquor sales to minors
 - Identified 3 problem liquor stores

Enhancements Efforts

- Neighborhood survey for Code Violations: Referred to LADBS and LAHD
- Lighting survey conducted: Reported deficiencies to Bureau of Street Lighting
- Graffiti locations reported to both LADBS and Pacoima Graffiti Busters
- Working with Senior Lead Officer to tackle the issue of street-racing group gathering weekly in parking lot of the neighboring businesses and causing disturbance; meeting pending to discuss issues and potential solutions with property owners and managers

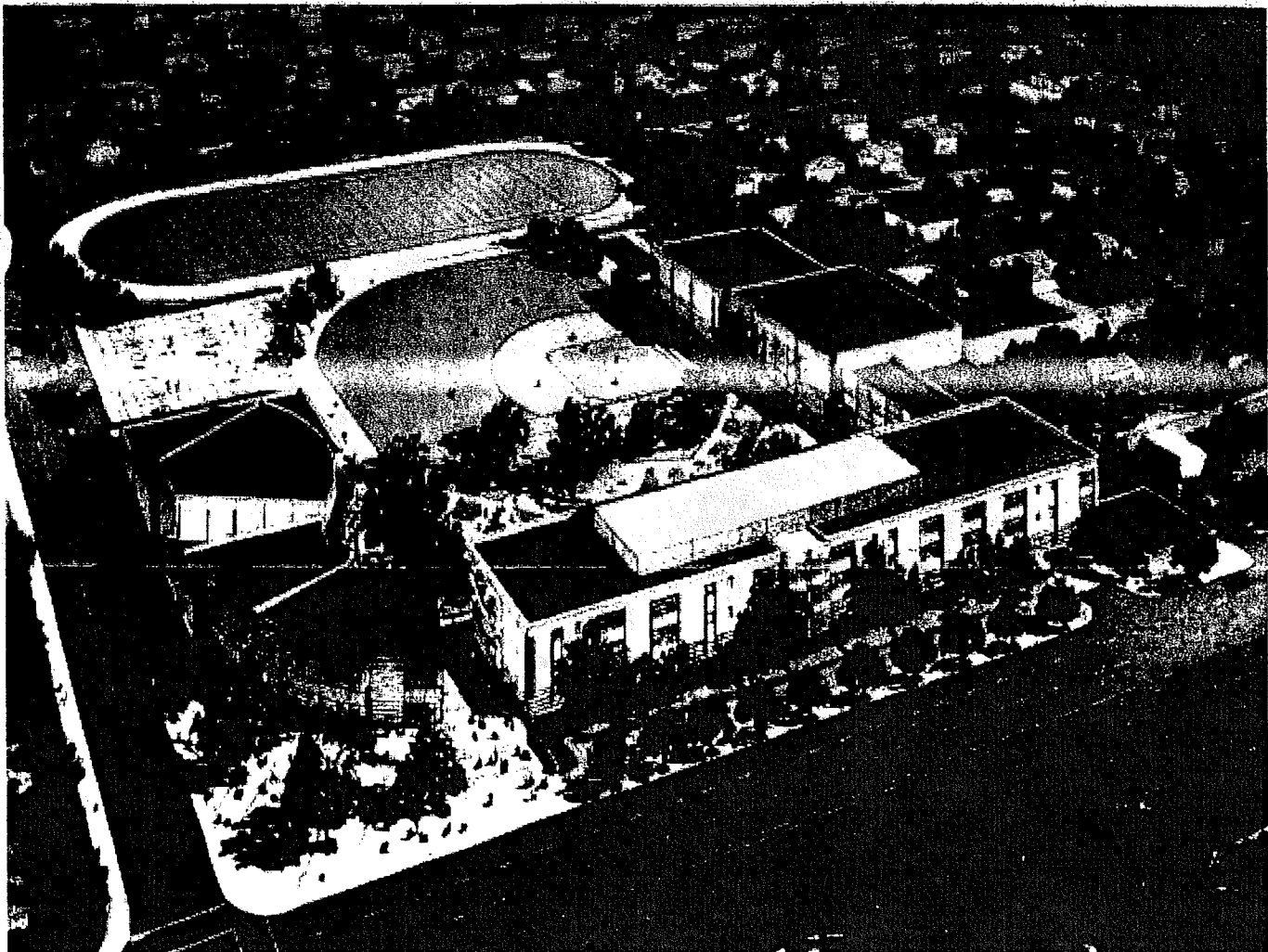
PANORAMA HIGH SCHOOL

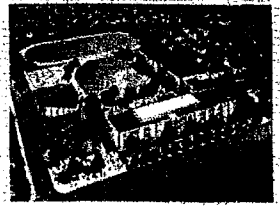
Outreach Meetings

- Met with Principal Lepisto, Assistant Principal Sainz, Senior High School Director Ron Oswald to discuss school's primary safety concerns
- Met with Career Counselor regarding scheduled May 19, 2007 Job Fair and Panorama High School's involvements in the event
- Met with Councilmember Tony Cardenas' field deputy to tour the area, discuss ongoing issues throughout the area, and visited the local community based organization
- Met with LAPD Captains, Senior Lead Officers, Narcotics Detectives, and REACT Detectives
- Met with Panorama Neighborhood Council
- Met with Casa Esperanza Community Center
 - Peace March scheduled for June 9, 2007
 - Exploring Mentor/Tutoring program between Panorama High School students and Casa Esperanza youth
- Met with Panorama Business Improvement District (BID)
- Pending meeting to discuss formation of Panorama Safety Collaborative
- Exploring programs to educate parents and students regarding truancy laws

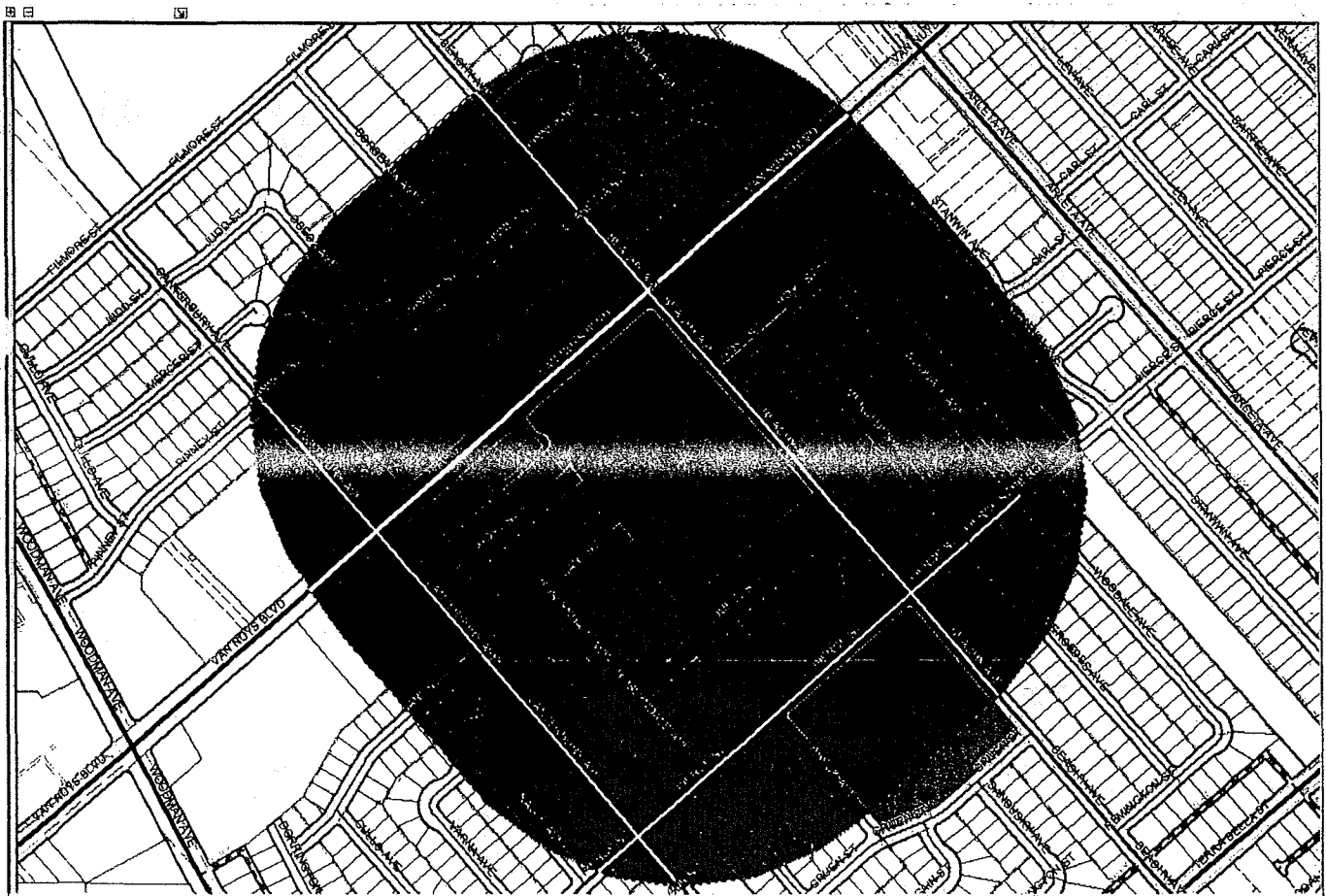
ARLETA HIGH SCHOOL

- 14200 Van Nuys Boulevard
- Council District 6 – Tony Cardenas

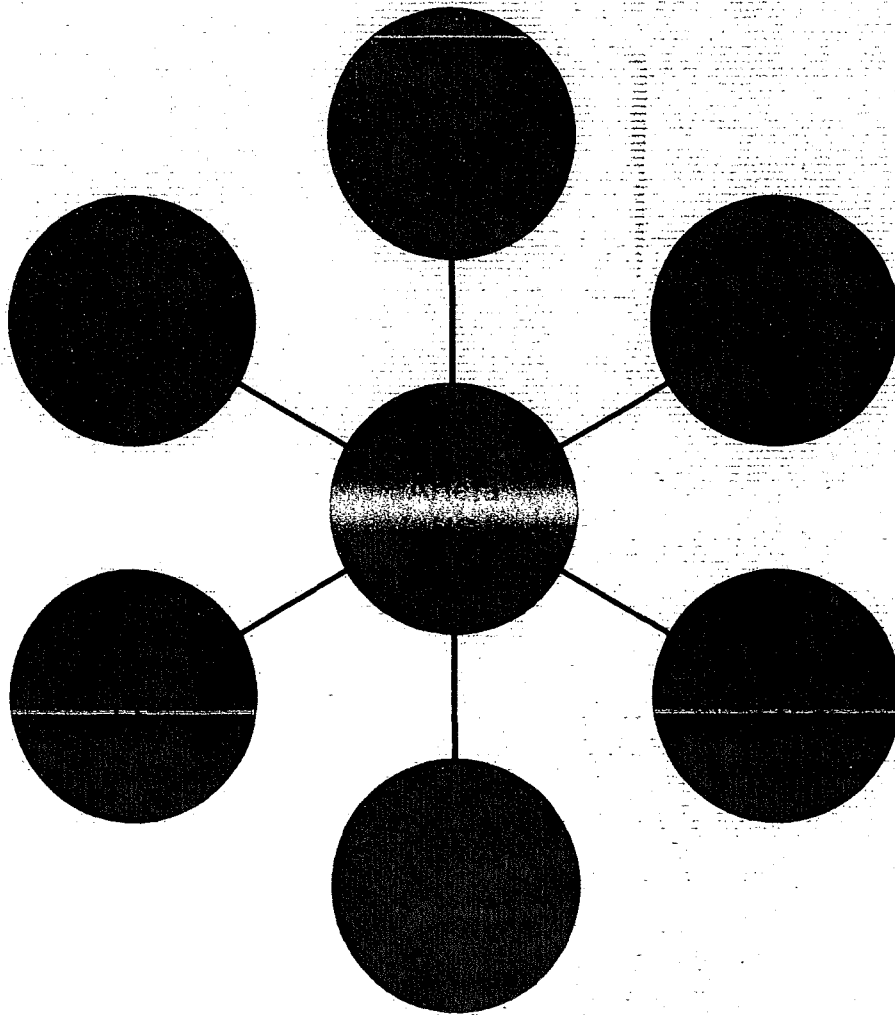
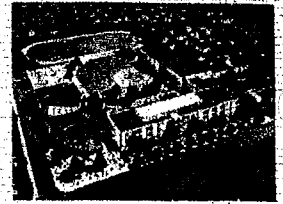


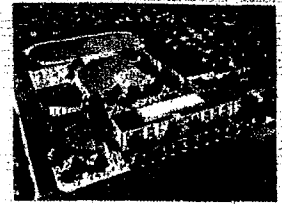


Arleta High School 1,000^{ft} Safe School Zone



Arleta High School Feeder Schools





Arleta High School

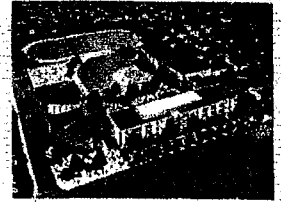
Crime Within 1,000^{ft} Safe School Zone

□ Criminal Activity During 2006 and early 2007

■ 230 Crimes Reported – Examples:

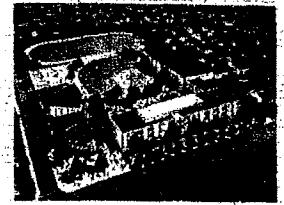
ANNOY CHILD UNDER 17
ASSAULT WITH DEADLY WEAPON
ATMP BURGLARY - COMMERCIAL
ATMP BURGLARY - SCHOOL
ATMP ROBBERY - BUSINESS
ATTEMPT - MURDER
ATTEMPT LEWD/LASCIVIOUS ACTS W/CHIL
BATTERY ON PERSON ON SCHOOL
BATTERY ON PO/EMERGENCY
BURGLARY - COMMERCIAL
BURGLARY - RESIDENTIAL
BURGLARY FROM VEHICLE
CCW:CRIM ST GANG:ACTIVE
CHILD ABUSE AGGRAV ASSAULT
CHILD STEALING
CRIMINAL HOMICIDE
CURFEW - JUV ONLY
DEFACE PROPERTY
DISORD CONDUCT:U/D/DRUG, ALCOHOL
DISTURBING THE PEACE
DRUNK DRIVING .10 OR ABOVE
DRUNK DRIVING ALCOHOL/DRUGS
EXHIBIT DEADLY WEAPON
FALSE ID TO PEACE OFFICER
FEL VNDL - TO VEHICLE (CNVY)
FELONY BATTERY ON POLICEMAN
FELONY VANDALISM
GRAND THEFT (OVER \$400)
GRAND THEFT BUNCO
GRAND THEFT FROM VEHICLE
GRAND THEFT MONEY/PROPERTY > \$400
INDECENT EXPOSURE
LEWD CALLS/LETTERS
MANUFACTURE/CONTROLLED SUBSTANC
MINOR BUY/ETC TOBACCO/ETC
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PARTICIPATE IN KNOWN STREET GANG
PETTY THEFT FROM VEHICLE
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POSS KNIFE/ETC AT SCHL W/GRADES 1 T
POSS/SELL/MFG DANGEROUS WEAPON
POSSESS 28.5 GRAMS OR LESS OF MARIJ
POSSESS/PURCHASE CONTROLLED SUBS
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POSSESSION CONTROLLED SUBSTANCE

POSSESSION MARIJUANA FOR SALE
POSSESSION NARCOTIC CONTRLD SUBS
ROBBERY - BUSINESS
ROBBERY - CARJACKING
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TRESPASS
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USE/UNDER INFLUENCE CONTLD SUB
VANDALISM W/LOSS VALUED AT > \$5000
VERBAL THREATS



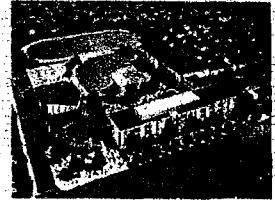
Arleta High School Enforcement Efforts

- Vertical Prosecution – Analyzing crime stats and trends for RDs 1651, 1652, 1661
 - Truancy Task Force – Coordinating with LAPD Foothill Bike Detail for truancy enforcement
 - Narcotics Enforcement – Working with merchants and LAPD to identify “hot spots” on public and private property
 - Graffiti – Surveying and reporting chronic graffiti locations for enforcement by LADBS and LAPD
 - Illegal Vending – Pending task force
 - ABC Minor Decoy Task Force re alcohol sales to minors
 - Identified 2 problem liquor stores
-



Arleta High School Enhancement Efforts

- Surveyed adjacent neighborhoods with Bureau of Street Lighting to identify locations in need of increased lighting
- Reported chronic graffiti locations to Pacoima Graffiti Busters
- Identified properties with code violations and referred to LADBS



Arleta High School Outreach Meetings

- Principal Calvo, School Staff and LAUSD Police
 - "Diploma Project Advisor" re Teen Court
 - LAPD Captains, Vice Unit and Senior Lead Officers
 - Owner of large retail store re crime issues on private property
 - Neighborhood Council
 - Neighborhood Watch
 - Pending meeting to discuss formation of Panorama Safety Collaborative
 - Exploring programs to educate parents and students regarding truancy laws
-

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 96

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **EL PUEBLO DE LOS ANGELES REPORT BACK ON THE INCREASE OF
GENERAL SERVICES DEPARTMENT COSTS**

Your Committee requested this Office to report back on the rationale for the \$326,578 cost increase for services provided by General Services Department (GSD) to El Pueblo. In the 2006-07 budget, the estimated cost for services from GSD was \$1,679,000. In the 2007-08 budget, the projected cost for services is \$2,005,578.

The GSD appropriation has been increased to reflect a full-cost recovery for parking, custodial and security services, and also consists of an increase in salaries. The appropriation had not been increased since the initial transfer of duties in 2004-05. Please see the attached Schedule 43.

KLS:DP:08070324c

Attachment (1): 2007-08 Schedule 43

SPECIAL PURPOSE FUND SCHEDULES

SCHEDULE 43

**EL PUEBLO DE LOS ANGELES HISTORICAL
MONUMENT REVENUE FUND**

The El Pueblo de Los Angeles Historical Monument Revenue Fund was created for the purpose of receiving all revenues derived from the operation of the Monument or activities at the Monument, including rental and lease receipts (Administrative Code Section 22.630). To the maximum extent possible, all costs and expenses incurred in the operation of the El Pueblo de Los Angeles Historical Monument Authority Department are paid from this Trust Fund.

Actual 2005-06	Estimated 2006-07		Budget 2007-08
		REVENUE	
\$ 347,804	\$ 204,926	Cash Balance, July 1.....	\$ 230,726
387,518	432,000	General Fund.....	216,517
3,018,894	3,376,800	Receipts.....	3,675,331
\$ 3,754,216	\$ 4,013,726	Total Revenue.....	\$ 4,122,574
		EXPENDITURES	
\$ 1,778,929	\$ 2,041,000	APPROPRIATIONS	
1,706,416	1,679,000	El Pueblo.....	\$ 2,054,374
1,323	--	General Services.....	2,005,578
62,622	63,000	Information Technology Agency.....	--
		Recreation and Parks.....	62,622
\$ 3,549,290	\$ 3,783,000	Total Appropriations.....	\$ 4,122,574
\$ 204,926	\$ 230,726	Ending Balance, June 30.....	\$ --

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 97

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **EL PUEBLO DE LOS ANGELES FUNDING OF FOUR RESOLUTION
AUTHORITY POSITIONS**

Your Committee requested this Office to report back on the funding for the four resolution authority positions added as a result of the Controller's audit.

In the 2006-07 budget, four resolution positions were added for the Audit Response Staffing to help the Department maintain control over administrative, financial and internal responsibilities. The following positions are now regularized:

- (1) Management Assistant
- (1) Public Relations Specialist I
- (1) Senior Management Analyst I
- (1) Senior Real Estate Officer

In the 2007-08 budget, these positions have been converted to regular position authorities. There is no further need for the resolution authorities. The cost of the positions was approximately \$284,000. In 2007-08 the cost of these positions is approximately \$292,000, which represents an increase of \$8,000 from 2006-07.

KLS:DP:08070320c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 98

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF BUILDING AND SAFETY – PROPOSED BUDGET REDUCTIONS**

Your Committee instructed the Department of Building and Safety to: 1) provide proposals to reduce the General Fund portion of the Proposed 2007-08 Budget by one and three percent; 2) report on the impact of increasing the salary savings rate; and, 3) identify opportunities for additional General Fund revenues. Attached is the Department's response.

As part of the one and three percent reduction exercise, the Department has identified cashing and financial services activities currently funded by the General Fund that can be shifted to the Enterprise Fund. This is a feasible approach to achieving the requested savings as long as the activities for which funding is to be shifted do provide support to Enterprise Funded activities. The savings are the result of both reduced General Fund salary costs and increased reimbursement to the General Fund by the Enterprise Fund for related costs.

The Department's proposal did not propose an increase in its salary savings rate and did not discuss the impact of doing so.

The Department states that General Fund revenues could be increased by anticipating 33 percent in additional non-compliance fee collections, or an increase of \$50,000 from \$150,000 to \$200,000. The Proposed 2007-08 Budget already projects \$200,000 in revenues from this source and an additional increase is unlikely. The Department also identified new General Fund revenues from the increased related cost reimbursements by the Enterprise Fund as a result of shifting General Fund salaries to the Enterprise Fund, as described above. It is reasonable to expect these additional revenues to be realized if the proposed shifting of funding is approved.

KLS:JWW:02070240

Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2007

TO: Karen L. Sisson, City Administrative Officer

FROM: Andrew A. Adelman, P.E., General Manager
 Department of Building and Safety

SUBJECT: **FISCAL YEAR 2007-08 BUDGET RESPONSE TO THE BUDGET AND FINANCE COMMITTEE'S DIRECTIVE THAT DEPARTMENTS SUBMIT GENERAL FUND PROPOSALS FOR ONE AND THREE PERCENT BUDGET REDUCTIONS, INCREASE SALARY SAVINGS, AND GENERATE ADDITIONAL REVENUE**

Ray Chan
For

This is Building and Safety's (LADBS') response to the Budget and Finance Committee's directive at the budget hearing of April 26, 2007 that City departments submit a proposal to do the following as they relate to the General Fund:

- Reduce the budget by an additional 1 and 3 percent
- Increase salary savings
- Generate additional revenue

Budget Reductions

The original budget reduction instructions departments received in November 2006 indicated that reductions must be made on direct costs such as salaries, expenses, and equipment. Related costs were not to be included in the proposed reductions. CAO staff explained that related costs were mandatory for positions that were authorized to be filled, so they could not be cut if the corresponding positions were not cut. Based on those instructions, the Department provided a net reduction of direct General Fund costs of \$690,224 which was really a total relief on the General Fund of \$1,181,305 in direct and related costs (\$643,493 in salaries, \$47,464 in expenses, and \$690,957 in related costs).

The original 3 percent reduction was mostly accomplished by shifting hours worked by Code Enforcement staff spent on conducting new construction inspections to the Enterprise Fund. Code Enforcement staff conducts inspections on permits issued to bring a property into compliance with the code and this shift was made retroactively to FY 2006-07 (2 x \$1,181,305 = \$2,363,610, approximately). This reduction included a reduction in the Contractual Services account by \$119,000 for phone bills. Unlike most other departments, hours worked shifted to the Enterprise Fund include reimbursement of related costs from the Enterprise Fund to the General Fund. This results in a bigger relief on the General Fund than just cutting expense items like contractual services.

Currently, LADBS proposes to shift an additional percentage of Financial Services staff (cashiers and financial administration and support) not already fully funded by the Enterprise Fund to the Enterprise Fund. The original split between the General Fund and Enterprise for overhead positions was 75 percent Enterprise Fund and 25 percent General Fund. Over the last two years, the split has been revised to 80 percent Enterprise Fund and 20 percent General Fund. The 1 and 3 percent proposals will shift more of the Financial Services staff hours to the Enterprise Fund. Additionally, the Department requests that the related costs be included in the overall evaluation of these proposed reductions since they do provide additional revenue to the General Fund.

The original and current proposed shifts of hours worked from the General Fund to the Enterprise Fund result(ed) in the following relief on the General Fund:

5% Original Reduction	\$690,957	\$1,181,305, including related costs
1% Additional Reduction	\$145,553	including related costs
3% Additional Reduction	\$414,591	including related costs

Please see the attached document, "Department of Building and Safety 5%, 6%, and 8% Budget Reduction Analysis Spreadsheet for the General Fund", for more details on the two new proposals.

Increase Salary Savings

The original 5 percent reduction LADBS provided in the proposed FY2007-08 budget and the new 1 percent and 3 percent reduction proposals result(ed) in the following annual salary savings (these are in addition to the current mandatory 4.5% salary savings):

5% Original Reduction	\$643,493	5.1%	salary savings
1% Additional Reduction	\$83,092	5.8%	when added to the original 5.1% savings
3% Additional Reduction	\$236,679	7%	when added to the original 5.1% savings

Generate Additional Revenue

Most of the Department's General Fund revenue comes from non-compliance fees, annual inspection fees (Annual Inspection Monitoring Program or AIM), and reimbursement of related costs from the LADBS Enterprise Fund. A small amount comes from fines as they are imposed only by the courts and then it is rare when one is imposed. The following is a brief evaluation on possible increases to the other sources of General Fund revenue:

- **Non-compliance fees.** LADBS expects to increase the collection of non-compliance fees by approximately 33 percent (\$50,000) through the issuance of more Orders to Comply. LADBS' General Fund revenue estimate for FY2007-08 should be increased by \$50,000.
- **Annual Fees.** The AIM program is a newly expanded program (annual inspection of used car lots and recycling centers were added to vehicle establishments) implemented this year, so the expected revenue was included in the original revenue estimate for FY2007-08.
- **Related Costs.** Since the Department is proposing a shift in salaries from the General Fund to the Enterprise Fund, there will be an increase in revenue to the General Fund for reimbursements of related costs.

Please contact Karen C. Penner, Chief of LADBS' Administrative Services Division at (213) 482-6731 (office) or (213) 798-6432 (mobile) should you need additional information regarding this response. If I may be of assistance, please contact me directly at (213) 482-6800.

c: Jacob Wexler, CAO
Aurora Abracia, CAO

Attachment

CITY OF LOS ANGELES DEPARTMENT OF BUILDING AND SAFETY
5%, 6%, AND 8% BUDGET REDUCTION ANALYSIS SPREADSHEET FOR THE GENERAL FUND

OVERVIEW

ORIGINAL 5% REDUCTION IN DIRECT COSTS

The Mayor's letter, dated November 6, 2006 directed departments to "Submit a budget proposal by 11/17/06, detailing how you will achieve a 5% reduction over last year's adopted budget". The Department's proposed FY 2007-08 budget reduces General Fund costs by five percent in direct costs over last year's budget. Further, the letter from the City Administrative Officer, dated 11/14/06 provided additional instructions on the permissible reductions to achieve a 5% reduction (e.g., only on direct costs, not benefits and related costs, etc.). The Department prepared a General Fund reduction package of \$690,957 in direct costs and \$490,348 in related costs for a total of \$1,181,305. This whole amount should be considered as a reduction on the General Fund as the LADBS Enterprise Fund, unlike most other funds, pays for the related costs directly, which relieves the General Fund of this burden.

FURTHER 1% AND 3% REDUCTIONS AS DIRECTED BY BUDGET & FINANCE COMMITTEE

At the initial Budget and Finance Committee meeting held on 4/26/07 to review the FY2007-08 proposed budget, the Committee directed departments to propose additional 1% and 3% reductions which is the same as a 6% and 8% reduction from the FY2006-07 General Fund Adopted Budget. The Department proposes to shift 5% of the cashiering salaries and related costs from the General Fund to the Enterprise Fund. Together with the original 8% reduction in General Fund costs, this new proposal represents a 12.7% reduction overall of LADBS General Fund costs.

FY 2007-08 PROPOSED REDUCTIONS/ADDITIONS	Target Reduction	Current Reduction	Amt Previously Taken	Total Reduction Taken	Amt Over Target	% Reduction of Burden on Gen Fund
<i>Original 5% Reduction on Direct Costs Required in FY07-08 Budget:</i>	\$ 690,224		\$ 1,181,305	\$ 1,181,305	\$ 491,081	8.6%
<i>Budget & Finance 1% (or 6% of Original FY06-07 Budget) Reduction on Direct Costs:</i>	\$ 828,269	\$ 145,553	\$ 690,224	\$ 835,777	\$ 7,508	6.1%
<i>Budget & Finance 3% (or 8% of Original FY06-07 Budget) Reduction on Direct Costs:</i>	\$ 1,104,358	\$ 414,591	\$ 690,224	\$ 1,104,815	\$ 457	8.0%

	Overtime (1090)*	Salaries (1010)	Total Expense & Equip	General Fund Sub-Total	Benefits (CAP28)	Other Related Costs (CAP 28)	Sub-Total Related Costs	Total Budget
2006-07 ADOPTED BUDGET	\$ 84,203	\$ 12,523,002	\$ 1,197,274	\$ 13,804,479	\$ 4,875,453	\$ 2,590,784	\$ 7,466,237	\$ 21,270,716

ORIGINAL 5% REDUCTION IN DIRECT COSTS

Current Level - No. 1 & 2

Net Addition/Deletion:

"Compensation Adjustments (FY2006 & 2007) 80% Ent.Fund+20% Gen Fund" and "Salary Step and Turnover 80% Enterprise Fund + 20% General Fund"							
	50,445		50,445	100,889		12,793	63,238

Current Level - No. 4

Net Deletion/Addition:

Continue Position Authority and Funding for General-Funded Council Resolution Authorities (Funding for 1 System Analyst II shifted to the Enterprise Fund)							
	-52,158	-20,181	-72,339	-20,714		-20,714	-93,053

Current Level - No. 6

Reductions:

Realign Permit Fee Revenue w/Code Enforcemnt Inspn of Construction/Repair/Demo Permits							
	-641,780	-29,640	-671,420	-210,376	-272,051	-482,427	-1,153,847

Current Level No. 7

Additions:

Increase Mileage Funding Due to IRS Mileage Rate Increase							
		121,357	121,357			0	121,357

Current Level No. 9

Additions:

Reduce Contractual Services for General Fund Cell Phone Usage							
		-119,000	-119,000			0	-119,000

ORIGINAL 5% NET REDUCTION:

0	-643,493	-47,464	-690,957	-130,200	-272,051	-490,348	-1,181,305
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REDUCTIONS DIRECTED BY BUDGET & FINANCE COMMITTEE

Shift Additional % of Financial Services Staff to Enterprise Fund

LADBS currently has 17 positions devoted to cashiering duties (includes Accounting Clerk II, Accounting Records Supervisor, and clerical) and another 23 positions that provide financial oversight (includes the Department Chief Accountant, Principal Accountant, Accountants, and clerical). 20% of these positions has been funded by the General Fund and 80% by the Enterprise Fund. LADBS will shift an additional percentage of the salaries and related costs of these positions to the Enterprise Fund. The 1 cashier for Code Enforcement's AIM program and 1 cashier funded by the Fire Department will remain funded by the General Fund. There are 2 positions that have been fully funded by the Enterprise Fund as they were provided when the Enterprise Fund was established to help administer the Fund (1 Accountant II and 1 Sr. Accountant II) -- these positions are not included in the proposed shift.

1% Reduction

Shift 6% Cashier + 2% Other Financial Services Staff from Gen Fund to Ent. Fund. Result of Shift: Cashiers = 14% Gen Fund + 86% Ent. Fund; and Other FS staff = 18% Gen Fund + 82% Ent. Fund.

\$ -	\$ 83,092	\$ -	\$ 83,092	\$ 27,238	\$ 35,223	\$ 62,461	\$ 145,553
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3% Reduction

Shift 18% Cashier + 5% Other Financial Services Staff from Gen Fund to Ent. Fund. Result of Shift: Cashiers = 2% Gen Fund + 98% Ent. Fund; and Other FS staff = 15% Gen Fund + 85% Ent. Fund.

\$ -	\$ 236,679	\$ -	\$ 236,679	\$ 77,583	\$ 100,328	\$ 177,912	\$ 414,591
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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 99

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **RESTORATION OF CABLE TELEVISION PRODUCTION MANAGER II IN ITA**

As part of its 2007-08 budget proposal, the Information Technology Agency (ITA) requested a pay grade advancement for one regular authority Cable Television Production Manager position from a I to a II. The pay grade was approved by this Office's Employee Relations Division on April 5, 2007.

While the position of Cable Television Production Manager I was continued in the budget, the pay grade advancement and the annual salary cost of \$98,828 were inadvertently omitted from the budget and the Telecommunications Development Account (TDA) Schedule 20. Consequently, the pay grade should be added to ITA's personnel resolution in the Personnel Authority Resolution (PAR) and 2007-08 Departmental Personnel Ordinance (DPO) to reflect this change.

In addition to the change in personnel authority, \$98,828 should be added to the Agency's salaries in the TDA Schedule 20 since this position supports the City's Channel 35 television productions and is fully funded from the TDA.

Recommendations

That the Council:

1. Direct the Office of the City Administrative Officer to include the pay grade advancement for one Cable Television Production Manager I (Class Code 1801-1) to a Cable Television Production Manager II (Class Code 1801-2) in the 2007-08 Information Technology Agency Personnel Resolution Authority and the Departmental Personnel Ordinance; and
2. Add \$98,828 for the annual salary cost of one Cable Television Production Manager II to the 2007-08 Information Technology Agency budget to be fully financed from the Telecommunications Development Account.

Fiscal Impact Statement

There will be a \$98,828 reduction to the General Fund transfer from the Telecommunications Development Account as a result of this action.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 100

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **VIDEO CONFERENCING AND CONNECTION SYSTEM STATISTICS**

The Budget and Finance Committee requested that the Information Technology Agency report back with statistics on the number of public speakers using the City Council's Video Conferencing and Connection Service from Van Nuys City Hall to City Hall and from City Hall to Van Nuys City Hall.

The City Clerk submitted the attached report that indicates the monthly statistics for the Pilot Program (C.F. 03-2338) and for the Video Conferencing Program that was subsequently implemented. To summarize the statistics in the City Clerk's letter, the Pilot Program had a total of 64 speakers from Van Nuys City Hall to City Hall between November 2005 and June 2006. The Video Conferencing Program had 111 speakers from Van Nuys City Hall to City Hall and 44 speakers from City Hall to Van Nuys City Hall between July 2006 and April 2007.

KLS:LLF:11070083

Attachment

**CITY OF LOS ANGELES
INTRADEPARTMENTAL CORRESPONDENCE**

Date: May 3, 2007
To: Honorable Members of the Budget and Finance Committee
From: Frank T. Martinez
City Clerk

SUBJECT: VIDEO CONFERENCING AND CONNECTION SYSTEM STATISTICS

On April 30, 2007, your Committee instructed the Information Technology Agency (ITA) to report back regarding the available public use statistics pertaining to the City Council's Video Conferencing and Connection Service.

BACKGROUND

This project was implemented pursuant to a Council action (CF# 03-2338) on July 13, 2005, with the instruction that ITA, with the assistance of the City Clerk and City Attorney, implement a pilot videoconference project at two remote sites, e.g., Van Nuys City Hall and San Pedro City Hall, with connection to the downtown Council Chambers for a 60 to 90 day period. The pilot program commenced on November 22, 2005 and concluded on July 21, 2006. The San Pedro City Hall component of the program has not yet been implemented.

The Office of the City Clerk facilitates the meeting logistics for speakers who desire to utilize this system from Van Nuys to City Hall, and from City Hall to Van Nuys. The public utilizes a direct "hotline" to the City Clerk staff and the request to speak is physically transmitted to the Council President, in either City Hall or Van Nuys. The ITA activates the system and ensures adequate operations for every Council meeting.

PUBLIC USE STATISTICS

During the pilot program, ITA reported the following public use statistics for meetings between Van Nuys and City Hall:

Pilot Program Speaker Statistics (Reported by ITA)	
November 2005	5
December 2005	6
January 2006	6
February 2006	4
March 2006	7
April 2006	11
May 2006	12
June 2006	13
TOTAL	64

At the conclusion of the pilot program, City Clerk staff has continued to capture statistics and manage the logistical arrangements for the public.

The following details represent the numbers of public speakers providing video testimony during general public comment at Council meetings. The actual figures may be slightly higher. Statistics for both general public comment and public comment on specific agenda items will be captured beginning with the May 2007 Council meetings.

Video Conferencing Speaker Statistics	Testimony From Van Nuys to City Hall	Testimony From City Hall to Van Nuys
July 2006	5	22
August 2006	11	9
September 2006	3	No Van Nuys Meeting
October 2006	10	0
November 2006	7	8
December 2006	11	1
January 2007	21	No Van Nuys Meeting
February 2007	19	1
March 2007	12	3
April 2007	12	No Van Nuys Meeting
TOTAL	111	44

Cc: Randi Levin, General Manager, ITA
Ken Simmons, Executive Officer, ITA

Karen Sisson, City Administrative Officer (CAO)
William Creitz, CAO

FTM:KEK:CD:gp
EXE-025-07

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 101

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **GENERAL CITY PURPOSES: PROPOSED CONSOLIDATION OF THE SENIOR CONGREGATE AND HOME DELIVERED MEAL PROGRAMS**

The Budget and Finance Committee instructed our Office to report back on whether it is more cost effective to consolidate provision of Senior Congregate Meals and Home Delivered Meals under a single contract provider. Based on feedback from the Department of Aging (Aging) and given various advantages offered through the current regional meal delivery system, the proposed consolidation is not recommended.

The General City Purposes (GCP) provides a total of \$1.9 million in General Fund monies for senior meal provision, which is augmented by a total of \$7.9 million in state Older Californians Act (OCA) and federal Older Americans Act (OAA) monies, as follows:

Funding Source	Congregate Meals	Home Delivered Meals	Funding Source Totals
City General Fund	\$ 106,000	\$1,798,845	\$1,904,845
State OCA Funds	1,194,932	1,488,563	2,683,495
Federal OAA Funds	3,394,188	1,838,646	5,232,834
Totals:	<u>\$4,695,120</u>	<u>\$5,126,054</u>	<u>\$9,821,174</u>

The senior meal programs are operated under subcontract with the 16 Multipurpose Centers administered by the Department of Aging (Aging). Aging reports that the Department has explored the potential of using a single service provider for meal provision. However, the Department has determined that service providers do not have the capacity to provide daily meal service for more than one to two of the 16 Aging Service Areas.

The current regional meal delivery system realizes efficiencies and other qualitative advantages that are summarized, as follows:

- Use of multiple service providers results in competitive service prices;
- Preparation of meals by regional service providers located throughout the City reduces transportation cost and serves as a buffer against escalating overhead costs;
- Under the regional system, service providers are able to offer meal options that reflect local ethnic and cultural preferences, which is shown to be a significant factor for encouraging program participation among at-risk senior populations; and,
- Use of a single Nutritionist service provider for the 16 Aging Service Areas, avoids duplication of services and realizes economies of scale.

FISCAL IMPACT

Continuation of City funding at the 2006-07 appropriation level for the Senior Congregate Meal and Home Delivered Meal programs will require a General Fund commitment of \$1,904,845, as reflected in the 2007-08 Mayor's Proposed Budget.

KLS:BCH:08070319

Attachments

ATTACHMENT A

2006-07 Multipurpose Center: Detail of Funding Sources	
Funding Source – Senior Service	Amount
City General Fund – Congregate Meals	\$ 106,000
City General Fund – Home Delivered Meals	1,798,845
City Proposition A – Transportation Services	3,599,500
State OCA – Congregate Meals	1,194,932
State OCA – Home Delivered Meals	1,488,563
Federal OAA – Congregate Meals	3,394,188
Federal OAA – Home Delivered Meals	1,838,646
OCA and OAA funds – Other Social Services	<u>2,524,793</u>
Total	<u>\$15,945,467</u>

OCA = Older Californians Act funds

OAA = Older American Act funds

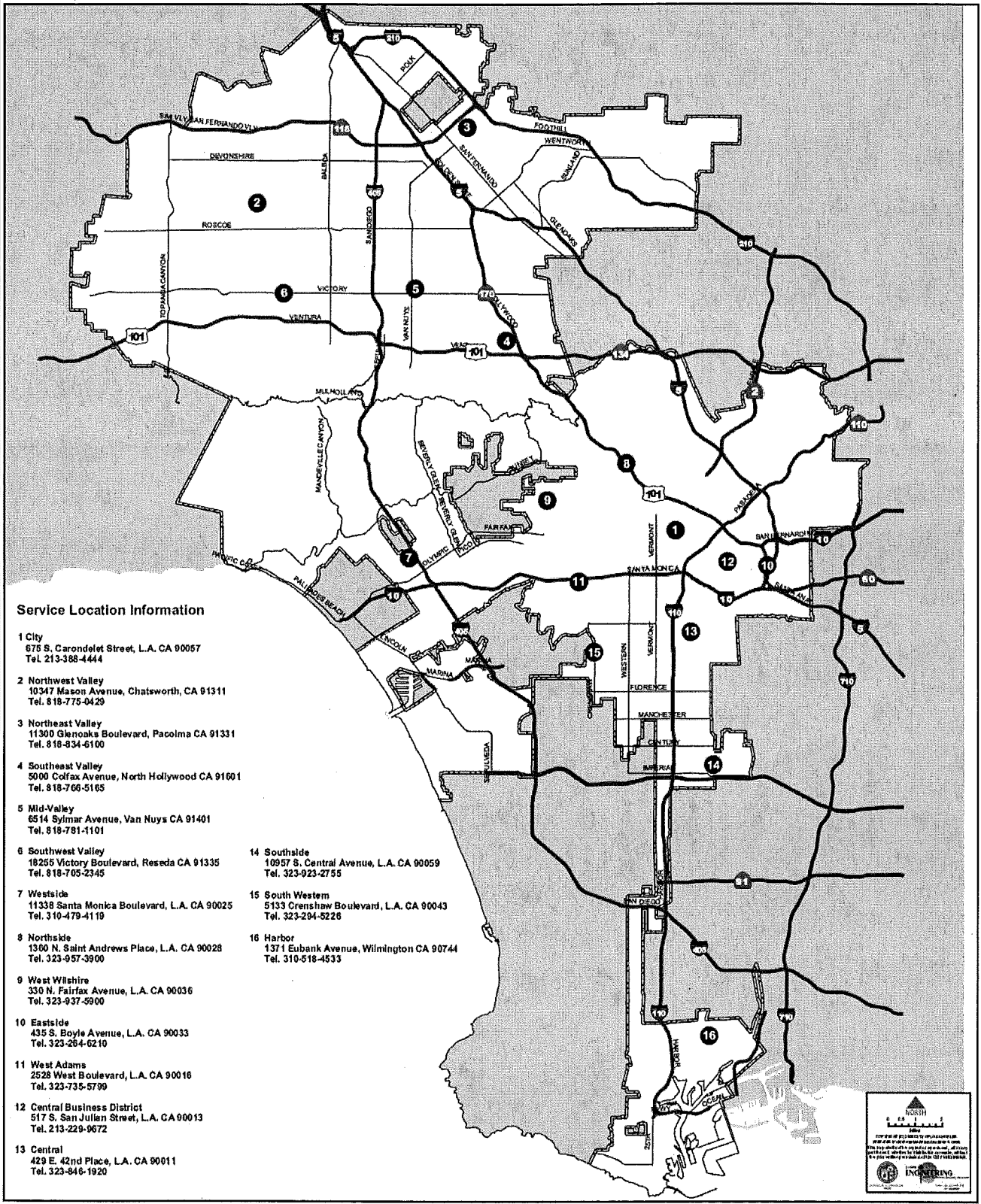
2006-07 Multipurpose Center Funding by Individual Service Providers			
Service Provider	Aging Service Area* (and Map Reference **)	Contract No.	Contract Award**
Assistance League of Southern California	Northside (8)	110033	\$ 1,284,251
Delta Sigma Theta	West Adams (11)	110035	1,076,186
International Institute	Eastside (10)	110485	1,341,572
Jewish Family Services	West Wilshire (9)	110422	995,816
ONE Generation	Southwest Valley (6)	110398	1,113,354
People Coordinated Services	Southwestern (15)	110060	1,140,861
Department of Recreation and Parks	Westside (7) Northwest Valley (2)	110486	1,506,875
San Fernando Valley Interfaith Council	East Valley (3) Mid Valley (5) North Valley (4)	110507	2,677,844
Single Room Occupancy	Central Business District (12)	110280	361,113
St. Barnabas	City (1)	110283	1,361,105
Watts Labor Community Action Committee	Southside (14)	110569	1,100,878
Watts Labor Community Action Committee	Central (13)	110568	1,170,141
Wilmington Jaycees	Harbor (16)	110034	<u>815,471</u>
Total Funding:			<u>\$15,945,467</u>

* Aging Service Areas roughly correspond to the boundaries of the City's 15 Council District, with one additional service area added for targeted service provision in the downtown Central Business District.

** Corresponds to service map locations reflected in Attachment B.

*** Individual awards are based on U.S. Census data for senior demographics in each of the Aging Service Areas.

Senior Multipurpose Centers



Service Location Information

- 1 City
676 S. Carondelet Street, L.A. CA 90057
Tel. 213-388-4444
- 2 Northwest Valley
10347 Mason Avenue, Chatsworth, CA 91311
Tel. 818-775-0429
- 3 Northeast Valley
11300 Glenoaks Boulevard, Pacoima CA 91331
Tel. 818-834-6100
- 4 Southeast Valley
5000 Cofax Avenue, North Hollywood CA 91601
Tel. 818-766-5165
- 5 Mid-Valley
6514 Sylmar Avenue, Van Nuys CA 91401
Tel. 818-781-1101
- 6 Southwest Valley
18255 Victory Boulevard, Reseda CA 91335
Tel. 818-705-2345
- 7 Westside
11338 Santa Monica Boulevard, L.A. CA 90025
Tel. 310-479-4119
- 8 Northside
1300 N. Saint Andrews Place, L.A. CA 90028
Tel. 323-957-3900
- 9 West Wilshire
330 N. Fairfax Avenue, L.A. CA 90036
Tel. 323-937-5900
- 10 Eastside
435 S. Boyle Avenue, L.A. CA 90033
Tel. 323-264-6210
- 11 West Adams
2528 West Boulevard, L.A. CA 90016
Tel. 323-735-5799
- 12 Central Business District
517 S. San Julian Street, L.A. CA 90013
Tel. 213-229-9672
- 13 Central
429 E. 42nd Place, L.A. CA 90011
Tel. 323-946-1920
- 14 Southside
10957 S. Central Avenue, L.A. CA 90059
Tel. 323-923-2755
- 15 South Western
5133 Crenshaw Boulevard, L.A. CA 90043
Tel. 323-294-3226
- 16 Harbor
1371 Eubank Avenue, Wilmington CA 90744
Tel. 310-518-4533



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 102

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **LATAX CONTINUING CONSULTANT COSTS**

The Budget and Finance Committee requested a report on how much of the \$1.3 million set aside for the LATAX consultant needs to be spent and whether it is feasible to cut back on the consultant work and bring the work in house. Additionally, there was a question on when the LATAX project is moving from the development phase to the maintenance phase and how this will impact staffing.

The funding for the LATAX consultant was reviewed and recommended by the LATAX Oversight Committee, consisting of representatives of the City Administrative Officer, the Mayor and the Chief Legislative Analyst, for inclusion in the Proposed Budget. The LATAX contractor (Unisys) is needed for post-implementation support, enhancement of the LATAX software and knowledge transfer to the City's technical staff. During the 2006-07 fiscal year, the consultant has been authorized to employ up to eight staff in support of the LATAX system. For the 2007-08 fiscal year, the contractor's authorized staffing level in support of LATAX is being reduced to four. Additional reductions of contractor support of LATAX at this time would slow system maintenance and enhancement activities and could ultimately affect revenue. Bringing all LATAX support in house at this time is not feasible because knowledge of the system architecture is still being transferred to Information Technology (ITA) staff. This Office believes that all of the \$1.3 million included in the proposed 2007-08 budget will be required for contractor support.

It has proven difficult for ITA to recruit City employees to take over the maintenance of the LATAX system due to its use of a programming environment (PowerBuilder) that is not widely used, at least in the Los Angeles area. For example, of 23 candidates interviewed by ITA for LATAX support positions, none had any PowerBuilder experience and only one candidate showed interest in working on the project.

Originally, the LATAX system was to be implemented by Unisys using commercial off-the-shelf (COTS) software. Due to the complex requirements of the City Business Tax, LATAX became a custom-built system. While contract programmers are relatively costly, it is important to note that had LATAX been implemented as a COTS package based system, there would have been significant ongoing annual software maintenance and support fees payable to Unisys.

While the LATAX system has been implemented and is now considered to be in the maintenance phase, this phase also includes many ongoing enhancements. The post implementation phase demands of system maintenance and enhancement preclude any ITA staff reduction for the foreseeable future.

RES:KLS:11070081

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **PHILLIP MORRIS DONATION**

The Committee requested a report of the amount allocated to the City Attorney from the Phillip Morris donation for tobacco enforcement.

The City Attorney states that no funds are received by his office from the Phillip Morris donation. The donation was made to the Los Angeles Police Department -to focus on counterfeit cigarettes.

Attached is the City Attorney's memo submitted to the Committee on May 1, 2007, addressing the Committee's inquiry on the Phillip Morris donation.

KLS:JL




2007 MAY -3 AM 11:09

OFFICE OF THE CITY ATTORNEY
ROCKARD J. DELGADILLO
CITY ATTORNEY

CITY ADMINISTRATIVE OFFICER

May 1, 2007

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney 

SUBJECT: **Budget Follow-up**
Phillip Morris Donation to the Los Angeles Police Department

During budget hearings, your Committee asked about the relationship between a recent donation that was made to the Los Angeles Police Department (LAPD) by the Phillip Morris Co. This funding goes to LAPD for operational purposes focusing on counterfeit cigarettes. The City Attorney does not receive any of the funds. It is possible that at some point this operation might generate cases for the City Attorney, the District Attorney or the United States Attorney.

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 104

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF STREET LIGHTING – EVALUATION OF FEE STRUCTURE**

The attached letter from the Bureau of Street Lighting responds to the Committee's request to report back on Bureau's fee structure and implementation.

The Bureau currently collects Excavation Permit Fees and fees for the installation of glare shields. The Bureau is in the process of evaluating these fees to ensure full cost recovery and will implement the fees by July 1st.

KLS:EOS:06070187

Attachment

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

BOARD OF PUBLIC WORKS
MEMBERS

CYNTHIA M. RUIZ
PRESIDENT

DAVID SICKLER
VICE PRESIDENT

PAULA A. DANIELS
VALERIE LYNNE SHAW

JAMES A. GIBSON
EXECUTIVE OFFICER

DEPARTMENT OF
PUBLIC WORKS

BUREAU OF
STREET LIGHTING
1149 S. BROADWAY, STE. 200
LOS ANGELES, CA 90015

ED EBRAHIMIAN
DIRECTOR

(213) 847-2020
FAX: (213) 847-1860

E-mail: streetlighting@lacity.org
World Wide Web (WWW): <http://www.lacity.org>

May 4, 2007

Honorable Bernard C. Parks, Chairperson
Budget and Finance Committee
Room 395, City Hall

Dear Councilmember Parks:

BUREAU OF STREET LIGHTING – EVALUATION OF FEE STRUCTURE

Per your request, the Bureau of Street Lighting (BSL) is submitting the response regarding evaluation of fee structures.

The Bureau of Street Lighting (BSL) collects Excavation Permit Fees for requests to relocate street lighting poles. Also, fees are collected for the installation of glare shields on street lighting poles and fixtures to reduce the glare emitted from the street lights. BSL is currently in the process of evaluating both fees and will make adjustments to ensure full cost recovery.

If you have any questions, please contact me at (213) 847-2020.

Sincerely,

Ed Ebrahimian, Director
Bureau of Street Lighting

EE:cm

cc: Cynthia M. Ruiz, President, Board of Public Works
Sally Choi, Budget Director, Office of the Mayor
Karen Sisson, CAO
David Hirano, CAO
Elaine Owens-Sanchez, CAO

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 105


Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **BUREAU OF SANITATION – STATUS OF COMMERCIAL ADVERTISING ON
SANITATION VEHICLES**

The Bureau of Sanitation (BOS) provides a status of commercial advertising on Sanitation vehicles in the attached correspondence. The Bureau reports that the contract was recently executed and they have not been notified of the sale of any advertising space. This is a pilot program which will be evaluated during the term of the contract to determine if the program should be continued.

Attachment

 KLS:SMB:06070192

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2007

TO: Councilmember Bernard C. Parks, Chair
Budget and Finance Committee

FROM: 
Rita L. Robinson, Director
Bureau of Sanitation

SUBJECT: REPORT BACK – STATUS OF COMMERCIAL ADVERTISING ON
SANITATION VEHICLES

During the 2007-08 Budget Hearings your Committee asked the Bureau of Sanitation to report back on the status of commercial advertising on Sanitation vehicles.

A contract with City Street Media, Inc. (CSM) was executed by the City Clerk on April 13, 2007 (Contract #11538). The contract includes the following general terms and conditions:

- The contract term is one year, with two one-year options and will begin on the Commencement Date;
- The Commencement Date is defined as the date that the first contract to place commercial advertising on a Sanitation vehicle is executed by CSM with an advertising client;
- Advertisement content must be consistent with the negotiated advertising policies that were approved as part of the contract;
- Seventy percent of the trucks, up to a maximum of five hundred trucks, will be made available for placement of advertising. Additional trucks may be made available if requested by CSM and agreed to by the Bureau;
- CSM will provide, at no cost to the City, services related to: soliciting advertisers, printing and design, installation and removal, sign maintenance and billing of advertisers;
- CSM shall pay the City forty percent of the gross revenues for all advertising displays installed by CSM on Sanitation vehicles;
- Advertising activity will be tracked through various reporting requirements that CSM must produce. These reporting mechanisms include producing a "display advertising ticket" for each advertising display installed or removed, producing a monthly installation report and providing a complete copy of all advertising contracts within seven days of execution; and,
- Revenue will be deposited into Fund 508, Solid Waste Resources Revenue Fund.

Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
May 3, 2007
Page Two

As the contract was only recently executed, CSM has to date not notified the City that it has sold any advertising space on Sanitation vehicles. It is planned that the demand for advertising space will be assessed during the life of the contract to determine if the program should continue beyond the current contract term.

Please feel free to contact Robert Tanowitz of my staff at (213) 485-2374 with any questions.

cc: Karen L. Sisson, City Administrative Officer
Cynthia M. Ruiz, President of the Board of Public Works
Sally Choi, Deputy Mayor

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 106

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF SANITATION – REDUCE BLACK BIN REFUSE**

The Bureau of Sanitation (BOS) discusses pending and existing programs focused on the reduction of black bin refuse in the attached correspondence.

BOS is committed to meet mandates to reduce waste, divert waste from landfills and increase recycling, and has implemented or is in the process of implementing programs to accomplish these goals. Discussions to explore funding opportunities to support these efforts are ongoing.

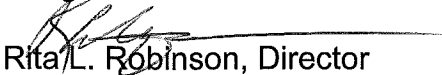
Attachment

KLS:SMB:06070194

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2007

TO: Councilmember Bernard C. Parks, Chair
Budget and Finance Committee

FROM: 
Rita L. Robinson, Director
Bureau of Sanitation

SUBJECT: REPORT BACK – REDUCE BLACK BIN REFUSE

During the 2007-08 Budget Hearings your Committee asked the Bureau of Sanitation to report back with a program to encourage residents to reduce their Black Bin trash. As this is the shared goal of the Bureau and the elected officials, we have implemented several programs in recent years to enhance recycling and continue to explore creative approaches to increase diversion from landfills. The following are the programs that we are currently pursuing towards this end:

- Contamination Reduction Program – During Fiscal Year (FY) 2006-07, the Mayor and Council authorized positions and funding to begin the Ambassador Program. The goal of these positions is to target collection routes that have high contamination rates and to begin re-educating the public on the proper use of the Blue Bins. The FY 2007-08 Proposed Budget continues the Program positions on resolution authority;
- Targeted Neighborhood Education – This Program will focus on re-educating residents of the various recycling programs over a six-year period utilizing mass media advertising campaigns and collaborating with various City departments/agencies and the LAUSD. FY 2007-08 represents the second year of this effort.
- Food Waste in Green Bins – The concept of diverting food waste from the Black Bin to the Green Bin is currently being pursued through a close alliance with various Council Offices. Although there are many legislative challenges to implementing such a program, this concept could potentially result in significant diversion from landfills.
- Polystyrene Acceptance – In July 2007 we will become the first major city in the United States that accepts polystyrene through the Curbside Recycling Program. Although this will not result in a significant reduction of tonnage being diverted, it will result in a significant diversion of volume being diverted from the landfills.

With the many goals that the Mayor and Council have established for the Bureau, we look forward to continued support from the Council and working with staff from the respective offices to meet these expectations. Please feel free to contact Robert Tanowitz of my staff at (213) 485-2374 with any questions.

cc: Karen L. Sisson, City Administrative Officer
Cynthia M. Ruiz, President of the Board of Public Works
Sally Choi, Deputy Mayor

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 107

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF SANITATION – PAY AS YOU THROW**

The Bureau of Sanitation (BOS) addresses the "Pay as You Throw" concept in the attached correspondence.

BOS requests additional time to conduct a comprehensive review of this concept, including the possibility of increasing the Intermittent Extra Capacity Fee beyond the \$1 increase included in the Mayor's Proposed Budget. BOS expects to have a report completed in 120 days for consideration by the Mayor and Council.

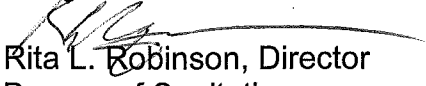
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KLS:SMB:06070191

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2007

TO: Councilmember Bernard C. Parks, Chair
Budget and Finance Committee

FROM: 
Rita L. Robinson, Director
Bureau of Sanitation

SUBJECT: REPORT BACK – “PAY AS YOU THROW”

During the 2007-08 Budget Hearings your Committee asked the Bureau of Sanitation to report back on implementing a “Pay as You Throw” approach to charging trash fees to the Solid Waste Resources Revenue Fund.

As discussed during the budget hearing, the Bureau currently has a volume-based collection system, which we believe encourages recycling by virtue of the blue recycling containers being provided for free, while charging an extra capacity fee of \$5 for every 30 gallons above the standard 60 gallon allowance.

However, to ensure that the “Pay as You Throw” concept is thoroughly researched from an operational and logistical perspective, it is requested that the Bureau be instructed to report back to Council within 120 days with a comprehensive assessment of such an approach. As part of this assessment, the Bureau would like to research the option of increasing extra capacity fees, beyond the \$1 increase included in the Mayor’s Proposed Budget, to create additional incentives to reduce the reliance on the Black Bin.

Please feel free to contact Robert Tanowitz of my staff at (213) 485-2374 with any questions.

cc: Karen L. Sisson, City Administrative Officer
Cynthia M. Ruiz, President of the Board of Public Works
Sally Choi, Deputy Mayor

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 108

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF SANITATION – ALTERNATIVE WASTE DISPOSAL TECHNOLOGY STUDY**

The Bureau of Sanitation (BOS) discusses the current status of the Alternative Waste Disposal Technology Study in the attached correspondence.

As addressed by BOS, they are currently involved in Phase II of this multi-phased project and anticipate commencing Phase III in Fall 2007. Funding in the amount of \$2 million from the Integrated Solid Waste Management Fund (ISWMF) was provided in the Unappropriated Balance for 2006-07 to cover Phase III. However, delays in completing Phase II necessitate the transfer of these funds to a project account within the ISWMF. This issue will be addressed in the 2006-07 Year-End Financial Status Report.

Attachment

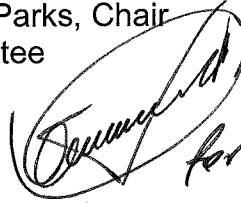
KLS:SMB:06070195

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2007

TO: Councilmember Bernard C. Parks, Chair
 Budget and Finance Committee

FROM: Rita L. Robinson, Director
 Bureau of Sanitation



SUBJECT: REPORT BACK – ALTERNATIVE WASTE DISPOSAL TECHNOLOGY STUDY

The Mayor and the Council adopted a policy directing the Bureau to develop an alternative technology program. Mayor Villaraigosa directed the Bureau to have an alternative technology facility by 2010. A similar goal is contained in the Council's RENEW LA Plan. In 2004, the Bureau contracted with URS Corp, an engineering consulting firm, to assist with the evaluation of alternative technologies as part of a multi-phased approach.

Phase I (2003-2005) consisted of an initial study to evaluate and develop a list of alternative technology options and suppliers. The analysis included feedstock characterization, technology screening, technology/supplier evaluation and ranking. Over 225 technologies were evaluated, and more specifically, 22 technologies were identified as increasing municipal solid waste diversion away from landfills.

Phase II (2005-present) consists of developing criteria for potential site selection, identifying and ranking potential sites, preparing and distributing the Request for Proposals (RFP) for a development partner, evaluating responses, and conducting public outreach. The Bureau released the RFP in February 5, 2007, and proposals will be due July 11, 2007. Thereafter, evaluations, selection and award of a development partner for an alternative technologies facility will be made.

Phase III (anticipated to commence in Fall 2007) will include facility environmental permitting, facility conceptual design, and continuing public outreach. The consultant will also provide support for the construction and implementation of the two alternative technologies facilities being requested in the RFP. The budget for each of the first three phases follows:

Phase I:	\$ 500,000
Phase II:	\$1,100,000
Phase III:	<u>\$2,000,000</u>
	\$3,600,000

Phase IV and Phase V will include detail design, construction, start up and operation, with public outreach continuing throughout.

In 2005-06, the Bureau was provided \$1.1 million for Phase II, of which \$400,000 was reappropriated in the first Financial Status Report of the current year. In 2006-07, \$2.0 million from the Integrated Solid Waste Management Fund (ISWMF) was provided in the Unappropriated Balance (UB), released to the Bureau's operating budget through the Mid-

Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
May 4, 2007
Page Two

Year Budget Report, and placed in the ISWMF through the Year-End Budget Report to ensure that these funds remain available for completion of Phase III thru FY 2007/08.

With the many goals that the Mayor and Council have established for the Bureau, we look forward to continued support from the Council and working with staff from the respective offices to meet these expectations.

Please feel free to contact Robert Tanowitz of my staff at (213) 485-2374 with any questions.

cc: Karen L. Sisson, City Administrative Officer
Cynthia M. Ruiz, President of the Board of Public Works
Sally Choi, Deputy Mayor

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 109

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **BUREAU OF SANITATION – ONE AND THREE PERCENT REDUCTIONS TO THE PROPOSED BUDGET**

The Bureau of Sanitation (BOS) addresses reductions to their Proposed Budget in the attached correspondence.

The Proposed Budget includes a General Fund appropriation to BOS totaling \$28,328,930. A one percent reduction in the amount of \$283,289 or a three percent reduction in the amount of \$849,868 would primarily affect the Curbside Collection Program. As reported by BOS, the one percent reduction could be absorbed while maintaining current service levels. However, a three percent reduction would negatively impact operations by requiring BOS to hold positions vacant to live within budget. While the Proposed Budget has shifted a significant portion of the Curbside Collection Program from the General Fund to the Solid Waste Resources Revenue Fund, a sizable part remains funded by the General Fund. Of the \$11 million in General Fund used to support the program, approximately \$9.9 million is in Salaries General, primarily for Refuse Collection Truck Operators. It is expected that the three percent reduction would necessitate the holding of some of these positions vacant.

BOS faces uncertainty in several areas, such as a potential deficit of \$4 million in Tips Fees and challenges related to the beneficial reuse of biosolids, which indicates a need to remain flexible to adjust to a changing environment. This Office recommends against further reductions to the BOS Proposed Budget to provide the Bureau with some level of flexibility to maintain current services.

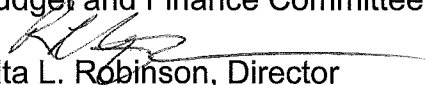
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KLS:SMB:06070190

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2007

TO: Councilmember Bernard C. Parks, Chair
Budget and Finance Committee

FROM: 
Rita L. Robinson, Director
Bureau of Sanitation

SUBJECT: REPORT BACK – 1% AND 3% GENERAL FUND REDUCTION TO THE PROPOSED BUDGET

During the 2007-08 Budget Hearings your Committee asked all the departments to report back with one and three percent reductions to the Mayor's Proposed Budget. Subsequently, the CAO clarified that this request only applied to the Proposed General Fund appropriations. Your Committee also asked the departments to ensure that full cost recovery is achieved.

BUDGET REDUCTIONS

On November 14, 2006, the Mayor requested all departments to submit five percent reductions based on the 2006-07 Adopted Budget. On December 15, 2006, the Bureau submitted reductions totaling \$11.2M in response to this request. Subsequently, the Mayor's Proposed Budget includes General Fund reductions totaling \$347,319 which is largely attributable to a General Fund salary savings rate increase from three to four percent. The Mayor's Proposed Budget also includes additional reductions totaling approximately \$6.4M from other funding sources, including direct funding from the Sewer Construction and Maintenance Fund (SCM).

An additional one percent and three percent General Fund reduction to the 2007-08 Proposed Budget would represent reductions of \$283,289 and \$849,868; respectively. While expenditures over the past couple years indicate that a one percent reduction could be taken without impacting the operations significantly, it must be cautioned that such a reduction may result in increased "end of shift" overtime for the Refuse Collection Truck Operators (RCTOs).

Conversely, it is anticipated that a three percent General Fund reduction could not be absorbed in light of the other reductions in the Proposed Budget and the fact that the last year of the RCTO staffing increased had to be deferred due to fiscal constraints. We believe that such a reduction would adversely impact our Curbside Collection operations, resulting in increased overtime and forcing us to artificially hold RCTO positions vacant.

Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
May 3, 2007
Page Two

FEE REVIEW

Consistent with City Policy, the departments are required by the Mayor and CAO to prepare and submit the Fees for Special Services worksheets as part of the Budget Request. These worksheets delineate the costs of providing a specific service and calculate the cost per unit to achieve full cost recovery. The worksheets also reflect the percentage of costs currently being recovered. We understand that this information is then summarized by the CAO and presented to the Mayor's Office during development of the Proposed Budget. If the Committee would like to review the Bureau's worksheets, we would be glad to forward them to the City Clerk. They are not attached hereto as the entire document is approximately 40 pages.

Please be assured the Bureau is already working with the CAO to ensure that we will fulfill all the Proposition 218 requirements to accelerate the Solid Waste Resources Revenue Fund (SWRF) rate increase from July 1, 2008 to January 1, 2008, as included in the Proposed Budget.

Thank you in advance for your continued support of the Bureau of Sanitation. Please feel free to contact Robert Tanowitz of my staff at (213) 485-2374 with any questions.

CC: Karen L. Sisson, City Administrative Officer
Cynthia M. Ruiz, President of the Board of Public Works
Sally Choi, Deputy Mayor

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 110

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **BUREAU OF SANITATION – FEASIBILITY OF IMPOSING A SURCHARGE
ON THE CITY’S SIDE OF THE SUNSHINE CANYON LANDFILL**

The Bureau of Sanitation (BOS) discusses the concept of imposing a surcharge for tonnage disposed of on the City’s portion of the Sunshine Canyon Landfill in the attached correspondence.

BOS advises that the surcharge resulting from the Replacement Conditional Use Permit (RCUP) recently adopted by the Los Angeles County is in dispute and that they are currently in discussions with Browning-Ferris Industries (BFI). BOS requests additional time to provide a complete assessment of the situation and report back in 120 days on the issue of a City surcharge.

Attachment

KLS:SMB:06070193

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 3, 2007

TO: Councilmember Bernard C. Parks, Chair
Budget and Finance Committee

FROM: 
Rita L. Robinson, Director
Bureau of Sanitation

SUBJECT: REPORT BACK – FEASIBILITY OF IMPOSING A SURCHARGE ON THE CITY'S SIDE OF THE SUNSHINE CANYON LANDFILL

During the April 27, 2007 Budget and Finance Committee Meeting to discuss Sanitation's 2007-08 Proposed Budget, your Committee asked the Bureau to report back on whether the City should impose a surcharge, similar to the County's newly imposed Replacement Conditional Use Permit (RCUP) fee, to help underwrite the City's various programs to divert refuse from the landfill.

Although negotiations are ongoing with BFI, the Bureau's position is that the County's newly enacted RCUP fee should not result in an increase to the City's Tip Fees. It is our belief that the City tonnage should either be exempted from the RCUP fee or the City should impose its own fees in the equivalent amount so that the cost to the City is essentially neutral. As this is an ongoing issue, we ask that the Bureau be allowed to report back to Council when the negotiations conclude.

We also ask that the Bureau be instructed to report back to Council within 120 days with the feasibility of imposing a similar fee to help fund some of the City's recycling efforts. This will allow the Bureau to better assess what actions would be necessary to implement the surcharge and would allow for a more thorough policy discussion on the issue.

Please feel free to contact Robert Tanowitz of my staff at (213) 485-2374 with any questions.

cc: Karen L. Sisson, City Administrative Officer
Cynthia M. Ruiz, President of the Board of Public Works
Sally Choi, Deputy Mayor

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 111

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **CAO RESPONSE TO INFORMATION TECHNOLOGY AGENCY LETTER OF
APRIL 20, 2007 RELATIVE TO THE 2007-08 PROPOSED BUDGET**

The Information Technology Agency (ITA) submitted a letter to the Budget and Finance Committee on April 20, 2007 outlining its concerns about the development of the Mayor's 2007-08 proposed budget. Included in that list of concerns are the following issues:

Shortfalls

- General Fund Transfer Shortfall – TDA: ITA believes that it cannot make the \$5,555,935 transfer to the General Fund that is reflected in the Telecommunications Liquidated Damages and Lost Franchise Fees Fund – Telecommunications Development Account (TDA), Schedule 20. This transfer results from a combination of projected cable franchise revenues and previous years' carryover funds minus the 07-08 allocation to ITA for management of its Channel 35 and City cable franchise oversight responsibilities. The difference between the two amounts, available funds versus required expenses, is considered a surplus and is transferred to the General Fund as authorized by Administrative Code Sections 5.5 and 5.97.

This Office will work with ITA to resolve this matter. The status of the Telecommunications Development Account will be discussed in the 07-08 First Financial Status Report.

- Contractual Services Account Underfunding: The Agency believes that there is a funding shortfall of between \$958,872 and \$1,317,348 in its Contractual Services account that will impact its ability to provide necessary services to its City customers.

This Office will work with ITA to resolve this matter. The status of the Contractual Services account will be discussed in the 07-08 First Financial Status Report.

New Items

- City Council Support: Delete two Programmer/Analyst IV positions currently supporting the Council's technology needs and add two Systems Programmer I positions in their place. These position changes are requested by ITA in order to address the "evolution

of the demands in the Council offices...and to represent the work required to maintain services.”

This “Add/Delete” request must be reviewed by the Personnel Department. As such, ITA should request consideration of the Add/Delete by the Personnel Department’s Classification Services Division.

- City Council Support: Request for a pay grade advancement for a Systems Programmer I to a Systems Programmer II to provide appropriate supervision of the Elected Officials Application Support Unit, which includes the two positions requested above.

This pay grade advancement request must be reviewed by the CAO’s Employee Relations Division to see if the job duties warrant a higher pay grade.

General Concerns

The following concerns have been addressed in greater detail in CAO Budget Memo 48.

- Two-Way Video Testimony: Regularization of two Video Technician II positions that are currently on substitute authority. These positions help support remote video conferencing for the City Council meetings held in Van Nuys and San Pedro. The positions are financed from the Telecommunications Development Account similar to other positions supporting Channel 35 and cable franchise renewals.

Two substitute authority positions of Communication Electrician that were authorized in March 2006 to support this service are no longer needed. Instead, Video Technician II positions are being requested to adequately support the Two-Way Video Testimony and its planned expansion. Consequently, two resolution authority positions should be added to ITA’s position authority for 2007-08. The necessary funding is available in the TDA.

- City Council Support: Regularization of one Systems Analyst II that is currently on substitute authority. This position helps support the technology needs of the Council and various Council committees.

At the time the budget was developed, ITA had three vacancies in this classification and pay grade. In acknowledgement of the 07-08 budget constraints, it was recommended that ITA fill one of its existing vacancies and assign the position to support the City Council and committees.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 112

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **REPORT BACK ON THE UNAPPROPRIATED BALANCE OF THE COMMISSION ON CHILDREN, YOUTH AND FAMILIES (CCYF) AND COMMUNITY FORUMS**

The Budget and Finance Committee requested a report back on providing funds for an early childcare industry report and to continue community forums.

During this fiscal year, the CCYF received \$100,000 in the Unappropriated Balance (UB), CCYF Phase II Special Projects line item, for a childcare industry report (\$70,000) and to continue community forums (\$30,000).

Childcare Industry Report

In August 2006, the Council approved an appropriation of \$70,000 from the UB to the CCYF's Contractual Services Account (C.F. 06-0600-s41).

The CCYF and the Community Development Department (CDD) had discussions regarding an economic impact report addressing the early child care and education industries within the County of Los Angeles (Economic Impact and Career Pathways Project). The CDD is in the process of executing a contract for the production of this report and will instead utilize funds from the Workforce Investment Act.

The CCYF is proposing to execute a separate contract for marketing and development of the childcare industry in the Los Angeles in concert with this report, and is currently in the procurement phase for this contract. Since it is unlikely that the CCYF will execute this contract by the end of this fiscal year, the funds for this contract will revert to the General Fund at year-end. The CCYF is requesting that \$70,000 be re-appropriated to execute the proposed contract next year. This is a policy decision that should be addressed by the Council.

Community Forums

In April 2007, the Council transferred \$30,000 from the UB to the UB Reserve for Economic Uncertainties (C.F. 06-0600); therefore, these funds are not available to conduct community forums this year.

The CCYF released a report in August 2006 on the cost of conducting regional community forums throughout the City (C.F. 05-1519). The CCYF stated that \$67,550 is required to address the logistical costs of conducting community safety forums in two regions of the City per year.

KLS:ND:02070236

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 113

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF STREET LIGHTING – 218 ASSESSMENT THAT INCLUDES
STREET LIGHTING, SIDEWALKS AND STREET TREES**

The attached letter from the Bureau of Street Lighting responds to the Committee's request for information regarding the use of a Proposition 218 assessment that includes street lighting, sidewalks and street trees.

We recommend referring this to the Public Works Committee for further consideration.

KLS:EOS:06070182

Attachment

EOS 16

CITY OF LOS ANGELES

CALIFORNIA

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MEMBERS

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2007 MAY -3 PM 4: 3

CITY ADMINISTRATIVE OFFICER
ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
PUBLIC WORKS

BUREAU OF
STREET LIGHTING
1149 S. BROADWAY, STE. 200
LOS ANGELES, CA 90015

ED EBRAHIMIAN
DIRECTOR

(213) 847-2020
FAX: (213) 847-1860

E-mail: streetlighting@lacity.org
World Wide Web (WWW): <http://www.lacity.org>

May 3, 2007

Honorable Bernard C. Parks, Chairperson
Budget and Finance Committee
Room 395, City Hall

Dear Councilmember Parks:

BUREAU OF STREET LIGHTING FISCAL YEAR 2007- 2008 USE OF ASSESSMENTS FOR OTHER INFRASTRUCTURE NEEDS (System ID - 179)

Per your request, the Bureau of Street Lighting is submitting the response to your inquiry during the Budget and Finance Hearing regarding Proposition 218 assessments which include street lighting, sidewalks and street trees.

Assessments can be used to fund the installation of capital improvements, including street lighting, sidewalks and street trees, within the public right-of-way. This could be done by amending, and then utilizing, the Los Angeles Administrative Code (LAAC), Division 6 Chapter 6 Article 3, regarding sidewalk maintenance districts. Street Lighting Maintenance proceedings are under LAAC Division 6 Chapter 3.

For Private Development projects, the City through the Department of Planning may require physical improvements to be made by the developer and utilize assessments through Proposition 218 to fund the maintenance of these developments similar to street lighting.

The City may also offer to the communities the option to fund capital improvements, such as sidewalks, street trees and pavement reconstruction. The cost for the installation would need to be approved by the property owners in accordance with Proposition 218 and may be assessed over a 10 year period.

Having combined assessment districts would be a significant policy change from the City's current method of financing the maintenance and repair of public infrastructures other than street lighting.

If you have any questions, please contact me at (213) 847-2020.

Sincerely,

Ed Ebrahimian, Director
Bureau of Street Lighting

EE:cm

cc: Cynthia M. Ruiz, President, Board of Public Works
Sally Choi, Budget Director, Office of the Mayor
Karen Sisson, CAO
David Hirano, CAO
Elaine Owens-Sanchez, CAO

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 114

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT FUNDING BY NEIGHBORHOOD COUNCILS FOR A CITY PLANNER**

Your Committee requested this Office to report back on how Neighborhood Councils (NCs) can share in the cost of the Neighborhood Council Liaison requested by the Planning Department.

If the NCs were to fund one City Planner position to function as the Neighborhood Council Liaison, the approximate annual cost would be \$90,000. Neighborhood Councils are provided with \$50,000 at the beginning of each fiscal year to use in accordance with the guidelines of the Neighborhood Council Funding Plan. There would be adequate funding available for Neighborhood Councils to share in the cost of this position; however this issue should be sent to the Board of Neighborhood Commissioners to request funding and support for this position from the NCs. This would assure that all Neighborhood Councils are in agreement for the use and funding of this position.

KLS:DP:08070321c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 115

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **CONVENTION CENTER 2007-08 PROPOSED BUDGET - DEPARTMENT LETTER TO BUDGET AND FINANCE**

Your Committee requested this Office to report on the letter dated April 23, 2007, submitted by the General Manager of the Convention Center (LACC) relative to the 2007-08 Proposed Budget. The Department acknowledges the increased appropriations for Marketing and Sales and facility maintenance and infrastructure improvements. The Department has noted several issues of concern in the 2007-08 Proposed Budget:

- The \$850,000 appropriation to the Capital Finance Administration Fund on the Convention Center Revenue Fund (Schedule 16).
- The \$1.6 million appropriation to General Services for security services.
- Funding levels for Salaries As-Needed and Overtime accounts.
- Resolution authority (unfunded) for one Chief Management Analyst position.
- Use of surety policy to replace Debt Reserve Account for 1993 Convention Center Bonds and allocation of \$7 million to Capital Improvement Expenditure Program.
- Transient Occupancy Tax (TOT) and debt service figures reported in the budget.

The following is our response to those concerns:

The Schedule 16 appropriation of \$850,000 to the Capital Finance Administration Fund reimburses the General Fund for a portion of the Convention Center debt service costs. Surplus Convention Center revenues are used to reduce the General Fund contribution from TOT to support the debt service.

General Services Department (GSD) - Office of Public Safety (OPS) provided the LACC with a detailed cost breakdown to provide the necessary level of security at a facility of this size. OPS works closely with the LACC management and staff to insure the safety requirements are met for the LACC employees and the 2.5 million people who attend events at the Center annually. The total cost of providing service at LACC is \$1.85 million. The \$1.6 million is a partial offset and does not represent full cost recovery for GSD. Prior to the creation of OPS, the Convention Center funded this cost directly using their own security staff.

The Salaries As-Needed and Overtime Accounts are funded at the same level as 2006-07. Show related overtime and as-needed costs are offset by payments from clients for

requested services and materials. These monies are deposited into the Salaries and Expense Reimbursement Account, a revolving fund within the Convention Center Revenue Fund which was created in 1999. In order to provide an audit trail and accurately reflect the final accounting for the adopted budget, the Controller will no longer permit the transfer of expenditures from operating budget accounts to the revolving fund. As a result, these funds will be transferred through the Financial Status Report to reimburse the Salaries As-Need and Overtime Accounts for show related expenses.

The requested resolution authority salary of the Chief Management Analyst is the same as the vacant Assistant General Manager position. Adding this position will cause a salary compaction problem. The Department may wish to explore the feasibility of reallocating the vacant Assistant General Manager position to a Chief Management Analyst if that will more adequately meet the Department's needs.

The proposed budget includes the replacement of the Debt Service Reserve Account for the 1993 Convention Center bonds with a surety policy. As a result, approximately \$10 million is available to offset a portion of General Fund costs. The 2007-08 Convention Center Lease payment will be reduced by \$3.1 million from \$37.2 million to \$34.1 million. The remaining funds will be used to fund expenditures in the Capital Improvement Expenditure Program, as detailed on page 511 of the 2007-08 Detail of Department Programs.

The Capital Finance Administration Fund line item 21 on page 496 reflects the annual debt service payment amount of \$34.1 million. The amount of debt service payment on page 485, Appropriation to Convention Center Revenue Fund does not reflect the reduced debt service payment as the result of the surety bond purchase. This schedule is an informational overview used to reflect the total funding for operations and debt service and the difference has no impact on the budget. Historically an amount equivalent to a 3.5% TOT has been allocated to support the payment of debt service. As the debt service payment has been reduced in 2007-08, the full allocation of TOT revenues was not required to fund the payment.

Lastly, for your information, the following is a summary of the additional 2007-08 General Fund support provided to the Convention Center:

• Related Costs	\$ 9.0 m *
• Roof replacement/floor repair	\$ 1.4
• GSD Security	<u>\$.25</u>
Total	\$10.625 million

* Exhibit G

CITY OF LOS ANGELES

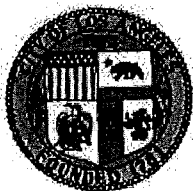
CALIFORNIA

LOS ANGELES CONVENTION CENTER COMMISSION

CHRISTINA NOONAN
PRESIDENT

ARCHIE C. PURVIS
VICE PRESIDENT

MICHAEL FLEMING
CONCEPCION LARA
DIANA TORRES



ANTONIO R. VILLARAIGOSA
MAYOR

LOS ANGELES CONVENTION CENTER

POURIA ABBASSI, P.E.
GENERAL MANAGER

1201 S. FIGUEROA STREET
LOS ANGELES, CA 90015
(213) 741-1151
FAX (213) 765-4441
TTY (213) 783-5077

April 23, 2007

The Budget and Finance Committee
c/o Lauraine Braithwaite
City Clerk
Room 395 City Hall
Los Angeles, CA 90012

Honorable Councilmembers:

The Los Angeles Convention Center (LACC) has received and reviewed the Fiscal Year 2007-08 Proposed Budget as released by the Office of the Mayor. The appropriation levels provided in the proposed budget acknowledge the significance of LACC's Marketing and Sales efforts and the facility's functionality, maintenance and infrastructure improvements in garnering business travel and tourism for this great City. In 2007-08 Fiscal Year the LACC strives to not only continue its successful role as a major economic engine for the region, generating over \$1B in economic impact and support of 12,000 industry jobs annually, but will fulfill the commitment without burdening the City's General Fund.

In the proposed Fiscal Year 2007-08 Budget, the Transient Occupancy Tax (TOT) is projected to generate sufficient revenues to fully relieve the General Fund of debt service payment for the LACC and to make available significant additional revenues to the General Fund. In addition to no General Fund subsidiaries towards the debt service, the revenues generated by the LACC operations will fully support its operating expenditures.

Pursuant to your committee's March 20, 2007 request for feedback on the Mayor's Proposed Budget, the LACC submits these budgetary issues for advisement and further consideration.

Recommendations:

The Los Angeles Convention Center is operating fully in the black, with no subsidies in either operations or debt service by the City's General Fund. Our request for consideration is strictly for appropriations supported entirely by revenues generated with no General Fund impact. The appropriation levels necessary to ensure the returns that have been targeted have not been clearly delineated in the proposed budget. The adoption of the following recommendations will ensure

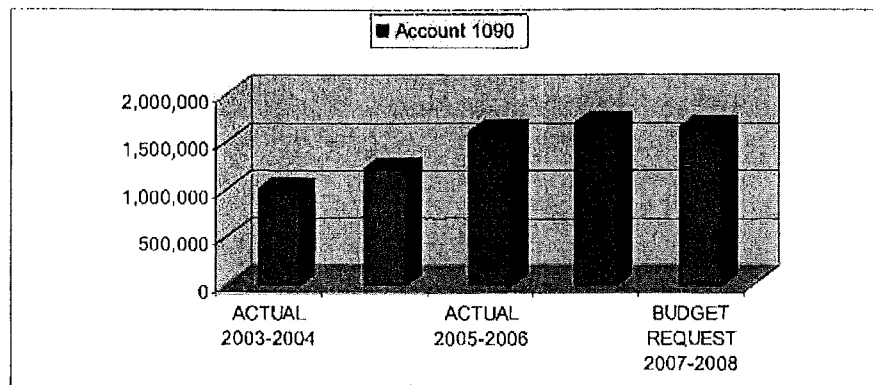
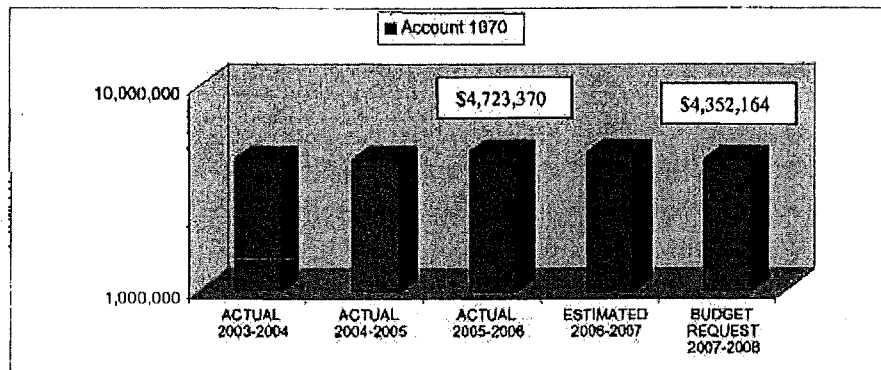
that LACC will continue to meet its operating expenditures and support the TOT to a level to not only fund the debt service, but exceed it:

1. Remove the \$850,000 appropriation to the Capital Finance Administration Fund. The TOT contribution to debt service **exceeds debt service requirements** while operating accounts have not been adequately funded per the Admin. Code.
2. Reduce GSD appropriations to a level consistent with projected event growth at \$1.2M, an increase of 10%. The current appropriation shows a **46% increase**.
3. Adjust revenue generating As-Needed and Overtime accounts at required appropriation levels consistent with 2006-07 FY actual expenditures. The current appropriation level significantly **under estimates** expenditure levels.
4. Approve resolution authority (unfunded) for one (1) Chief Management Analyst authority.
5. Clarify the \$7M inclusion in Revenue and Appropriations in relation to Admin. Code requirements of the Revenue Fund.
6. Clarify the projected TOT and debt service payment figures across the budget.

Background

- The debt service of LACC is to be supported by 25% of the total Transient Occupancy Tax (TOT) generated per the debt service/bond covenants (TOT is at 14% and 3.5 percentage points is dedicated to debt service, thus the 25% allocation). The difference between the debt service and TOT contribution, if any, is paid by the General fund (General Fund subsidy). In the event that LACC's revenues are at a level to exceed expenditures and other requirements, surplus which is not planned for expenditure can be applied towards any outstanding debt service if necessary (per Admin. Code 8.148). Note that per Admin. Code all operational expenditures have to be met prior to the alternative use of the Revenue Fund.
- The proposed 2007/2008 FY Budget projects a surplus of Transient Occupancy Tax beyond the debt service payment. The debt service is reflected as \$37,240,666 and TOT contribution is reflected as \$38,769,500 in the **Appropriation To Convention Center Revenue Fund** (page 485). However in **Schedule 16** (page 218) there is an additional \$850,000 directed to go to the **Capital Finance Administration Fund**. While the debt service is covered through TOT with a Surplus to General Fund, and as the Convention Center is significantly under funded (see below) in critical revenue generating accounts (As-Needed and Overtime), the \$850,000 appropriation has revenue capacity degradation impacts.

- The debt service payment is inconsistent across the budget documents. It is reflected as \$37,240,666 in **Appropriation To Convention Center Revenue Fund** (page 485) and \$34,140,666 in the **Capital Finance Administration Fund**. On the other hand, the projected TOT reflected in the Revenue Outlook (page 74) is \$144,000,000, 25% of this amount is \$36,000,000 which is to pay for the debt service. While the Budget needs to have consistent figures, any of these amounts clearly exceed the debt service payment requirements (The range of surplus is \$1.2M to \$1.5M).
- The As-Needed and Overtime Accounts are consistently and historically at \$4.4 M and \$1.4 M respectively. These accounts are revenue generating, required to deliver services, and the resulting revenue is reflected in the \$26,020,000 operating revenue projection (Schedule 16). However appropriations in these accounts are reflected as \$3.2 M and \$0.9 M and thus are significantly under funded. In other words, the revenues generated are accounted for in absence of the necessary appropriations to generate that revenue.



- Schedule 16 for LACC shows an increase in GSD appropriations of 46% from \$1.1 M to \$1.6 M. No other labor or expense support account has been increased, and the appropriation levels proposed for any other account do not even reflect actual 2006-07 FY expenditures.

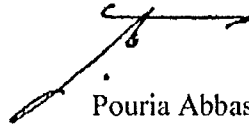
The Budget and Finance Committee
Fiscal Year 2007-2008 Proposed Budget
Page 4 of 4
April 23, 2007

- There is \$7 M in bond reserves included in the Revenues in Schedule 16. This is offset by \$7 M in Appropriations targeted to the Capital Expenditure Improvement Program. Only 20% of the \$7 M is associated with LACC.
- The LACC requested one unfunded position of Chief Management Analyst (CMA) for the 2007-08 FY to oversee Administration and Customer Services, and to improve responsiveness for stakeholders and new service elements (the LACC does not have any CMA positions). The approval of this position on resolution authority has no fiscal impact but has significant service level and revenue generation impacts. The critical need for this position has not been addressed in the proposed budget.

The consideration and approval of these recommendations will ensure continued support and growth of the business of the Los Angeles Convention Center and will strategically help position the Center to effectively take advantage of the opportunities abound in the 2007-08 Fiscal Year.

In the event of any comments and/or questions, please do not hesitate to contact me. Your time and consideration is very much appreciated.

Sincerely,



Pouria Abbassi, P.E.
General Manager

PA:PCH:AHK

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 116

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **REPORT BACK ON THE COLLABORATIONS BETWEEN THE COMMISSION ON CHILDREN, YOUTH AND THEIR FAMILIES (CCYF) AND RECREATION AND PARKS (RP)**

The attached letter from CCYF reports back on a request from Budget and Finance Committee on collaborations between CCYF and RP on gang intervention programs.

KLS:ND:02070233

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2007

TO: Karen Sisson, City Administrative Officer

FROM: Rafael López, Interim Executive Director

SUBJECT: Partnerships between the Commission for Children, Youth and Their Families and the Department of Recreation and Parks

As directed by the City Council Committee on Budget and Finance at its meeting on May 2, 2007, I am submitting the Commission for Children, Youth and Their Families (CCYF) response regarding the relationship and partnerships between CCYF and the Department of Recreation and Parks (RAP).

The relationship between CCYF and RAP is a solid one that reflects a joint commitment to collaborating within the City family to maximize the impact on the well being of children, youth and their families. As a result, CCYF and RAP have partnered in numerous ways throughout the past fiscal years. Within CCYF, the collaboration with RAP has occurred mainly through our portfolio in Child Health and Nutrition as well as the Neighborhood Networks 4 Kids.

Partnership on Child Health and Nutrition

CCYF and RAP have served as partners in the creation and implementation of the City's Child Nutrition Policy (CNP). At the request of the City Council, CCYF and RAP were charged with co-chairing the City of Long Angeles Child Health and Nutrition Task Force.

The CNP aims to improve the food and beverage served and sold at City sponsored programs. Key components of the policy include:

- Increase access to nutrition programs
- Provide healthy meals and snacks that encourage healthy choices
- Increase knowledge of healthy eating habits
- Increase staff and children knowledge of physical activity participation

The work of the Child Health and Nutrition Task Force has impacted programs where the City serves food to children at summer camps, after-school tutoring academies and clubs, sports leagues, cooking classes, pre-school, CLASS parks, and licensed child care.

The partnership in the area of child health and nutrition has manifested in several ways, including the production of information guides as well as a soon to be released Child Nutrition Policy Implementation Tool Kit. CCYF and RAP have also partnered to disseminate information and promote community education and awareness campaigns with several organizations such as *5 A Day Power Play*, the Dairy Council of California, and California Adolescent Nutrition and Fitness (CANFit).

Additionally, CCYF and RAP have partnered to conduct the Survey of Existing City Food and Beverage Distribution as well as play a supportive role in the administration of the Walkability Audit conducted by Healthy Eating, Active Communities (HEAC). Finally, CCYF and RAP have conducted trainings to familiarize City employees with the Child Nutrition Policy in cooperation with the City's Community Development Department, Library and Housing Authority. This effort has resulted in 471 City staff receiving training and information on child nutrition.

Partnership on Neighborhood and Community Safety

CCYF and RAP have worked closely on a wide range of initiatives related to Neighborhood Networks 4 Kids and larger neighborhood and community safety issues. Whether through initiatives led by CCYF or initiatives led by RAP, the two departments have mutually supported and promoted each other's efforts in the joint use of valuable RAP facilities or in maximizing the number of residents that are informed, involved, and benefiting from the resources committed by the City to its children, youth and families.

In response to a City Council motion to conduct Community Safety Forums in South Los Angeles, RAP generously assisted CCYF on multiple fronts including lending its facilities, its child care services, and creating signage for the events at no cost. This kind of support is invaluable. RAP has equally demonstrated its commitment to the City's children, youth and families by offering its recreation centers as Safe Havens for the Safe Havens/Safe Passages network being developed by CCYF, other City departments such as the Fire Department, and numerous businesses and community-based organizations.

CCYF has demonstrated equal commitment to RAP's initiatives. At CCYF led Neighborhood Networks 4 Kids meetings, for example, RAP is able to connect with community residents, offer resource guides and refer children, youth and families of all ages to RAP programs throughout the City. CCYF also highlights RAP programs in its various publications. CCYF and RAP continue to partner through shared forums where information is disseminated to residents. Further, CCYF's Safe Corridors program is continuously promoted at the RAP's Park Advisory Board meetings, and a forum to discuss RAP's community needs assessments has been offered at Neighborhood Networks 4 Kids meetings.

Finally, a testament to the collaboration is perhaps best illustrated by the impact of the collaboration between CCYF and RAP's joint success with last year's Youth Forums. Most of the 330 youth that participated in the Youth Forums were members of the RAP's CLASS Parks programs, which provided transportation from the CLASS Parks sites to the Youth Forums so that they could participate in the event. The involvement of these 330 youth in this civic engagement initiative would not have been possible without the collaboration of CCYF and RAP, especially the support of Ms. Marilyn White.

Next Steps

The Commission for Children, Youth and Their Families looks forward to a strong and continued partnership with the Department of Recreation and Parks. As the Mayor's nominee to serve as the next Executive Director of CCYF, I look forward to meeting with RAP's General Manager, Mr. Jon Mukri, to discuss how we can better coordinate and align services for the City's most valuable asset: its children, youth and their families.

c: Deputy Mayor Ray Cortines
Elizabeth Diaz, Policy Analyst
Nancy Duong, CAO Analyst
Jon Mukri, General Manager-Department of Recreation and Parks
Marilyn White, CLASS PARKS-Department of Recreation and Parks

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 117

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **IMPACT OF DEFERRING ADDITIONAL POLICE HIRING UNTIL 2007-08**

The Committee requested an evaluation of the impact of possibly deferring new Police hiring above the budgeted 650 until 2007-08. In addition to the discussion, attached is a summary of actual and projected hiring for the current fiscal year and for 2007-08.

To date, the Department has hired 665 Police Officers, and lost 430 Officers due to attrition, for net hiring to date of 235. For the balance of the fiscal year, the Department is projecting hiring of 65 and attrition of 114, which would result in year end hiring of 730 and attrition of 544, for a net increase of 186. This is 51 recruits above the original plan of 135 (hiring would be 80 above plan and attrition would be 29 above plan).

As of April 31, 2007, there is only one more class which would be paid in 2006-07 (recruits begin on May 29, 2007 and get their first paycheck on June 20, 2007). To achieve the maximum savings possible the City could eliminate that class and not hire any more new recruits until the first class of 2007-08, which would begin the Academy on June 25, 2007. Based on current projections, eliminating the May recruit class would result in year-end net hiring of 121 (hiring of 665 and attrition of 544).

The salary savings from deferring the May class would be approximately \$535,000 in 2006-07. However, the savings in 2007-08 would be approximately \$5.8 million, assuming no other changes are made to the hiring and attrition projections.

KLS:MC:04070159

Attachment

2006-07 SWORN HIRING PLAN

<u>P/P Date</u>	<u>Attrition</u>		<u>Hiring</u>		<u>Deployment</u>	
	<u>Plan</u>	<u>Actual</u>	<u>Plan</u>	<u>Actual</u>	<u>Plan</u>	<u>Actual/ Projected</u>
6/24/2006						9311
7/8/2006	11	10	50	53	9350	9354
7/22/2006	29	15			9321	9339
8/5/2006	24	26	50	52	9347	9365
8/19/2006	17	15			9330	9350
9/2/2006	14	19	50	48	9366	9379
9/16/2006	5	14			9361	9365
9/30/2006	17	26	50	50	9394	9389
10/14/2006	8	13			9386	9376
10/28/2006	17	16	50	47	9419	9407
11/11/2006	16	20			9403	9387
11/25/2006	7	13	50	35	9446	9409
12/9/2006	3	13			9443	9396
12/23/2006	12	10	50	42	9481	9428
1/6/2007	17	12			9464	9416
1/20/2007	16	11	50	70	9498	9475
2/3/2007	25	19			9473	9456
2/17/2007	21	24	50	71	9502	9503
3/3/2007	11	10			9491	9493
3/17/2007	21	28	50	67	9520	9532
3/31/2007	11	17			9509	9515
4/14/2007	52	52	50	65	9507	9528
4/28/2007	47	47			9460	9481
5/12/2007	44		50	65	9466	9487
5/26/2007	37				9429	9450
6/9/2007	12		50		9467	9488
6/23/2007	21				9446	9467
TOTAL	515	430	650	665	9434	9432 AVERAGE

2007-08 SWORN HIRING PLAN

<u>P/P Date</u>	<u>Attrition</u>		<u>Hiring</u>		<u>Deployment</u>	
	<u>Plan</u>	<u>Actual</u>	<u>Plan</u>	<u>Actual</u>	<u>Plan</u>	<u>Actual/ Projected</u>
6/23/2007						9467
7/7/2007	26		60		9501	
7/21/2007	52				9449	
8/4/2007	27		60		9482	
8/18/2007	21				9461	
9/1/2007	18		60		9503	
9/15/2007	17				9486	
9/29/2007	19		60		9527	
10/13/2007	18				9509	
10/27/2007	13		60		9556	
11/10/2007	21				9535	
11/24/2007	10		60		9585	
12/8/2007	15				9570	
12/22/2007	12		60		9618	
1/5/2008	31				9587	
1/19/2008	22		60		9625	
2/2/2008	30				9595	
2/16/2008	17		60		9638	
3/1/2008	20				9618	
3/15/2008	17		60		9661	
3/29/2008	16				9645	
4/12/2008	29		60		9676	
4/26/2008	14				9662	
5/10/2008	30		60		9692	
5/24/2008	13				9679	
6/7/2008	27		60		9712	
6/21/2008	19				9693	
TOTAL	554	0	780	0	9587	AVERAGE

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 118

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **REPORT ON WHETHER SPECIAL FUNDING CAN BE USED TO PAY FOR TWO LUPAMS POSITIONS NOT INCLUDED IN THE 2007-08 PROPOSED BUDGET AND FEE ANALYSIS**

The Budget and Finance Committee requested a report on whether special funds could be used to pay for two Land Use Planning and Management System II (LUPAMS II) positions on resolution authority that were not included in the 2007-08 Proposed Budget. The Committee also requested information on whether any of the fees that are charged to developers by the Planning Department can be increased to assist with LUPAMS II support costs. Finally, the City Clerk was requested to report on a review of their fees.

This Office is working with the Planning Department to see if fees that are charged to developers can be increased and is also researching to see if the Building and Safety Enterprise Trust Fund can be used to support the two LUPAMS II positions. The City Clerk has indicated that in addition to the City Clerk, there are 12 City departments that are charging fees or administering special funds that might be used to offset additional LUPAMS II maintenance costs.

The City Clerk has submitted the attached report to the Budget and Finance Committee regarding fees for special services. In 2006-07, the City Clerk conducted a fee analysis and as a result, implemented appropriate fee changes and the respective ordinances.

The City Clerk reports that it is recovering the eligible costs of all service programs with the exception of the Business Improvement District (BID) Program and the photocopying services associated with public records requests. The City Clerk receives approximately 43 percent in reimbursements for the direct costs of the BID Program. The 2006-07 BID Program direct costs total \$799,192 and the 2007-08 budgeted reimbursement is \$346,102.

The California Public Records Act allows for only the actual cost of duplication to be recovered. As such, Citywide photocopying fees have been reduced. The new photocopying fee of \$0.10 per page includes only the actual copying costs. The additional photocopying charge of \$1.00 per request and any staff time associated with research of public records was deleted and is no longer subject to charges.

CAO RECOMMENDATION

That a survey be conducted of the 12 City departments that are charging fees or administering special funds that might be used to offset additional Land Use Planning and Management System II (LUPAMS II) maintenance costs to see if fees or special fund appropriations can be increased to support the LUPAMS II positions in the Office of the City Clerk.

KLS:LLF:11070074

Attachment

FRANK T. MARTINEZ
CITY CLERK

KAREN E. KALFAYAN
EXECUTIVE OFFICER

CITY OF LOS ANGELES
CALIFORNIA

22F (11)
OFFICE OF THE
CITY CLERK

ROOM 360, CITY HALL
200 N. SPRING STREET
LOS ANGELES CA 90012
(213) 978-1020
FAX: (213) 978-1027

2007 MAY -3 PM 4:14
CITY ADMINISTRATIVE OFFICER



ANTONIO R. VILLARAIGOSA
MAYOR

May 3, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395 City Hall
Los Angeles, CA 90012

Members of the Budget and Finance Committee:

As requested at the April 30, 2007 meeting of the Ad Hoc Budget and Finance Committee, the following information is provided regarding fees for special services.

A complete review of our revised fees for special services has been completed. We are currently recovering the cost of all of the eligible fees for service programs provided by the Department with the exception of the Business Improvement District (BID) Program, and photocopying services associated with public records requests.

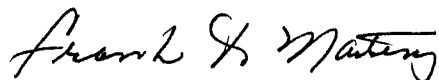
The direct costs for the BID program are \$799,192, for which we receive reimbursement of approximately 43%. The BID Program provides \$26 million in services in districts throughout the City. Business and Property owners self-assess to provide such services as security, sidewalk cleaning, graffiti cleanup, trash pickup, marketing, etc. The benefits that this program provides significantly outweigh the City's administrative costs. An increase of this fee is not recommended at this time.

Photocopying fees Citywide have also been reduced. The new fee of \$.10 per page for photocopying services was calculated to include only actual copying costs. The California Public Records Act allows for only the actual cost of duplication to be recovered. The additional charge of \$1.00 per request and any staff time associated with research of public records request was deleted and is no longer chargeable to the requestor per interpretation of the California Public Records Act.

In the event that non-EAA Union employees settle in the following fiscal year, there is the possibility that some of the approved cost of living salary adjustments can be passed on to some of the Department's special fees. However, this incremental increase is likely to result in less than \$100 in additional revenue.

If you have any questions, please feel free to contact Glenn Robison of my staff, who is available at (213) 978-1082.

Sincerely,

A handwritten signature in cursive script that reads "Frank T. Martinez".

Frank T. Martinez
City Clerk

FTM:KEK:HLW:GR

cc: Karen L. Sisson, City Administrative Officer
Lilly L. Fong, Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 119

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **BUREAU OF STREET LIGHTING – INCREASE SALARY SAVINGS
INCREASE BY ONE PERCENT**

The attached letter from the Bureau of Street Lighting responds to the Committee's one percent increase to the salary savings rate. One percent of the Bureau's Salaries General Account would be \$150,502.

The salaries for the Bureau of Street Lighting are funded by the Street Lighting Maintenance Assessment Fund (SLMAF.) The SLMAF is currently not paying all the eligible Reimbursements to the General Fund, resulting in a General Fund subsidy of \$2.46 million. Increasing the salary savings rate will allow \$150,502 to be added to the Reimbursement to the General Fund, increasing General Fund revenue and lowering the General Fund subsidy to \$2.3 million.

The Bureau of Street Lighting Proposed Budget includes the Five Percent Reduction Package requested by the Mayor's Office. The Bureau included a 2.4 percent increase to their salary savings as part of the reduction, increasing their salary savings rate to eight percent. Any further reductions would negatively impact the department's ability to provide services. We do not recommend further increases to the Bureau's salary savings rate.

KLS:EOS:06070186

Attachment

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

BOARD OF PUBLIC WORKS
MEMBERS

CYNTHIA M. RUIZ
PRESIDENT

DAVID SICKLER
VICE PRESIDENT

PAULA A. DANIELS
VALERIE LYNNE SHAW

JAMES A. GIBSON
EXECUTIVE OFFICER

DEPARTMENT OF
PUBLIC WORKS

BUREAU OF
STREET LIGHTING
1149 S. BROADWAY, STE. 200
LOS ANGELES, CA 90015

ED EBRAHIMIAN
DIRECTOR

(213) 847-2020
FAX: (213) 847-1860

E-mail: streetlighting@lacity.org
World Wide Web (WWW): <http://www.lacity.org>

May 4, 2007

Honorable Bernard C. Parks, Chairperson
Budget and Finance Committee
Room 395, City Hall

Dear Councilmember Parks:

BUREAU OF STREET LIGHTING FISCAL YEAR 2007- 2008 INCREASE SALARY SAVINGS RATE BY 1%

Per your request, the Bureau of Street Lighting (BSL) is submitting the response regarding the increase on the salary savings rate by 1%.

The Bureau of Street Lighting provides essential community services that impact the quality of life and safety of the citizens of City of Los Angeles including maintenance and repair of over 220,000 streetlights throughout the City of Los Angeles. In addition, Bureau staff provides design services, construction oversight, plan review for private development and assessment processing services.

As part of the 5% Budget Reduction in the Mayor's Proposed Budget an increase of 2.4% to our salary savings is being proposed which will increase BSL's salary savings from 5.6% to 8%. Increasing BSL's salary savings rate by another 1% will significantly impact the delivery of street lighting services and will impact public safety and security thereby increasing the City's liability.

If you have any questions, please contact me at (213) 847-2020.

Sincerely,

Ed Ebrahimian, Director
Bureau of Street Lighting

EE:cm

cc: Cynthia M. Ruiz, President, Board of Public Works
Sally Choi, Budget Director, Office of the Mayor
Karen Sisson, CAO
David Hirano, CAO
Elaine Owens-Sanchez, CAO

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

*KLS
6/7 m f*

From: Karen L. Sisson, City Administrative Officer

Subject: **YOUTH PROGRAMS IN THE GENERAL CITY PURPOSES FUND**

At the Budget and Finance Committee meeting on May 2, 2007, the members requested additional information on youth programs funded in the General City Purposes schedule, including the Summer Youth Employment (SYEP), Learn and Earn (LEP), and Clean and Green programs (CGP), to gain a better understanding of how programs differ and to determine whether it is more cost effective to merge them for administrative efficiency. The attached report from the Community Development Department (CDD) provides a description of each program, target population and expected outcomes.

The programs reach similar age groups and by design contribute toward citywide efforts in promoting youth development and reducing gang involvement, although they have distinct outcome expectations. The SYEP provides traditional summer youth employment opportunities in a range of public, non-profit and governmental sector environments to help young people develop transferable work skills and be engaged in positive summer activities. The LEP has a specific focus on helping high school students pass the California High School Exit Exam (CAHSEE) while also providing part-time work opportunities. The CGP also provides summer youth employment, although with a specific focus on urban cleaning and beautification projects to engage youth on environmental issues and teamwork.

CDD reports that it coordinates all three programs within its Youth Opportunity System to ensure a central point of access and referral for the City's low-income youth. The CGP is operated by the Board of Public Works (through a contractor) due to its dedicated activities in public works and clean up activities. Because of the nature of work involved, it is more feasible to have BPW continue with oversight of these activities with CDD's participation in the coordination of youth placement.

KLS:ER:02070244

Attachment

City of Los Angeles
Inter-Departmental Memorandum

2007 MAY -7 AM 9: 24

CITY ADMINISTRATIVE OFFICER

Date: May 4, 2007
To: Emilio Rodriguez, Senior Administrative Analyst II
From: Robert Sainz, Assistant General Manager
Community Development Department

SUBJECT: REPORT BACK ON THE SUMMER YOUTH EMPLOYMENT PROGRAM

On May 2, the Ad Hoc Budget Committee requested additional information about the summer youth employment programs to be funded during Summer 2007, through City General Purpose Funds.

Summer Youth Employment Program (SYEP)

- Traditional summer jobs program. Participants will work 130 hours in the public, non-profit or governmental sector and will be paid \$7.50 per hour.
- Target population: low-income youth ages 14-21
- Expected outcomes: 1,400 young people will develop transferable work skills, be engaged in positive summer activities, and earn wages through their part-time jobs.

Learn and Earn

- Summer program through which youth will attend school half-day, where they will complete a Princeton Review course that focuses on the California High School Exit Exam (CAHSEE), and also will work at a part-time job. The participants will be paid \$7.50 per hour.
- Target population: 11th and 12th grade students who did not pass the California High School Exit Exam (CAHSEE).
- Expected outcomes: 1,400 youth will work in a part-time job and get help preparing to pass CAHSEE, a requirement for high school graduation.

Clean and Green

- An employment, leadership, and service opportunities program providing youth with part-time employment on urban beautification projects throughout the City. The program is operated by Public Works however there is coordination with the department's youth employment programs.
- Target population: youth ages 13-17
- Expected outcomes: 500 youth will have a working and learning experience with a focus on environmental issues and teamwork.

The Community Development Department is responsible for coordinating all summer youth employment programs with the Youth Opportunity System work group leading that effort as part of the overall menu of services for young people in the City. Direct services to youth are managed by City contractors with many years of experience in bringing the summer programs up to scale and up to speed quickly and efficiently.

The Community Development Department has also leveraged resources from the County of Los Angeles which has put another 1,500 young people to work during the summer. Attachment A list all of the various programs coordinated or leveraged by the City of Los Angeles. The goal set by the Mayor for next year is to employ 10,000 young people through the various programs listed. We are anticipating a greater utilization of non-publicly subsidized employment slots. We are working with Los Angeles Chamber of Commerce and the private business community to secure part and full-time employment opportunities.

Please let me know if we can provide any additional information.

RS:LS:PH

FY 2006-2007

Summer Employment Program	Jobseekers Enrolled	Enrollees HIRED	Hire Goal	Actual Hired VS Goal
City Funded ummer Youth Employment Program (Track A & Traditional)	1000	1000	1000	100.0%
City Funded Summer Youth Employment Program (Track B & C - Year Round)	401	401	400	100.3%
LA County Funded Program	1531	1531	1448	105.7%
Learn & Earn (Track A & Traditional)	1000	1000	1000	100.0%
Learn & Earn (Track B & C - Year Round)	400	400	400	100.0%
Hire LA 18-24	1053	426	1000	42.6%
LA City Works (April rollout)	0	91	200	45.5%
Public Works Summer Jobs	200	200	200	100.0%
Clean and Green	1500	1500	1500	100.0%
Recreation & Parks Summer Jobs	600	600	600	100.0%
Total Young Jobseekers	7685	7149	7748	92.3%

	Actual	Goal	Actual VS Goal
Total Hire LA Job Pledges from Employers 2006	2644	1000	264.4%

Job Skills Training / Work Readiness Certification		
	2006	2007
Number of Young Jobseekers Attending Job Skills Workshops:	588	41
Number of Young Jobseekers Attending Work Readiness Certificate sessions:	569	69
Number of Young Jobseekers Completing Work Readiness Certificate:	460	59
Number of Active Hire LA 18-24 Employers:	125	

2006 Hire LA 18-24 Hiring Events	
Total Number of Hiring Events	32

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 121

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **ITA REPORT BACK ON BUDGET QUESTIONS REGARDING LATAX**

The Budget and Finance Committee requested a report from the Information Technology Agency (ITA) regarding when work performed by LATAX Unisys contractors can be brought in-house and when the 10 positions in the budget for LATAX will move from project development to maintenance.

In response to the Budget and Finance Committee's questions, ITA submitted the attached correspondence reporting on the status of the transition of LATAX system support responsibilities from the developer of the system, Unisys, to ITA staff. The ITA also reported on the transition of the ten positions budgeted for LATAX support positions from development of the system to maintenance.

To summarize ITA's reported findings, City staff is working side-by-side with Unisys staff to resolve system problem reports and complete needed system enhancements. The total LATAX support staff is currently four contractors and six City programming staff. Each year 155 new problem reports and 90 new change requests are created.

ITA indicates that the average staff member completes 12 problem reports and six change requests per year. These statistics indicate that any reductions in contractor or ITA LATAX support will increase the backlog of unfinished problem requests and change requests in proportion to any reduction.

The Office of Finance tracks over \$2 billion in payments to the City annually using the system, and the Department has increased business tax revenue by \$17 to \$20 million annually as a result of efficiencies resulting from implementation of the LATAX system.

ITA is experiencing significant difficulty recruiting City staff with experience with the PowerBuilder LATAX application development environment. Outside organizations other than Unisys are not viable sources of Unisys support staff. Currently, Unisys contractor staff is being partially financed through salary savings accruing from ITA LATAX vacancies.

LATAX development resources peaked at 40 staff and ITA position authorities now consist of only ten. While the LATAX system is no longer in the development phase, the current staffing and contractor support levels must be maintained to avoid increases in unresolved problem reports and backlogged system enhancement requests.

Attachment

KLS:JFH:11070086

CITY OF LOS ANGELES

CALIFORNIA

RANDI LEVIN
INTERIM GENERAL MANAGER
CHIEF TECHNOLOGY OFFICER

KEN SIMMONS
EXECUTIVE OFFICER

ASSISTANT GENERAL MANAGERS

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May 4, 2007

REF: OTS-268-07

Honorable Bernard C. Parks, Chair
Budget & Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, CA 90012

**SUBJECT: REPORT BACK ON THE INFORMATION TECHNOLOGY AGENCY
BUDGET QUESTIONS REGARDING LATAX**

Dear Councilmember Parks:

As directed by the Budget and Finance Committee at the budget hearing on April 30, 2007, the Information Technology Agency (ITA) is reporting on when the work currently being performed by Unisys contractors can be brought in-house, and when the 10 position in the budget for LATAX will move from project development to maintenance.

When will work currently performed by Unisys contractors be brought in-house?

Currently City staff work side by side with the contractors to resolve problem reports and complete needed enhancements to the system. As of April 27, 2007, there were 133 problem reports and 148 change requests that were outstanding. There are four (4) contractors and six (6) City programming staff that code the problem reports and change requests. The average staff member completes 12 problem reports and 6 change requests per year. On average, 155 new problem reports and 90 new change requests are created each year. The outstanding change requests address areas such as improvements to e-filing, business continuity enhancements, system performance enhancements and other business efficiencies to speed processing. Reducing the number of staff working on problem reports and change requests will cause the backlog to increase.

It should be noted that the LATAX system tracks over \$2B worth of payments to the City on an annual basis and is an integrated part of the Department's work processes. As a result of the efficiencies gained by implementing the system, the Office of Finance has seen a \$17-\$20M increase in annual revenues over the past two years in business tax

Honorable Bernard C. Parks, Chair
May 4, 2007
Page 2

collections due to accelerated billings, assessments and referrals to collection agencies. In 2007 one out of every five business taxpayers used the LATAx e-Filing application which was a significant increase from approximately one out of every 25 the year before.

Previously ITA identified a concern regarding being able to hire and retain skilled staff to support the system (CF 06-1052). The system was built using Powerbuilder, an application development system. It is difficult to find staff with that skill and as a result, City staff hired into the project must be trained on Powerbuilder. It is also very difficult to find contractors that are proficient in Powerbuilder. The current Unisys contractors were involved in the development of LATAx and, as a result, they are very skilled in supporting the system. If the Unisys contractor positions were replaced by City programming staff positions, there would be a significant drop off in overall productivity until the new staff gained the equivalent experience. ITA will work with Unisys to determine if rates may be negotiated to reduce costs.

When will the 10 positions in the budget for LATAx move from project development to maintenance?

Unisys was contracted to develop the LATAx system and at its peak, had over 40 staff assigned to developing the system. Of the ten resolution authorities in the budget, one position is for the manager of the section, six are programming staff, two are for infrastructure support and one provides computer operations support. The infrastructure support staff provide ongoing support for the servers, operating systems and databases used by the system. Since the system was implemented in November 2004 enhancements have been made to system but the project is no longer in the development phase. The resolution authorities in the budget are needed for the ongoing support of operation of the system.

Respectfully submitted,



Randi Levin
Interim General Manager

cc: Honorable Wendy Gruel, Committee Member
Honorable Jose Huizar, Committee Member
Honorable Bill Rosendahl, Committee Member
Honorable Greig Smith, Committee Member
Karen L. Sisson, City Administrative Officer
Sally Choi, Deputy Mayor

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 122

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **3-1-1 CALL CENTER AM SHIFT COVERAGE AND 3-1-1 CUSTOMER SERVICE REQUEST SYSTEM FUNDING**

The Budget and Finance Committee requested that the Information Technology Agency (ITA) report on plans to provide minimal service for the 3-1-1 Call Center AM Shift, a matrix of the calls received by the 3-1-1 Call Center AM Shift, and minimal service for the Customer Service Request System (CSRS).

The ITA submitted the attached report which responds to the Budget and Finance Committee's inquiries. To summarize ITA's responses, minimal coverage for the 3-1-1 Call Center AM Shift will require the retention of five out of the seven regular authority positions being recommended for elimination in the 2007-08 Proposed Budget. The five positions are two Senior Communications Operators and three Communications Information Representatives. The direct cost of the five positions is \$274,000.

During the AM Shift, the ITA will provide an automated Interactive Voice Response (IVR) system only on the initial call into the City. Approximately 40 percent of the total phone calls received by the 3-1-1 Call Center AM Shift are non-emergency Police-related calls, with the majority of those calls transferred to ASK-LAPD by the 3-1-1 call agents. As such, the IVR can limit the incoming call volume by transferring calls to ASK-LAPD so that the 3-1-1 Call Center AM Shift staff can be reduced and not impact other service areas. There is minimal impact to the Los Angeles Police Department (LAPD) because all non-emergency police calls are already directed to ASK-LAPD which is operated 24 hours a day and seven days a week.

ITA indicates that the 3-1-1 Call Center AM Shift receives about five to six percent of the total 3-1-1 calls received. A detailed breakdown of the AM Shift calls received by the 3-1-1 Call Center is included in ITA's report back.

Minimal support for the scaled back implementation of the Customer Service Request System (CSRS) will require the retention of six of the 10 positions on resolution authority, the addition of one Senior Management Analyst I and one Director of Systems. The direct cost of the positions is \$810,000. In addition, ITA recommends the reappropriation of \$477,000 for contractual services, \$60,000 for software license and \$120,000 for equipment for the new 3-1-1 Call Center Facility that will be on the 10th floor of City Hall East.

The ITA requests that \$1,741,000 be reappropriated for the restoration of the 3-1-1 Call Center AM Shift at a reduced level, the new 3-1-1 Call Center Facility, and restoration of the CSRS at a minimal level. The \$1,741,000 is comprised of the 2006-07 unexpended balance of 3-1-1 funds totaling \$813,000 and Unappropriated Balance of 3-1-1 designated funding of \$928,000

ITA's letter proposes the continuation of the 3-1-1 CSRS project using available 2006-07 funding from the Unappropriated Balance and ITA's budgeted funds. Therefore, there is no fiscal impact to the General Fund for 2007-08. The continuation of this project is funded within existing resources.

KLS:LLF:11070082

Attachment

City of Los Angeles
California

RANDI LEVIN
INTERIM GENERAL MANAGER
CHIEF TECHNOLOGY OFFICER

KEN SIMMONS
EXECUTIVE OFFICER

ASSISTANT GENERAL MANAGERS

Clifford K. Eng
Kamton M. Joe
Mark P. Wolf



ANTONIO R. VILLARAIGOSA
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www.lacity.org/ita

May 3, 2007

REF: EXE-264-07

Honorable Bernard C. Parks, Chair
Budget & Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, CA 90012

**SUBJECT: REPORT BACK ON THE INFORMATION TECHNOLOGY AGENCY
BUDGET QUESTIONS 283 AND 287
3-1-1 AM SHIFT COVERAGE AND 3-1-1 CUSTOMER SERVICE
REQUEST SYSTEM FUNDING**

As directed by the Budget and Finance Committee at the budget hearing on April 30, 2007 the Information Technology Agency (ITA) is reporting on plans to provide at least a minimal service for the 3-1-1 AM shift and to assure the continued development of the Customer Service Request System (CSRS). This response addresses the information requested for Budget and Finance Questions System ID #'s 283 and 287.

3-1-1 AM Shift

Recommendation: Restore two (2) Senior Communications Operator regular position authorities and three (3) Communications Information Representative regular position authorities at a cost of \$273,861 to maintain the service of the 3-1-1 AM shift.

The Committee has expressed concern to provide some minimal coverage for the 3-1-1 AM shift to assure that constituents be able to call for service to a "live" person as opposed to an automated menu and recording system. Currently the average AM shift call volume ranges from 4000 to 5000 calls per month, about 5-6% of the total 3-1-1 calls received. In order to continue to keep the AM shift open at minimal staffing, ITA is recommending that five (5) out of the seven (7) positions recommended for elimination in the proposed budget be retained. ITA will provide an automated Interactive Voice Response (IVR) system only on the initial call into the City. Approximately 40% of the total AM shift calls are non-emergency Police-related calls, with the majority transferred to ASK-LAPD by the 3-1-1 call agents. Consequently, the IVR can assist in limiting the



An Equal Employment Opportunity – Affirmative Action Employer



In-coming call volume by providing a direct transfer to ASK-LAPD so that staff can be reduced and not impact City service provision. There is minimal impact to LAPD as currently, all non-emergency police calls are directed to their ASK-LAPD operators who staff the operation 24x7. Councilman Smith has also requested a break-down of AM shift calls. Using the most recent March statistics as a typical month, the following provides this distribution of AM calls. The services listed are those in which 3-1-1 currently initiates action by directly contacting the appropriate department. The remainder represents either calls which are information only or service requests that must be distributed to departments when they become operational the following day. Eventually, the CSRS system will automatically distribute service requests directly to departments:

Services Requested	Average monthly AM shift calls
Ask LAPD (Police non-emergencies); calls transferred	1826
DOT (ie. Illegal parking issues); calls handled or transferred	555
GSD (ie. Street Services/trees down; pothole problems); calls handled or dispatched	149
DWP (ie. Emergency knockdowns); calls dispatched	134
Animal Services (ie. Dead or stray animals); calls transferred	64
Other Types of Services; calls handled by agents	1937
Total	4665

3-1-1 CSRS Project and New Call Center

Recommendation: Restore six (6) of 10 previous resolution positions and add one (1) Senior Management Analyst I resolution authority for configuration management and 1 Director of System resolution authority to act as project manager at a total cost of \$809,655. Re-appropriate approximately \$477,000 for contractual services and \$60,000 for software licenses and \$120,000 for equipment needed for the new 3-1-1 Call Center Facility that will be on the 10th floor of City Hall East.

ITA has been working diligently on laying the groundwork necessary for a phased implementation of the Citywide Service Request System (CSRS) project. Motorola has been contracted to provide software services and staff have been working with Public Works Office of Beautification to complete the first application, graffiti abatement requests.

The Mayor's Office has requested ITA to delay the phased implementation of CSRS until a more thorough evaluation has been conducted of other cities of comparable size, such as New York City, which has more experience in the complete implementation of their 3-1-1/CSRS system. In light of this direction, ITA has scaled back the project for the remainder of the fiscal year and is working with Motorola to determine how the CSRS software services can be maintained at a minimal level.

Honorable Bernard C. Parks, Chair
May 3, 2007
Page 3

In order to continue the CSRS at a minimal level, ITA proposes that six of the 10 positions allocated for this project be continued. The positions consist of one (1) Information Systems Manager I, one (1) Senior Systems Analyst II, two (2) Programmer/Analyst IV, one Communications Engineer IV, and one (1) Senior Systems Analyst I. ITA also requests the addition of a Senior Management Analyst I position responsible for configuration management, analyzing the business needs and processes of the operating departments. ITA also requests the addition of a Director of Systems (DOS) position to replace the contract project manager at a reduced cost.

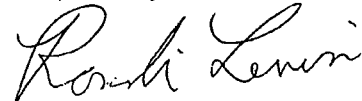
ITA has received MICLA funding in FY06-07 to build out a new 3-1-1 Call Center Facility on the 10th floor of City Hall East. The new facility will expand the number of agent stations from 35 to 59 and will free current mall space for a commercial or other development. In addition, proposed training rooms can be used to handle calls adding an additional 20 stations. In order to complete the build out, workstations and other equipment that has an expected life span less than 6 years and therefore not MICLA eligible will be needed. ITA is requesting \$120,000 to meet those needs.

Re-appropriation of the requested funds will allow the City to complete the graffiti CSRS implementation, complete implementation of cable complaints, complete TAMS for LADOT, and begin working with Animal Services on integrating with CSRS. It will also provide funds to complete the implementation of the new 3-1-1 Call Center Facility.

Fiscal Impact

There is no impact to the proposed budget. With the slow down of the current CSRS project, ITA estimates that there will be approximately \$813,000 from this year's budgeted amount. There is also a balance of \$928,000 from the Unappropriated Balance slated for 3-1-1/CSRS for this fiscal year. With the support of the CAO, ITA requests that this combined amount of \$1,741,000 revert back to the General Fund and \$1,741,000 be re-appropriated for the restoration of the AM shift at a reduced level, necessary funding for the new 3-1-1 call center, and restoration of the CSRS at a minimal scale.

Respectfully submitted,



Randi Levin
Interim General Manager

cc: Honorable Wendy Gruel, Budget & Finance Committee Member
Honorable Jose Huizar, Budget & Finance Committee Member
Honorable Bill Rosendahl, Budget & Finance Committee Member
Honorable Greig Smith, Budget & Finance Committee Member
Karen L. Sisson, City Administrative Officer
Sally Choi, Deputy Mayor

Honorable Bernard C. Parks, Chair
May 3, 2007
Page 4

bcc: ITA Executive Team
William Creitz, CAO
Lilly Fong, CAO
Kyle Millager, ITA
Tita Zara, ITA

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 123

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*Subject: **DEPARTMENT OF AGING – TEN YEAR SENIOR SERVICES NEEDS ASSESSMENT**

The attached memorandum from the Department of Aging (Aging) responds to the Budget and Finance Committee's instructions to report back with a ten-year service plan that addresses the needs of the City's senior resident population.

Aging proposes to release a ten-year Senior Services Master Plan that provides planning recommendations to the City elected officials within 120 days using existing Department resources. Aging will base its recommendations on existing service plans, research findings and feedback from both industry experts and senior advocacy groups.

Aging proposed methodology for development of the ten-year plan is summarized, as follows:

1. Assemble demographic, health and social data from governmental and private entities;
2. Identify key policy and funding issues;
3. Evaluate existing senior service plans;
4. Identify promising strategies and programs implemented in other big cities;
5. Examine existing and needed service coordination between the City and County of Los Angeles;
6. Assess local impact of relevant federal and state policies;
7. Survey City departments on existing programs, facilities and service gaps;
8. Conduct phone and personal interviews with various stakeholders; and,
9. Develop ten-year planning recommendations that are based on study findings.

FISCAL IMPACT

There is no additional impact on the General Fund. The Department of Aging will develop a ten-year senior service plan within existing Department resources, for an estimated cost of \$20,000 in staff overtime and publication expenses.

KLS:BCH:08070331

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 4, 2007

To: Honorable Bernard C. Parks, Chair
Budget and Finance Committee

From: Laura Trejo, General Manager
Department of Aging *Laura Trejo*

Subject: **REPORT BACK ON LOS ANGELES SENIOR SERVICES MASTER PLAN**

Significant consensus exists on the needs of seniors in our community. Building on the work already completed within the aging network, the Los Angeles Department of Aging proposes to draft the Los Angeles Senior Services Master Plan with the goal of informing the Mayor and Council of areas that must be addressed in consideration of the growing needs of an aging population. The following methodology will be used:

1. Assemble the background data necessary to inform effective planning.
 - a. Update relevant demographic, health, economic, and socio-cultural data, including projections, from existing City, County, State, Federal, university, and research firm data sources
 - b. Identify and select key priority areas for policy, program and funding
 - c. Evaluate recent strategic planning reports and when appropriate forward their recommendation for consideration, among these:
 - i. California Master Plan for Aging
 - ii. Los Angeles Expert Advisory Task Force Report on Senior Issues
 - iii. Long Term Care Strategic Plan
 - iv. City's Area Plan
 - v. County's Area Plan
 - vi. California Department of Aging Strategic Plan
 - vii. Topic specific local studies
 - d. Identify strategies, programs and policies used by other municipalities comparable to Los Angeles in size and demographic profile (New York, Chicago, Miami, Houston and Philadelphia)
 - e. Examine City and County of Los Angeles coordination and communication on senior issues
 - f. Assess the impact federal and state public policy decisions may have on Los Angeles
 - g. City departments will be asked to provide information on:
 - i. Existing programming
 - ii. Condition of existing facilities used for senior services
 - iii. Gaps in services
 - h. Conduct via phone or in person interviews with local key informants

Page 2
Honorable Bernard C. Parks
May 4, 2007

2. Develop strategic planning recommendations based on the findings from the background research, interviews with experts in the field of aging, prior reports, input from senior advocate groups

Time line

To conserve resources, the plan will be developed using existing staff and completed within 120 days to allow incorporation of findings from Senior Counts survey.

Budget Request

Staff Over-Time	\$15,000
Printing and Binding	<u>\$ 5,000</u>
	\$20,000

LT:JD:kb:m:\06-07\Report Back Senior Services Master Plan

cc: Karen L. Sisson, City Administrative Officer
Bernyce Hollins, Administrative Analyst II, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **SOLID WASTE FEE**

Your committee requested a report from the City Administrative Officer on implementation issues associated with acceleration of the scheduled solid waste fee increase. In addition, CLA staff inquired about the estimates for the solid waste fee in the Proposed Budget.

The revenue estimates in the Proposed Budget for the increases in the solid waste fee were made before receipts data from the most recent fee increase were available. Based on later information and further analysis, we believe additional revenue will be received in both FY 2006-07 and FY 2007-08. Attachment A revises the estimate for FY 2006-07 from \$116.4 million to \$120.5 million and the FY 2007-08 estimate from \$168.1 million to \$181.5 million. The total increase is \$17.5 million.

The monthly solid waste fee for single family dwellings is scheduled to increase to \$22.00 from \$18.00 on July 1, 2007. The fee for units within multi-family dwellings will increase proportionally so that it remains two-thirds the amount of the fee imposed on single-family dwellings. Because the ordinance providing for this scheduled fee increase underwent the required public notice process, the July 1, 2007 fee increase requires no further notice. The Department of Water and Power will begin billing at the new rates on all statements issued after June 30, 2007.

The Municipal Code further provides for an additional fee increase on July 1, 2008 to \$26.00 and a proportionate increase for units within multi-family dwellings to \$17.16. The Proposed Budget would accelerate the date of that increase to January 1, 2008. An ordinance enacting this accelerated fee increase would be subject to public notice requirements. Funding for required public notice is included in the Proposed Budget. Attachment B outlines the process, and shows the time-line for notification of the proposed fee increase to residents, so that the new rate can be included on all residential bills issued after December 30, 2007.

At your request, we have also reviewed the timing of projected receipts and other assumptions included in the Proposed Budget.

- Due to lags between billing by DWP, payment by customers, and remittance of collections by DWP to the City, only a small portion of a fee

increase is typically remitted to the City in the month following the effective date of a fee increase. Additional amounts of revenue from the newly increased fee are received each month for the first six months. For estimating purposes, the first full month of City revenue typically trails the effective date of the new fee by about three months.

- The first full year of collection at the new rate occurs fifteen months after the effective date of the new fee.
- The scheduled July 2007 fee increase to \$22.00/\$14.52 (single family/multiple family dwellings) will result in increased revenue beginning in October 2007 – nine months of FY 2007-08.
- The proposed accelerated fee increase to \$26.00/\$14.52 (single family /multiple family dwellings) effective January 1, 2008, will result in increased revenue beginning in April 2008 – three months of FY 2007-08.
- An ordinance further accelerating the effective date of the fee to December 1, 2006 from January 1, 2007 would result in increased revenue effective March 1, 2007 – four months of FY 2007-08.
- Each additional month the effective date of the increase (to \$26.00/\$17.16) is accelerated would add one additional month of revenue at the higher rate.
- For each full month before January 2008 that the fee increase is accelerated, an additional \$2.75 million can be expected.

Attachments C-1 and C-2 display recent experience with the solid waste fee (formerly Sanitation Equipment Charge) and anticipated revenue from the fee increases currently provided in the Municipal Code and in the Proposed Budget.

Attachment D shows:

- actual changes to the fee since 1990;
- future changes provided by ordinance; and
- the fee acceleration provided in the Proposed Budget.

This Office was recently made aware of the pending settlement of a claim brought forward by BLT Alameda, LP regarding the Central Los Angeles Recycling and Transfer Station (CLARTS). The Solid Waste Resources Fund is expected to contribute \$1.5 million towards this settlement; however this expense was not included in the FY 2007-08 Proposed Budget. It is recommended that first consideration be given to this unbudgeted expense in light of the revenue changes discussed herein.

Attachments

Attachment A

SOLID WASTE FEE (FORMERLY SANITATION EQUIPMENT CHARGE) COMPONENT OF SOLID WASTE RESOURCES REVENUE FUND

(Thousand Dollars)

	<u>Estimates</u> in FY 2007-08 Proposed Budget	<u>Revised</u> April 30, 2007	<u>Rate \$</u> (shown separately for Single Family/ Multi-Family Residences)	
Fiscal Year 2006-07				
JULY	\$7,331	\$7,331	11.00/ 7.27	
AUGUST	8,451	8,451		
SEPTEMBER	5,353	5,353	18.00/11.88	Effective September 11, 2006
OCTOBER	7,353	7,353		
NOVEMBER	10,813	10,813		
DECEMBER	9,263	9,263		} City begins receiving revenue at \$18.00/11.88 rate.
JANUARY	12,487	12,487		
FEBRUARY	10,690	10,690		
MARCH	12,073	12,073	Actual	
APRIL	10,869	12,000	Estimate	
MAY	10,870	12,275		
JUNE	10,870	12,375		
TOTAL	<u>\$116,423</u>	<u>\$120,464</u>		
Change		\$4,041		
Fiscal Year 2007-08				
JULY	\$11,500	\$12,375	22.00/14.52	Effective July 1, 2007
AUGUST	11,500	12,375		
SEPTEMBER	11,500	12,375		
OCTOBER	14,000	15,125		} City will begin receiving revenue at \$22.00/14.52 rate.
NOVEMBER	14,000	15,125		
DECEMBER	14,000	15,125		
JANUARY	14,000	15,125	26.00/17.16	Proposed effective January 1, 2008
FEBRUARY	14,000	15,125		
MARCH	14,000	15,125		
APRIL	16,520	17,875		} City would begin receiving revenue at \$26.00/18.48 rate.
MAY	16,520	17,875		
JUNE	16,530	17,875		
TOTAL	<u>\$168,070</u>	<u>\$181,500</u>		
Change		\$13,430		
Two Year Change		\$17,471		
Each month of additional acceleration of the \$26.00/17.06 fee increase before January 1, 2008		\$2,750		

Attachment B

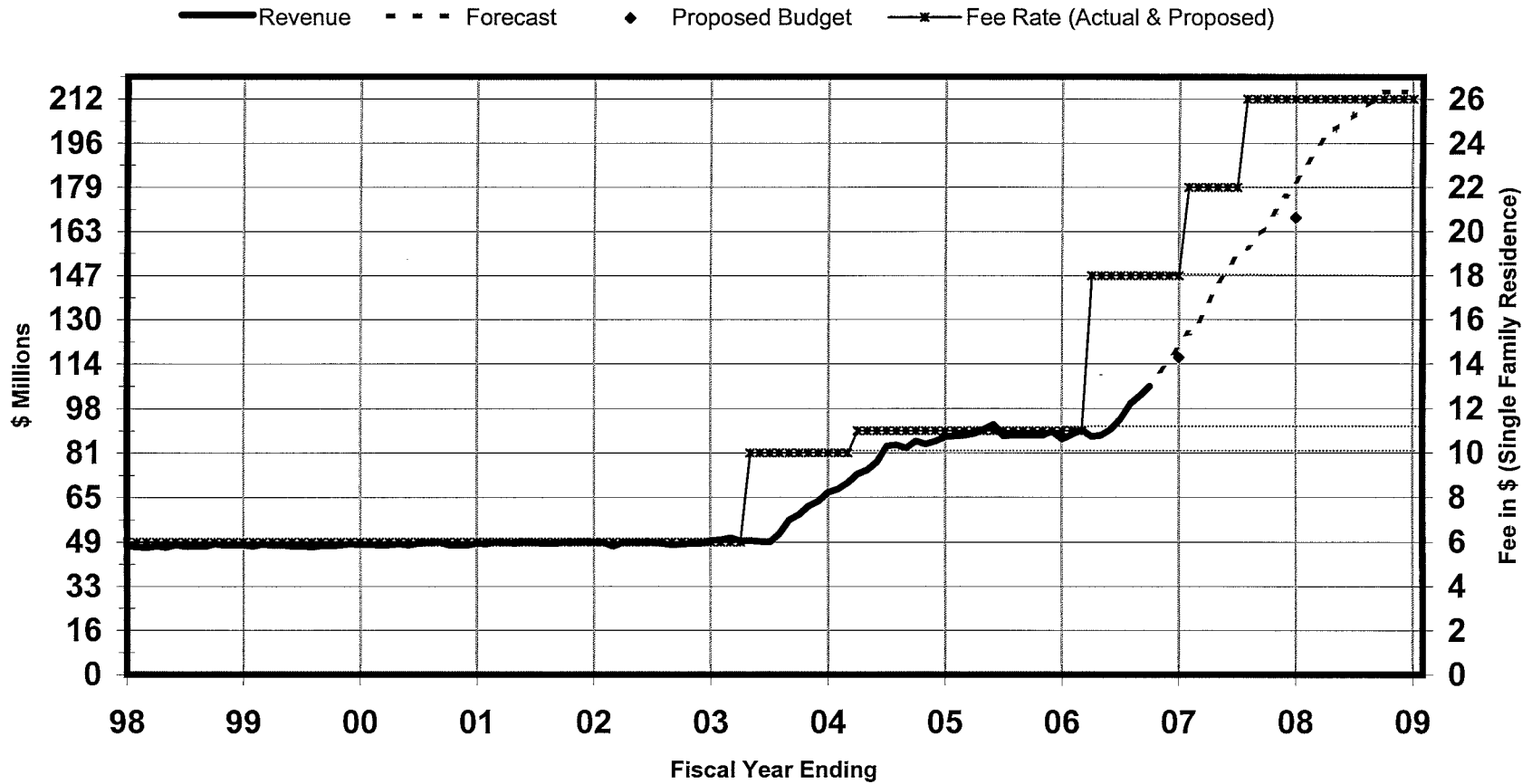
PROPOSED TIMELINE FOR SOLID WASTE FEE INCREASE

PERIOD	ACTIVITY	COMMENTS
June 2007	Council/Mayor approve accelerated fee increase in the Proposed Budget	Assumes approval is obtained as part of the Adopted Budget.
July 2007	Draft the notice	This can be modeled after prior notices, estimate 1 week.
July 2007	City Attorney review and approve notice; draft Ordinance	Time required dependant on City Attorney, estimate 2 weeks.
July 2007	Prepare notification address list.	Sanitation and DWP coordination of notification list.
August 2007	Printing/Mailing	These activities overlap as batches of notices are mailed once printed. Estimated time to print and mail all notices is three weeks.
September – October 2007	Comment Period	45 days effective the postmark date of the last batch of notices mailed.
October – November 2007	Public Hearing at Council	Assume 1-2 weeks, depending on whether one or two readings are required.
November 2007	Mayor approval	Time required dependent on Mayor, estimate 1 week.
December 2007	Publishing of Ordinance	30 days.
January 1, 2008	Effective date of accelerated rate increase	Single family increased to \$26; multi-family increased to \$17.16.

The timeline above is based on an effective date of January 1, 2008 as assumed in the Mayor's Proposed Budget. Based on historical information for the rate increase that became effective in 2006-07, it is conceivable that this timeline could be accelerated by approximately three months to achieve an effective date as early as October 2007.

Attachment C-1

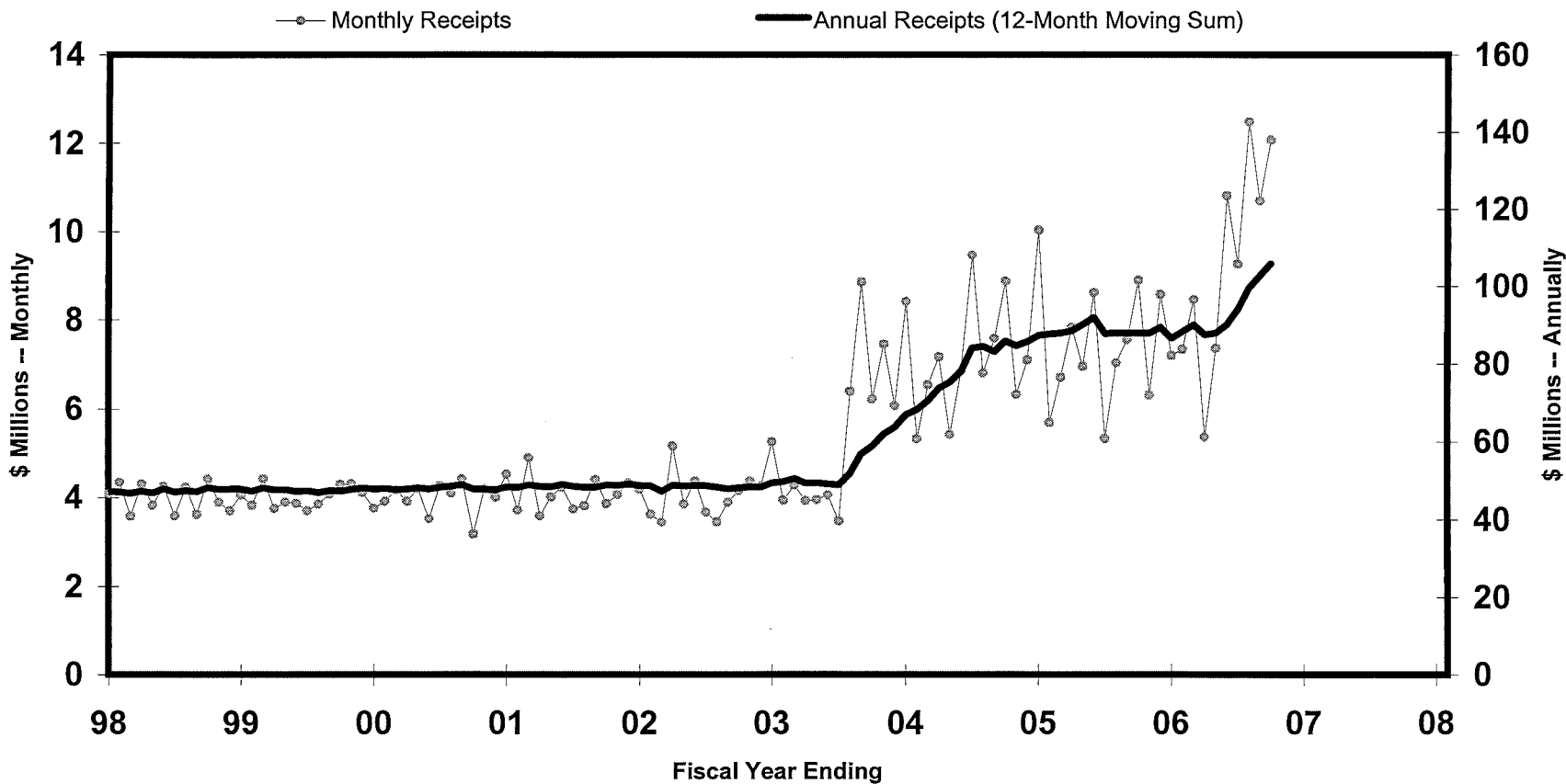
Solid Waste Increases and Full-Year Revenue



Full-year revenue was achieved in the 15th month following the fee increases in October 2003 and September 2004. Receipts increase gradually in the months following a fee increase and, for estimating purposes, typically add to the revenue base three months following the implementation date.

Attachment C-2

Solid Waste Fee* Monthly and Annual Receipts



Monthly receipts are volatile; receipts are more predictable when viewed as 12-month moving sum.

*Formerly Sanitation Equipment Charge

Attachment D

SOLID WASTE FEE

(FORMERLY THE SANITATION EQUIPMENT CHARGE)

History of Rate

FISCAL YEAR	MONTHLY RATE	
	Single Family Dwelling	Units Within Multi-Family Property
1990-91	\$3.00	\$2.00
1991-92	3.00	2.00
1992-93	3.00	2.00
1993-94 (February 1993)	6.00	4.00
1994-95	4.00	3.00
1995-96	4.00	3.00
1996-97	6.00	4.00
1997-98	6.00	4.00
1998-99	6.00	4.00
1999-00	6.00	4.00
2000-01	6.00	4.00
2000-02	6.00	4.00
2002-03	6.00	4.00
2003-04 (October 2003)	10.00	6.60
2004-05 (September 2004)	11.00	7.27
2005-06	11.00	7.27
2006-07 (September 2006)	18.00	11.88
2007-08 * (July 2007)	22.00	14.52
2007-08 + (January 2008)	26.00	17.16
2008-09 * (July 2008)	26.00	17.16
2009-10 * (July 2009)	28.00	18.48

* As provided in ordinance No. 177,783 (Section 66.41, Article 6.1, L.A.M.C.)

+ As provided in the 2007-08 Proposed Budget.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 125

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mt*Subject: **REDUCTION OF 1% AND 3% TO THE GENERAL CITY PURPOSES BUDGET**

The Committee requested a reduction of 1% and 3% to the proposed 2007-08 General City Purposes (GCP) Budget. The proposed 2007-08 GCP Budget is \$103,070,893. A 1% reduction is equal to \$1,030,709. A 3% reduction is equal to \$3,092,127.

About 50% of the GCP Budget is for mandatory expenses related to the City's payroll (e.g., Medicare contribution of \$33.5 million) and cannot be reduced. The remaining 50% is for both for necessary and discretionary expenses that have been primarily budgeted at the direction of the Mayor and/or the City Council.

Examples of necessary expenditures include:

- Film LA (contract)
- Official Notices (City Clerk)
- Local Agency Formation Commission
- Annual City Audit/Single Audit

Examples of discretionary expenditures include:

- City Memberships (already under review)
- Social Services (Adult Day Care Centers, Home Delivered Meals for Seniors, Homeless Shelter Program)
- Community Services (Council District Community Services, Heritage Month Celebrations and Special Events, Downtown on Ice and Festival of Lights)
- Youth and Family Services (L.A. Bridges, Youth Employment Program, LA's BEST, Anti-Gang and Youth Development)
- Other (Mayor's Performance Management Unit, Special Fund Fee Waivers, Official Visits of Dignitaries)

The CAO has already been instructed by Council to report back on all GCP line-items including the value of memberships, a possible service delivery efficiency and DWP funding of one item. However, we believe that specific reductions to discretionary items that have been placed in the GCP Budget by the Mayor and Council are policy decisions that are properly made by the Mayor and Council.

KLS:DDL

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 126

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
gmt*Subject: **DEPARTMENT ON DISABILITY – APPROPRIATE FUNDING LEVEL FOR LIVING IN LOS ANGELES (LILA) INTERNET-BASED RESOURCE SERVICE**

The Budget and Finance Committee instructed our Office to report back on an appropriate level of funding for the Living in Los Angeles (LILA) internet referral service operated by the Regents of the University of California, Los Angeles (UCLA). Based on our analysis of current-year costs, it appears that the \$33,800 currently allocated for the 2007-08 LILA contract is sufficient to maintain the website, fund data updates and potentially provide for minimal system enhancements.

Background:

The LILA project was originally authorized by Council and the Mayor in June 2002 for an initial nine-month term and funding of \$50,000. The objective of the project was to create a website for disabled residents, their families and industry professionals, which would provide self-guided resource referrals by subject matter or geographic regions throughout the City and County of Los Angeles. Following two contract extensions, the initial development contract expired on June 30, 2004. A second contract was then executed for updates and maintenance of the established website service, for an initial term of July 1, 2004 through June 30, 2005 and funding of \$75,000 in General Fund monies.

The total funding dedicated to the LILA project through June 30, 2007 totals \$436,140, as follows:

Development Phase			
Performance Term	1/1/02 – 9/30/02	10/01/02 – 6/30/03	7/1/03 – 6/30/05
New Funding	\$50,000	\$72,000	\$89,140
Cumulative Funding	\$50,000	\$122,000	\$211,140
Upgrade and Maintenance Phase			
Performance Term	7/1/04 – 6/30/05	7/1/05 – 6/30/06	7/1/06 – 6/30/07
New Funding	\$75,000	\$75,000	\$75,000
Cumulative Funding	\$75,000	\$150,000	\$225,000

Funding for the LILA contract was reduced through the Mayor's 2007-08 Proposed Budget, as follows:

2006-07 Funding *	Mayor's Reduction	2007-08 Contract Allocation **
\$75,000	\$(41,200)	\$33,800

* Funding allocation reflected as \$90,000 in the Supplemental Schedules publication. Actual contract award is only \$75,000, with the difference of \$15,000 used for grant writing services.

** Reflects corrected balance, as requested by the Department through its April 27, 2007 memorandum to the Budget and Finance Committee.

Findings:

Under the terms of the 2007-08 contract amendment, the following deliverables were provided for the reimbursement levels indicated, as follows:

Deliverables:	Reimbursement
Update website listings;	\$ 7,000
Add simplified front page, new databases and query connectivity;	8,000
Add client tracking features to provide administrative tool for service providers;	36,000
Create uploading features for self-guided data entry by industry professionals;	5,000
Oversee data entry on new BlueCurb* website by at least 2000 LILA users;	1,250
Assess BlueCurb website features based on focus group feedback;	5,750
Resolve system errors for BlueCurb website; and,	4,000
Publicize BlueCurb website following successful testing of user features.	8,000
Total:	\$75,000

* The BlueCurb website is a community forum created to support the exchange of ideas and interest among people with disabilities, their families, friends and caregivers.

The majority of cost itemized under the 2006-07 contract are for new or upgraded website features, with slightly over nine percent of cost supporting updates of the website listings. Disability reports that the annual cost associated with LILA's server was given as \$9,600 by the UCLA website operator. Based on the server cost and the 2006-07 data update fee, the minimum funding needed to maintain the website totals \$16,600, or slightly under half of the funding currently allocated for the LILA contract through the Mayor's Proposed Budget. Given this, it appears that a funding level of \$33,800 would be sufficient to sustain the website and potentially fund minimal improvements.

FISCAL IMPACT

Funding for the Living in Los Angeles contract will require a General Fund commitment of \$33,800, based on the adjusted allocation level reflected in the 2007-08 Mayor's Proposed Budget.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 127

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
Bgmt*

Subject: **BOARD OF PUBLIC WORKS – ONE AND THREE PERCENT BUDGET REDUCTIONS TO THE PROPOSED BUDGET**

The attached letter from the Board of Public Works responds to the Committee's one percent and three percent cuts to the Mayor's Proposed Budget.

The General Fund portion of the Board's \$20,614,777 budget is \$15,141,616. One percent and three percent reductions equal cuts of \$151,416 and \$454,248, respectively. The Board has identified the Graffiti Removal Program for both cuts. A one percent reduction would result in a 1.7 percent decrease in graffiti eradication. A three percent reduction would result in a five percent decrease in graffiti eradication.

Reductions in graffiti abatement will adversely affect quality of living in neighborhoods where these services are normally provided.

KLS:LPL:06070221

Attachment

LLP 6

**BOARD OF PUBLIC WORKS
MEMBERS**

CYNTHIA M. RUIZ
PRESIDENT

DAVID SICKLER
VICE PRESIDENT

PAULA A. DANIELS
PRESIDENT PRO TEMPORE

VALERIE LYNNE SHAW
COMMISSIONER

**CITY OF LOS ANGELES
CALIFORNIA**



2007 MAY -4 PM 3:01

CITY ADMINISTRATIVE OFFICER

**OFFICE OF THE
BOARD OF PUBLIC WORKS**

200 NORTH SPRING ST.
Room 361, CITY HALL
LOS ANGELES, CA 90012

JAMES A. GIBSON
EXECUTIVE OFFICER

GENERAL INFORMATION

Tel: 213-978-0261
Fax: 213-978-0278

<http://www.lacity.org/BPW>

ANTONIO R. VILLARAIGOSA
MAYOR

May 4, 2007

Councilmember Bernard Parks, Chair
Budget and Finance Committee
City of Los Angeles
200 N. Spring Street, Room 460
Los Angeles, CA 90012

**RE: BOARD OF PUBLIC WORKS BUDGET REDUCTION EXERCISE - MAYOR'S
PROPOSED BUDGET FY 2007-08**

Dear Councilman Parks:

As requested by the Budget and Finance Committee, the Board of Public Works is submitting its one and three percent budget reduction exercise. As previously noted at the Committee's Budget Hearings, the Board Office recognizes the difficult financial challenges faced in the upcoming fiscal year and is committed to doing our fair share to address those challenges.

The Office of Community Beautification (OCB) services comprise 50 percent of the Board of Public Works' (BPW) budget. The Graffiti Removal portion represents 45 percent of the BPW budget which is 86% General Fund. As these services are highly valued by Council members and the public, the remaining divisions have borne the brunt of past reductions, and the Mayor's Proposed FY 2007-08 budget recommends a \$200,000 cut in salaries funding from the Office of Accounting. Reductions in these areas will result in operational vulnerabilities and increased liability. Therefore, the Board's two budget reduction packages (one and three percent) recommend that further reductions be taken from the Graffiti Removal Program. A one or three percent cuts in this area would have the least damaging effect. A one percent cut of \$151,788 would reduce the estimated 26 million square feet of graffiti eradicated by 1.7 percent. A three percent cut of \$455,365 would reduce graffiti eradication by nearly 5 percent.

Recent budget reductions experienced by the Board Office include the elimination of the Nuisance Alley Conversion program, a fifty-percent reduction of the Public Affairs Office (PAO), elimination of six positions when the Bureau of Financial Management and Personnel Services was merged with the Board. This also resulted in various expense account reductions and a salary savings factor increase. These actions have all had significant impact on the Board's operations, including an overburdened staff and reduced morale.



Should you have any further questions regarding the Board's proposed budget, please contact me at (213) 978-0251, or Jim Gibson at (213) 978-0250.

Sincerely,

A handwritten signature in black ink that reads "Cynthia M. Ruiz". The signature is written in a cursive style with a large, prominent "R" at the end.

CYNTHIA M. RUIZ, President
Board of Public Works

cc: Karen L. Sisson, City Administrative Officer
✓ Lawrence Llave, CAO Analyst for BPW

BUDGET REQUEST/REDUCTION PACKAGE

CAO 696B (Rev. 8-05)

1. DEPT: Public Works		2. BUREAU: Board of Public Works		3. PACKAGE TITLE: 1 Percent Reduction		
4. PROGRAM TITLE: Citywide Waste Management Coordination			5. SERVICE TITLE Community Greening, Beautification & Graffiti Removal		6. Provides services to Youth and Children: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
7. DESCRIPTION OF WORK OUTPUT AND OBJECTIVE: See attached.					8. PRIORITY Current _____ New _____ Reduction 3-1 FY 2007-08	
9. RESOURCES REQUIRED NEXT FISCAL YEAR:						
POSITIONS				FUNDING		
No.	Class Code and Title	Gross Salary	3.2% Less Salary	Net Salary	Account No. & Title	Amount
			-	\$0.00	Salaries-General (1010)	\$0
					Salaries-Overtime (1090)	
					Printing & Binding (2120)	
					Traveling (2130)	
					Contractual Svs (3040)	(151,788)
					Transportation (3310)	
					Office & Admin (6010)	
					Operating Supplies (6020)	
					Equipment (7300)	
					Special (9200)	
					Subtotal	(\$151,788)
					Interdepartmental	
					Department Total	(\$151,788)
					Related costs: *	
0	Totals	-	-	\$0	Related cost - Benefit	
10. LEGAL BASIS <input type="checkbox"/> State <input type="checkbox"/> Federal Law <input type="checkbox"/> Ad Code/Ordinance <input type="checkbox"/> City Charter <input checked="" type="checkbox"/> Policy or Budget					Related cost - Other	
11. LAYOFFS: Projected number if package is not funded. 0					Total Cost	
12. SOURCE OF FUNDS: List all proposed funding sources and basis for use of special purpose funds. General Fund						
13. REVENUE: State the revenue impact of funding or not funding this package and any required ordinance changes. None.						
14. IMPACT: Detail quantifiable and non-quantifiable benefits of funding this package, including the impact on service levels, and any consequences of not funding it. Reduction in the amount of graffiti removed annually by approximately 426,952 square feet. See attached.						
Preparer's Name: Teri Schmidt		Title: Senior Management Analyst II			Extension: 8-0256	

BUDGET REDUCTIONS FY 2007-08

Graffiti Removal Program – 1% Reduction to BPW

REDUCTION DESCRIPTION AND SERVICE IMPACT:

Office of Community Beautification (OCB) services comprise 50 percent of the Board of Public Works Budget. Of this amount, the Community Greening, Beautification and Graffiti Removal service comprises 45 percent of the entire budget. As OCB programs are direct services and are highly prized by the Council members and the community, the Board Office's other divisions, which provide essential, less visible, indirect services, have borne the brunt of past reductions. These divisions cannot be further reduced without seriously affecting operations. Therefore, the Board is reluctantly providing budget reduction options from the Community Greening, Beautification and Graffiti Removal Service. Recognizing that the funds identified for reduction have a direct impact on the priorities outlined in the Mayor's previous budget, we respectfully request that if possible, any reductions to these programs be avoided. This reduction would impact the number of square feet of graffiti eradicated by OCB's community based graffiti removal contractors.

A one percent reduction of the General Fund portion of the Board's budget is \$151,788. A reduction of this amount from the Community Greening, Beautification and Graffiti Removal service would represent a decrease of 428,000 square feet of graffiti eradicated from the overall estimated 26 million square feet.

IMPACT - 1% REDUCTION OF COMMUNITY GREENING, BEAUTIFICATION, AND GRAFFITI REMOVAL

- There would be a reduction of approximately 428,000 square feet of graffiti eradicated. Current service levels provide the community with roughly 26 million square feet of graffiti removal from 375,000 locations.
- The program will be less efficient, because the prompt removal of graffiti serves as a deterrent for future graffiti activity.
- Contractors will not be able to purchase necessary equipment and upgrades to vehicles.
- The presence of graffiti and a delay in its removal contributes to a negative business climate, increase in crime, gang graffiti and gang activity and an overall decrease in the quality of life as neighborhoods are less attractive.
- Increased number of complaints from the community regarding graffiti and a perception that government does not place a high priority on quality of life issues.

REVENUE IMPACT

None.

BUDGET REQUEST/REDUCTION PACKAGE

CAO 696B (Rev. 8-05)

1. DEPT: Public Works		2. BUREAU: Board of Public Works		3. PACKAGE TITLE: 3 Percent Reduction		
4. PROGRAM TITLE: Citywide Waste Management Coordination			5. SERVICE TITLE Community Greening, Beautification & Graffiti Removal		6. Provides services to Youth and Children: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
7. DESCRIPTION OF WORK OUTPUT AND OBJECTIVE: See attached.					8. PRIORITY Current _____ New _____ Reduction 3-2 FY 2007-08	
9. RESOURCES REQUIRED NEXT FISCAL YEAR:						
POSITIONS				FUNDING		
No.	Class Code and Title	Gross Salary	3.2% Less Salary	Net Salary	Account No. & Title	Amount
			-	\$0.00	Salaries-General (1010)	\$0
					Salaries-Overtime (1090)	
					Printing & Binding (2120)	
					Traveling (2130)	
					Contractual Svs (3040)	455,365
					Transportation (3310)	
					Office & Admin (6010)	
					Operating Supplies (6020)	
					Equipment (7300)	
					Special (9200)	
					Subtotal	\$455,365
					Interdepartmental	
					Department Total	\$455,365
					Related costs: *	
0	Totals	-	-	\$0	Related cost - Benefit	
10. LEGAL BASIS <input type="checkbox"/> State <input type="checkbox"/> Federal Law <input type="checkbox"/> Ad Code/Ordinance <input type="checkbox"/> City Charter <input checked="" type="checkbox"/> Policy or Budget					Related cost - Other	
11. LAYOFFS: Projected number if package is not funded.						
					0	
12. SOURCE OF FUNDS: List all proposed funding sources and basis for use of special purpose funds.						
General Fund						
13. REVENUE: State the revenue impact of funding or not funding this package and any required ordinance changes.						
None.						
14. IMPACT: Detail quantifiable and non-quantifiable benefits of funding this package, including the impact on service levels, and any consequences of not funding it.						
Reduction in the amount of graffiti removed annually by approximately 1.3 million square feet. See attached.						
Preparer's Name: Teri Schmidt		Title: Senior Management Analyst II			Extension: 8-0256	

BUDGET REDUCTIONS FY 2007-08 Graffiti Removal Program – 3% Reduction to BPW

REDUCTION DESCRIPTION AND SERVICE IMPACT:

Office of Community Beautification (OCB) services comprise 50 percent of the Board of Public Works Budget. Of this amount, the Community Greening, Beautification and Graffiti Removal service comprises 45 percent of the entire budget. As OCB programs are direct services and are highly prized by the Council members and the community, the Board Office's other divisions, which provide essential, less visible, indirect services, have borne the brunt of past reductions. These divisions cannot be further reduced without seriously affecting operations. Therefore, the Board is reluctantly providing budget reduction options from the Community Greening, Beautification and Graffiti Removal Service. Recognizing that the funds identified for reduction have a direct impact on the priorities outlined in the Mayor's previous budget, we respectfully request that if possible, any reductions to these programs be avoided. This reduction's impact would be on the number of square feet of graffiti eradicated by OCB's community based graffiti removal contractors.

A three percent reduction of the General Fund portion of the Board's budget is \$455,365. A reduction of this amount from the Community Greening, Beautification and Graffiti Removal service would represent a decrease of approximately 1.28 million square feet of graffiti eradicated from the estimated 26 million square feet.

IMPACT - 3% REDUCTION OF COMMUNITY GREENING, BEAUTIFICATION, AND GRAFFITI REMOVAL

- There would be a reduction of approximately 1.28 million square feet of graffiti eradicated. Current service levels provide the community with roughly 26 million square feet of graffiti removal from 375,000 locations.
- The program will be less efficient, because the prompt removal of graffiti serves as a deterrent for future graffiti activity.
- Contractors will not be able to purchase necessary equipment and upgrades to vehicles.
- The presence of graffiti and a delay in its removal contributes to a negative business climate, increase in crime, gang graffiti and gang activity and an overall decrease in the quality of life as neighborhoods are less attractive.
- Increased number of complaints from the community regarding graffiti and a perception that government does not place a high priority on quality of life issues.

REVENUE IMPACT

None.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 128

Date: May 7, 2007

To: To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by nt*Subject: **LETTER FROM THE HARBOR DEPARTMENT TO THE BUDGET AND
FINANCE COMMITTEE REGARDING ADOPTION OF THE CITY'S FINANCIAL
POLICIES**

The Harbor Department (Port) letter dated May 4, 2007 on adoption of the City's Financial Policies is attached. The Port will work with the Mayor's Finance Task Force and the Offices of the City Administrative Officer and Chief Legislative Analyst to review and compare the City's polices to the existing financial policies of the Port. The City Financial Policies have not been adopted by the Port. The Port will assess and determine possible policy conflicts and adopted if possible. We concur with the Port reporting back on any subsequent findings and actions taken.

KLS:ABN:10070189b

Attachment

May 4, 2007



Honorable Bernard Parks, Chair
Budget and Finance Committee, City Council
City of Los Angeles
200 N. Spring Street
Los Angeles, CA 90012

Antonio R. Villaralqosa, Mayor
City of Los Angeles

Board of Harbor
Commissioners

Dear Honorable Parks:

S. David Freeman
President

Jerilyn López Mendoza
Vice President

**SUBJECT: PROPOSED FY 2007/08 BUDGET QUESTION #484 – ADOPTION
OF CITY'S FINANCIAL POLICIES**

Kaylynn L. Kim

Douglas P. Krause

Joseph R. Radtsich

Geraldine Knatz, Ph.D.
Executive Director

The Harbor Department will work with the Mayor's Finance Task Force, the city Administrative Officer, and the Chief Legislative Analyst to review the City's Financial Policies and compare them to existing Harbor Department financial policies. We will determine which of the City's Financial Policies have already been adopted by the Harbor Department and which have not. Those not already adopted will be screened for possible policy conflicts and adopted if appropriate. Any City policies in conflict with Harbor Department policy will be noted. We will report back on our findings and the actions taken.

Port of Los Angeles

425 S. Palms Verdes Street

Post Office Box 151

San Pedro, CA 90733-0151

Tel/TDD 310 SEA-PORT

www.portoflosangeles.org

If you have any questions or need additional information, please contact William A. Gonzales, Controller, at (310) 732-3714.

Yours very truly,

GERALDINE KNATZ, Ph.D.
Executive Director

cc: Gerry Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
Alvin Newman, Sr. Administrative Analyst, CAO
Lauraine Braithwaite, Legislative Assistant, City Clerk
Lynne Ozawa, Chief Legislative Analyst, CLA
Michael R. Christensen, Deputy Executive Director
Molly C. Campbell, Deputy Executive Director
William A. Gonzales, Controller

GK:MC:WAG:hc
File: Bud-1 Budget-2007/08

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 129

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

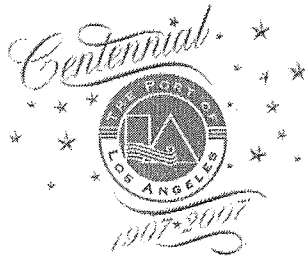
KLS
10/17/07

Subject: **LETTER FROM THE HARBOR DEPARTMENT TO THE BUDGET AND
FINANCE COMMITTEE REGARDING LIVING WAGE FOR HARBOR
CONCESSIONS**

The Harbor Department (Port) letter dated May 4, 2007 on living wages for Harbor concessions is attached. The Port states that living wages for Harbor concessions have been adopted and is in compliance with the Living Wage Ordinance (LWO). The Port has applied the LWO to all new and amended lease agreements.

KLS:ABN:10070189a

Attachment



May 4, 2007

Honorable Bernard Parks, Chair
Budget and Finance Committee, City Council
City of Los Angeles
200 N. Spring Street
Los Angeles, CA 90012

Antonio R. Villaraigosa, Mayor
City of Los Angeles

Board of Harbor
Commissioners

S. David Freeman
President

Jerilyn López Mendoza
Vice President

Kaylyn L. Kim

Douglas P. Krause

Joseph R. Radisich

Geraldine Knatz, Ph.D.
Executive Director

Dear Honorable Parks:

SUBJECT: PROPOSED FY 2007/08 BUDGET QUESTION #483 – LIVING WAGE FOR HARBOR CONCESSIONS

In response to the Budget & Finance Committee budget question on living wage for Harbor concessions, the Living Wage Ordinance has been applied to all new or amended Harbor Department lease agreements since its adoption.

If you have any questions or need additional information, please contact Michael Galvin, Deputy Director of Real Estate, at (310) 732-3836.

Yours very truly,

GERALDINE KNATZ, Ph.D.
Executive Director

Port of Los Angeles

425 S. Palos Verdes Street

Post Office Box 151

San Pedro, CA 90733-0151

Tel/TDD 310 SEA-PORT

www.portoflosangeles.org

cc: Gerry Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
Alvin Newman, Sr. Administrative Analyst, CAO
Lauraine Braithwaite, Legislative Assistant, City Clerk
Lynne Ozawa, Chief Legislative Analyst, CLA
Michael R. Christensen, Deputy Executive Director
Molly C. Campbell, Deputy Executive Director
William A. Gonzales, Controller

GK:MC:MG:hc
File: Bud-1 Budget-2007/08



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 130

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
5/7/07*

Subject: **DEPARTMENT OF RECREATION AND PARKS – EXCEPTIONS TO THE PROPOSED GOLF FEE INCREASE**

Your Committee requested the Department of Recreation and Parks (Department) to report back on the exceptions to the proposed golf fee increase and the impact of the proposed golf fee increase on senior citizens. Attached is a copy of the Department's response dated May 4, 2007. The Department reports that the proposed golf fee increase does not exempt the senior golf fee rate. The Department indicates that the proposed senior weekday rate would still be \$9 or 38% less than the regular weekday rate. The Department further reports that members of the Senior Citizens Lifeline Golf Program pay only \$12 or 50% of regular weekday rates. To be a member of the Senior Citizens Lifeline Golf Program, one must be a City resident, at least 65 years old and qualify for the Department of Water and Power Lifeline rate or qualify for the SSI assistance.

This memorandum is informational only. There is no fiscal impact.

KLS:VES:08070330c

BOARD OF RECREATION AND
PARK COMMISSIONERS

DANIEL GRUNFELD
President

MARY LUEVANO
Vice President

MARIA CASILLAS
CANDY SPELLING
JOHNATHAN WILLIAMS

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
RECREATION AND PARKS

1200 WEST SEVENTH STREET
7TH FLOOR, SUITE 748
LOS ANGELES, CA 90017

(213) 928-9033
FAX - (213) 928-9031

JON KIRK MUKRI
GENERAL MANAGER

May 4, 2007

Honorable Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

This is in response to your Committee's request regarding the exceptions for charging an increase in golf fees and the effect on senior citizen rates.

While senior green fees are being increased by the same \$2.00 as other green fees, senior citizens still get a \$9.00 discount from the regular weekday rate; for example, if the regular rate for weekday play is \$24.00, the senior rate is \$15.00. Additionally, members of the Senior Citizens Lifeline Golf Program (residents of Los Angeles, 65 years or older, who qualify financially by having Department of Water and Power Lifeline rate or who qualify for SSI government assistance) are charged 50% of regular weekday fees, allowing them to pay only \$12.00 for regular weekday play.

If you have any questions or need additional information, please contact James Ward, Golf Manager, at 818-246-1243.

Sincerely,

JON KIRK MUKRI
General Manager

JKM:RA:am

cc: Karen L. Sisson, City Administrative Officer
Veronica Salumbides, City Administrative Office

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 131

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mt*

Subject: **DEPARTMENT OF RECREATION AND PARKS – HEALTHY FOOD CHOICES FOR YOUTH AND SENIOR MEAL PROGRAMS**

Your Committee requested the Department of Recreation and Parks (Department) to report back on the quality of food and healthy food choices for its youth and senior meal programs. Your Committee also requested the Department to report on the contractor selection process for the meal programs. Attached is the Department's response dated May 4, 2007.

According to the Department, there are three guidelines for its federally-funded Summer Food Service Program for youth, namely:

- US Department of Agriculture (USDA) nutritional guidelines
- City Nutrition Policy
- Department standards (zero added trans fat)

The Department notes that contractor selection for the Summer Food Service Program is facilitated by the Supply Services Division of the General Services Department. The Department further reports that, typically, requests for bids are issued in May and July of each year.

With regard to the Department's senior meal program, the Department reports that all meals served must comply with the Title III Congregate and Home Delivered nutrition standards as described in federal, State and City regulatory statutes, as well as the California Health and Safety Codes, the California Uniform Retail Food Facilities Law and the Older American Act Amendment of 1987.

The Department reports that, similar to the Summer Food Service Program, its senior meal program is also facilitated by the Supply Services Division of the General Services Department.

This memorandum is informational only. There is no fiscal impact.

KLS:VES:08070327c

**BOARD OF RECREATION AND
PARK COMMISSIONERS**

DANIEL GRUNFELD
President

MARY LUEVANO
Vice President

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CITY OF LOS ANGELES
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MAYOR

**DEPARTMENT OF
RECREATION AND PARKS**

1200 WEST SEVENTH STREET
7TH FLOOR, SUITE 748
LOS ANGELES, CA 90017

(213) 928-9033
FAX - (213) 928-9031

JON KIRK MUKRI
GENERAL MANAGER

May 4, 2007

Honorable Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

This is in response to your Committee's request relative to the quality of food and healthy food choices for the kids' and seniors' meal programs and the criteria for selecting contractors for these programs.

CHILDREN

Food Quality

The Department operates the Summer Food Service Program (SFSP) at over 108 sites in the summer and 36 sites year-round (for children off-track from year-round schools). It also operates a snack service under the same program. The SFSP is a federally funded program by the U.S. Department of Agriculture (USDA) through the California Department of Education. The USDA provides nutritional guidelines of required meal patterns and nutritional standards (based on a weekly menu). The City Nutrition Policy also provides guidelines with respect to fat and sugar content. In addition, the Department has added the standard of zero added trans fat.

Contractor Selection

Through the SFSP we contract with food service vendors to produce, package and deliver the meals. A Request for Quotation/Request for Bid is published and advertised twice a year - once in May for the Summer Program period and once again in July or beginning of August for the Off-Track Program period. The process is facilitated by Department of General Services - Supply Services Division.

Facilities that are not part of the snack service also provide snacks by purchasing from local vendors (e.g. Smart & Final and/or supermarkets) for programs such as after-school clubs, child care, day camps, etc. The City Nutrition Policy provides guidelines for these purchases, as well as the recently enacted Zero Trans Fat policy. Through a partnership

Honorable Councilmember Bernard C. Parks
May 4, 2007
Page 2

with Kaiser Permanente, additional training is in the process of development regarding the purchasing of food with respect to nutrition. Training will take place in May-June.

SENIORS

Food Quality

All meals served in the Senior Nutrition Program comply with the Title III Congregate and Home Delivered Nutrition standards as described in Federal, State, and City regulatory statutes and are in compliance with the California Health and Safety Codes, the California Uniform Retail Food Facilities Law, and the Older American Act amendment of 1987.

Each meal includes:

- 3 oz edible portion of meat or meat alternative
- 2 - ½ cup servings of vegetables or fruit (exclusive of dessert)
- 1 - ½ cup servings of starch or one serving of whole grain bread
- 1 - ½ cup servings of dessert or fresh fruit
- ½ cup 100% pure fruit juice as needed to satisfy vitamin C requirements
- 8 fluid oz. serving of non fat milk or milk product equivalent

Simple sugar and salt are used at a minimum in the preparation of all meals. Meals do not exceed 1100 milligrams of sodium, are low in fat, and contain zero (0) trans fats. MSG is not used. Vitamin A sources are included a minimum of three (3) times per week, and every meal includes a ½ cup (30 milligrams) vitamin C source.

The menu consists of a six (6) week repeating cycle with alternatives provided on days where menu item acceptance varies by site. It is planned to include a good use of seasonal foods and to observe ethnic, cultural, and religious preferences. Meals are designed to include variety in type of food, preparation, and color/texture/flavor while restricting carbohydrates, fats, and sodium. The menu is approved by a dietitian/nutritionist.

Meals are monitored daily by Nutrition Program staff for quality, preparation, and food safety. Participant satisfaction is also noted. Participants are formally surveyed by the Nutrition Program at least once every quarter for comments and suggestions as well as program satisfaction. Sites are also monitored on a monthly basis by an outside agency (Consulting Nutritional Services) for food safety and correct food handling, as well as for client satisfaction and comments. Any issues found are brought to the attention of the caterer immediately and corrected. Personal preference comments and suggestions from participants are taken into account whenever possible in the menu planning process which occurs annually.

Contractor Selection

Requests for Proposal (RFP's) are utilized to find vendors to supply congregate and home delivered meals. RFP's contain all pertinent information such as menu requirements and seasonal menus, specification of goods and services, delivery points and times, estimated number of meals, insurance requirements, etc. A minimum of three (3) bids are solicited for


Honorable Councilmember Bernard C. Parks
May 4, 2007
Page 3

each type of menu. A rating system is used to award the contract to the vendor who demonstrates ability to give the highest quality of service within the budgeted per-meal cost. Rating is based on experience, performance history, proximity of service area, staffing, delivery system and cost.

Caterers for the Senior Nutrition Program are selected through a competitive bid process handled by the Department of General Services - Supply Services Division. Vendors allowed to bid on the Senior Nutrition Program are limited to those pre-approved by the Department of Aging to meet the Older Americans Act requirements and placed on the Department of Aging's "Approved Meal Production Facilities" list.

If you have any questions or need additional information, please contact Sophia Pina-Cortez at 310-548-7643.

Sincerely,


JON KIRK MUKRI
General Manager

JKM:RA:am

cc: Karen L. Sisson, City Administrative Officer
Veronica Salumbides, City Administrative Office

CAO System ID No. 324

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 132

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by m.f.*Subject: **DEPARTMENT OF WATER AND POWER TO RESPOND ON
LIGHT-EMITTING DIODE (LED) PROGRAM LOAN REPAYMENT AND FIBER
OPTIC SALE QUESTIONS**

The Budget and Finance Committee requested background information from the Department of Water and Power (DWP) concerning the repayment of a loan associated with the LED Traffic Signal Replacement Program and the specifics of a proposed sale of City fiber optics to the DWP. The General Manager of the DWP reported to Committee on these initiatives during the departmental presentation before the Budget and Finance Committee.

KLS:EFR:10070188

FORM GEN. 160

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
vhy m7Subject: **LETTER FROM THE HARBOR DEPARTMENT TO THE BUDGET AND
FINANCE COMMITTEE REGARDING THE USE OF GREEN
TECHNOLOGY ON THE EXPANSION OF PORT OPERATIONS**

The Harbor Department (Port) letter dated May 4, 2007 on the use of Green Technology on the expansion of Port operations is attached. The letter focuses on the Clean Trucks Program, as one of the first major initiatives under the Clean Air Action Plan (CAAP). The CAAP includes initiatives to reduce air pollution and improve air quality in Port operations and the surrounding areas.

The Clean Trucks Program is being developed jointly with the Port of Long Beach (POLB) and will cut air pollution from Port trucks by more than 80 percent by replacing the oldest of approximately 16,000 diesel-powered trucks with retrofitted and "clean" newer trucks within five years. In 2008, the Port plans to charge a fee to truckers who enter port facilities that do not meet CAAP standards and a nominal fee to license motor carriers to obtain a concession.

The Port will provide status reports and requests for approval to the Mayor and Council on the Clean Trucks Program, CAAP and other programs to facilitate methods to cut air pollution levels in Port operations in the future.

KLS:ABN:10070189d

Attachment



May 4, 2007

Antonio R. Villaraigosa, Mayor
City of Los Angeles

Board of Harbor
Commissioners

S. David Freeman
President

Jerilyn López Mendoza
Vice President

Kaylynn L. Kim

Douglas P. Krause

Joseph R. Radisich

Geraldine Knatz, Ph.D.
Executive Director

Port of Los Angeles

425 S. Palos Verdes Street

Post Office Box 151

San Pedro, CA 90733-0151

Tel/TDD 310 SEA-PORT

www.portoflosangeles.org

Honorable Bernard Parks, Chair
Budget and Finance Committee, City Council
City of Los Angeles
200 N. Spring Street
Los Angeles, CA 90012

Dear Honorable Parks:

SUBJECT: PROPOSED FY 2007/08 BUDGET QUESTION #492 – USE OF GREEN TECHNOLOGY ON EXPANSION OF PORT OPERATIONS

The Clean Trucks Program represents the first major initiative under the Clean Air Action Plan. The staffs of the ports of Long Beach and Los Angeles are jointly developing a proposed Clean Trucks Program that will cut air pollution from harbor trucks by more than 80 percent within five years. Under this unprecedented program, drayage truck owners will scrap the oldest of approximately 16,000 trucks working in the ports, replace them with 2007 model year or newer trucks, and retrofit the others, all with the assistance of a port-sponsored grant subsidy.

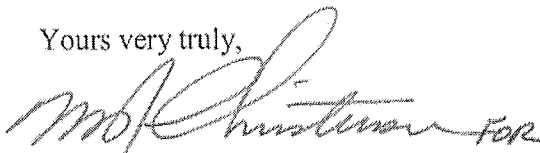
Beginning in 2008, the ports will use their tariff authority to only allow concessionaires licensed by the port to enter port facilities, and only "clean" trucks can enter port terminals without having to pay a new Truck Impact Fee at the gate. Within five years the concession trucking companies will be required to use only trucks that meet the ports' Clean Air Action Plan (CAAP) standard, which is defined as EPA-standard 2007 or newer trucks, retrofitted trucks manufactured in 1994 or newer, or trucks that have been replaced through the Gateway Cities Truck Modernization Program. Year by year, the oldest trucks will be barred from the ports until only trucks meeting the CAAP standard will be permitted to work in the ports. The 2007 and newer trucks are 90 percent cleaner than older trucks. Licensed Motor Carriers will be required to pay a nominal license fee to obtain a concession, and after a transition period must directly own, operate, and maintain their truck fleet, driven by their own employees, to deliver drayage services.



SUBJECT: PROPOSED FY 2007/08 BUDGET QUESTION #492 – USE OF GREEN TECHNOLOGY ON EXPANSION OF PORT OPERATIONS

If you have any questions or need additional information, please contact Ralph Appy, Director of Environmental Management, at (310) 732 -3497.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Geraldine Knatz" followed by "FOR".

GERALDINE KNATZ, Ph.D.
Executive Director

cc: Gerry Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
Alvin Newman, Sr. Administrative Analyst, CAO
Lauraine Braithwaite, Legislative Assistant, City Clerk
Lynne Ozawa, Chief Legislative Analyst, CLA
Michael R. Christensen, Deputy Executive Director
Molly C. Campbell, Deputy Executive Director
William A. Gonzales, Controller

GK:MC:PJ:he
File: Bud-1 Budget-2007/08

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 134

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
5/7*

Subject: **DEPARTMENT OF CITY PLANNING REPORT ON ESTABLISHING A CITY
POLICY RELATED TO DEVELOPERS' PAYING FOR EIRs**

Your Committee instructed the Department of City Planning to report on establishing a policy relative to the appropriate role of developers in selecting and paying for consultants who complete Environmental Impact Reports on the developers' projects. Attached is the Department's response.

The Department is in the process of reviewing this issue pursuant to a request of the Planning and Land Use Management Committee and will share its analysis once it is complete.

KLS:JWW:02070243c

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

May 7, 2007

TO: Budget and Finance Committee

FROM: S. Gail Goldberg, AICP
Director of Planning
Department of City Planning

SUBJECT: REPORT BACK TO BUDGET & FINANCE COMMITTEE RELATIVE TO
THE SELECTION OF CONSULTANTS FOR EIRS

The Budget and Finance Committee requested a report on establishing a policy for developers to pay for EIRs with the City selecting the consultants. We are pleased to report that work has already begun in this area. Pursuant to direction from the PLUM Committee in April 2007, the cumulative impacts of projects and twenty questions regarding CEQA (California Environmental Quality Act) are currently being worked on by Planning Department staff.

One of the twenty questions asks for information regarding the current practice of allowing applicants to contract with environmental consulting firms for the preparation of a required Draft Environmental Impact Report. A copy of the upcoming report back to the PLUM Committee will be provided to the Budget and Finance Committee Members as soon as it becomes available.

SGG:jpk

cc: Jacob Wexler, CAO
Lauraine Braithwaite, City Clerk

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 135

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **DEPARTMENT OF CITY PLANNING REPORT ON WHY THE DEPARTMENT DID NOT INCLUDE THE WEST LA COMMUNITY PLAN IN THE LIST OF PLANS TO BE UPDATED**

Your Committee instructed the Department of City Planning to report on why the West Los Angeles Community Plan was not included in the list of plans that the Department intended to begin in 2007-08. Attached is the Department's response.

The Department reports that the West LA Community Plan was not selected for update because, although it was of the same priority as the Sunland Tujunga Community Plan, staffing is already in place for the Sunland Tujunga Community Plan and it can be initiated within the resources included in the Proposed 2007-08 Budget. In Memo 23, this Office reported that the cost of initiating the West LA Community Plan in 2007-08 would be \$223,874.

KLS:JWW:02070246c

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

May 7, 2007

TO: Budget and Finance Committee

FROM: S. Gail Goldberg, AICP
Director of Planning
Department of City Planning

SUBJECT: REPORT BACK TO BUDGET & FINANCE COMMITTEE ON WHY THE
WEST LA COMMUNITY PLAN WAS NOT INCLUDED IN THE
DEPARTMENT'S FY08 WORK PROGRAM

The Budget and Finance Committee requested a report on why the West LA Community Plan was not selected to be in the Department's work program in FY08.

The Department submitted a budget request that included West LA and three other New Community Plans to be initiated in FY08. Unfortunately, in a tough budget year, the resources sufficient to address all four of those new plans could not be identified, but a lump sum of \$720,000 was allocated to include the technical work associated with the Cornfields Specific Plan.

We brought to the table a suggestion of how the \$720,000 identified could be used to support the Cornfields Specific Plan, the existing 9 Community Plans that were on-going, and indicated that we had sufficient funding to cover the technical (consultant) work associated with one New Community Plan.

Without any additional staffing allocated for this purpose, we sought to identify an existing staff member who would likely come available in FY08 to whom this work could be assigned.

From a purely practical standpoint, we found one staff member who is presently working on the Sunland-Tujunga ICO, which will lead into the preparation of a Single Story Overlay District for the ICO area, and also the preparation of a Neighborhood Character Overlay District (because the Citywide mansionization ordinance will not accomplish what the Sunland community wants).

We realized that is since the Department was already committed to this level of involvement, that it would be more cost effective to address all of these elements in a New Community Plan and utilize the staff member who was already assigned.

Our suggestion was purely a practical suggestion based upon the limited resources which had been identified up to that point. It in no way reflected a preference or value judgment of one plan over another.

SGG:jpk

cc: Jacob Wexler, CAO
Lauraine Braithwaite, City Clerk

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 136

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mt*

Subject: **DEPARTMENT OF CITY PLANNING REPORT ON THE UPDATE CYCLE OF THE CITY'S 35 COMMUNITY PLANS**

Your Committee instructed the Department of City Planning to report on the status and process for updating the City's 35 community plans. Attached is the Department's response.

Each community plan takes approximately three years to update. The Department's goal is to update each community plan every eight to ten years. In order to accomplish this, 12 plans must be in the process of being updated at any given time. Currently, ten plans are being updated. This Office reported in Budget Memo 23 that the cost of beginning the update process for two additional community plans would be \$447,798 in 2007-08.

KLS:JWW:02070245c

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

May 7, 2007

TO: Budget and Finance Committee

FROM: S. Gail Goldberg, AICP
Director of Planning
Department of City Planning

SUBJECT: REPORT BACK TO BUDGET & FINANCE COMMITTEE
RELATIVE TO THE STATUS OF THE CITY'S 35 COMMUNITY
PLANS AND THEIR UPDATE CYCLE

The Budget and Finance Committee requested a report on the status of the City's 35 Community Plans and what would be needed to update them on a 10-year cycle. The following will address these two questions and provide a little background on the process itself.

New Community Plans

Purpose

The 35 Community and District Plans which comprise the land use portion of the Los Angeles General Plan need to be kept up-to-date and systematically revised. Plans must be current to avoid litigation, encourage wise growth, provide appropriate location for development and minimize lengthy discretionary approvals. The primary objective is to always have a Community Plan which is up-to-date (an 8 to 10 year cycle) thereby increasing the confidence of the public and governmental agencies as to the accuracy and appropriateness of the land use and corresponding zone categories for each area. The continuous maintenance of the Community Plans will provide staff, elected officials, developers, business owners, and homeowners with an accurate guide to future development.

In order to balance priorities, and to determine needs, within a systematic annual review and analysis, the Planning Department, as part of Budget preparations, performs an annual review of community plans more than 5 years old. This review usually takes place in September. While the age of the plan is an entry into the analysis phase, it is not the only or primary consideration for the use of limited staff resources.

History of Community Plan Updates

The Department's community Plan process began in approximately 1968 creating the first Community Plan BroadSides. The Community Plan Revision (CPR) program was developed to comply with City Council instructions to comprehensively revise certain Community Plans as these original plans became outdated and subject to litigation.

The Community Plans Update (CPU) process was developed to comply with City Council instructions to update community plans and to respond to land use and policy changes. Six

Community Plans were approved by the City Planning Commission in April and May 1995 under CPU I. CPU II began in July 1995 and included another ten Community Plans. CPU III included the remaining Community Plans.

Review Policy

1. Review of Community Plans is part of the annual initial budget process for the Community Planning Bureau.
2. Community Plans which are five or more years old, are evaluated.
3. Community Plans determined "Not to Warrant" restudy in a previous evaluation are reevaluated annually until a start of a New Community Plan.

Content of Community Plan Evaluation Memos

- Substantial **change in circumstances** since the adoption of the existing community plan and/or Framework Element.
- **Problems or opportunities** which need to be addressed by an updated community plan;
- **New information** which was not available or occurred after the adoption of the existing community plan;
- **Significant Case activity, development activity and growth** within the plan area which necessitates an updated community plan;
- Significant **policy change** which necessitates an updated community plan.
- **Pro-active Planning and Framework Implementation** needs which necessitate an update to the community plan.

Analysis Factors

1. **Change in Circumstances**
 - (a) Inconsistencies with Framework / Elements
 - (b) Significant change in Employment / Significant new employer*
 - (c) Significant increase in Population in the Plan Area.*
 - (d) Significant new Public Facilities / Infrastructure in the Plan Area.*
 - (e) Significant newly developed Major Projects or Facilities.*
 - (f) The closing / departure of significant Economic Generators.*
 - (g) Significant change in Demographics*

2. **Problems and Opportunities**
 - (a) Major Disaster / Emergency which needs to be addressed
 - (b) Environmental Problem which should be addressed by Plan Update
 - (c) Inadequate infrastructure to support planned land uses*
 - (d) Inadequate Planned Land Use to satisfy community needs*
 - (e) Unanticipated Funding Sources which need to be addressed
 - (f) Outdated Plan due to age, structure, old text, new planning tools
 - (g) A significant need to locate new Facilities and Services *

3. **New Information**
 - (a) New Demographic Data showing significant changes *
 - (b) New Environmental Studies / Data indicating a need for update*
 - (c) New Traffic Studies indicating a need for plan update*
 - (d) New Housing Studies indicating a significant change*
 - (e) New Economic Studies indicating a need for a plan update.*

4. **Case Activity, Development Activity and Growth**
 - (a) A significant number of PPR / MPR Cases filed in the Plan Area.
 - (b) A significant number of Building Permits*
 - (c) A significant number of Variances
 - (d) A significant number of Discretionary Cases
 - (e) A significant number of Major Projects*
 - (f) A marked increase in Land Development Activity*
 - (g) Hot spots addressed by CDOs, Specific Plans, PODs, etc
 - (h) Annexations adding or deleting to the Community Plan area.

5. **Policy Change**
 - (a) Court Case / Litigation requiring Community Plan Update
 - (b) Council Motion requiring Community Plan Update
 - (c) Citywide / Regional Plan Changes requiring Plan Update
 - (d) Federal Legislation requiring Community Plan Update
 - (e) State Legislation requiring Community Plan Update
 - (f) Charter / Code Amendments requiring Community Plan Update
 - (g) Neighborhood Boards / Commissions requesting an Update.

6. **Pro-active Planning and Framework Implementation**
 - (a) Management Policy has directed new approach / changes
 - (b) Framework Implementation necessitates changes
 - (c) New Planning Tools have become available

Resources Needed for a 10-Year Cycle

In order to maintain a 9 to 10-year cycle for the update of our 35 Community Plans, we would need to have 12 plans in process at all times. We are currently funded and staffed at a level that can accommodate the continued processing of a total of 10 New Community Plans (assuming the regularization of the Sunland-Tujunga ICO position for this purpose), and therefore would need the staff and expense funding to address an additional two new plans.

We estimate the staffing needs for these two additional plans to be two (2) City Planning Associate positions, and one (1) Management Analyst II position. Additionally, \$10,000 in overtime funding per plan, and approximately \$350,000 in contractual services funding per plan would also be needed.

SGG:jpk

Attachment

cc: Jacob Wexler, CAO
Lauraine Braithwaite, City Clerk

Department of City Planning
Listing of Community Plans
(in alphabetical order)

	Community Plan	Adoption Date
1	Arleta-Pacoima	11/6/96
2	Bel Air	11/6/96
3	Boyle Heights	11/10/98
4	Brentwood	6/17/98
5	Canoga Park -Woodland Hills	8/17/99
6	Central City	1/8/03
7	Central City North	12/15/00
8	Chatsworth-Porter Ranch	7/14/93
9	Encino	12/16/98
10	Granada Hills	7/10/96
11	Harbor-Gateway	12/6/95
12	Hollywood	12/13/98
13	Mission Hills	6/9/99
14	North Hollywood	5/14/96
15	Northeast LA	6/15/99
16	Northridge	2/24/98
17	Palms-Mar Vista	9/16/97
18	Reseda	11/17/99
19	San Pedro	3/17/99
20	Sherman Oaks-Studio City	5/13/98
21	Silverlake	8/11/04
22	South Los Angeles	3/22/00
23	Southeast Los Angeles	3/22/00
24	Sun Valley	8/13/99
25	Sunland-Tujunga	11/18/97
26	Sylmar	8/6/97
27	Van Nuys-Sherman Oaks	9/9/98
28	Venice	9/29/00
29	West Adams	5/6/98
30	West LA	7/27/99
31	Westchester	4/13/04
32	Westlake	9/16/97
33	Westwood	7/27/99
34	Wilmington	7/14/99
35	Wilshire	9/19/01

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 137

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
by m fSubject: **DEPARTMENT OF CITY PLANNING REPORT ON A CENTRALIZED
PROCESS FOR TRACKING COMPLIANCE OF CONDITIONS FOR
DEVELOPMENT PROJECTS**

Your Committee instructed the Department of City Planning to report on its current and ongoing efforts to coordinate with other City departments to establish a centralized process to track and monitor developers' compliance with conditions placed on the approval of development projects, including community benefits plans. Attached is the Department's response.

The Department reports that it is in the process of working with relevant City departments on the development of its Case Condition Clearance and Tracking database. Upon completion, this system will allow all project conditions to be centrally identified, tracked and cleared by all City departments. Funding is included from the Department of City Planning's Systems Development Fund in 2007-08 to continue the development this system, including a condition sign-off for use by multiple City departments.

KLS:JWW:02070242c

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

May 7, 2007

TO: Budget and Finance Committee

FROM: S. Gail Goldberg, AICP
Director of Planning
Department of City Planning

SUBJECT: REPORT BACK TO BUDGET & FINANCE COMMITTEE RELATIVE TO
THE COORDINATION AND DEVELOPMENT OF A CENTRALIZED CASE
CONDITION TRACKING SYSTEM

The Budget and Finance Committee requested City Planning to report back with a plan to coordinate with other relevant departments on the development of a centralized process or database to track case condition compliance. The following is an overview of what it is currently in process.

City Planning is the clearinghouse of all development conditions citywide. We gather, review, and document development conditions (those originated inside and outside of our department) and record them in our City Planning case decision letters. Conditions are cleared by both City Planning and the other City departments that originate conditions. Most departments, including City Planning, clear the conditions manually today. The Public Works Bureau of Engineering has developed a simple web-based condition clearance system, but it is for Subdivision cases only, and the system does not provide detailed information about the conditions. It also requires redundant data entry.

City Planning's Systems Section, working with Planning staff and other departments, is currently developing a centralized Oracle Case Condition Clearance and Tracking database and related web-based application. Once the system, C3TS, is implemented, each development condition will be captured, stored, tracked, and cleared centrally. The centralized database will also allow us to put condition clearance information on the Internet for access by the public.

SGG:jpk

cc: Jacob Wexler, CAO
Lauraine Braithwaite, City Clerk

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 138

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mf*Subject: **LIBRARY DEPARTMENT REPORT BACK ON HOW MANY ADDITIONAL
BOOKS CAN BE PURCHASED WITH \$500,000 INCREMENTS IN FUNDING**

Your Committee instructed the Library Department to report on purchasing additional books in \$500,000 increments and the quantity of books which could be purchased. The Department states that the average cost of a book is \$20. The Department's attached cost breakdown details the number of books purchased and the number of books received by each of the 72 libraries for each increase of \$500,000.

KLS:MCD:08070340

Attachment

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

2007 MAY -3 AM 10: 56

CITY ADMINISTRATIVE OFFICER

DATE: May 3, 2007

TO: Honorable Members, Budget and Finance Committee
C/o Mark Davis, Office of the CAOFROM: 
Fontayne Holmes, City Librarian
Library DepartmentSUBJECT: **FY 2007-08 PROPOSED BUDGET – REPORT BACK #361:
HOW MANY ADDITIONAL BOOKS CAN WE PURCHASE WITH
\$500,000 INCREMENTS IN FUNDING**

For the Los Angeles Public Library, the average cost of a book is \$20. The chart below shows the number of books that can be purchased in \$500,000 increments:

<i>Cost</i>	<i>No. of books purchased</i>	<i>No. of books received by each of 72 libraries (annually)</i>
\$ 500,000	25,000	347
1,000,000	50,000	694
1,500,000	75,000	1042
2,000,000	100,000	1389
2,500,000	125,000	1736
3,000,000	150,000	2083

If you have any questions, please call me, or Assistant General Manager Kris Morita at 213/ 228-7515.

Cc: Ray Cortines, Deputy Mayor, Office of the Mayor
Sally Choi, Budget Director, Office of the Mayor
Shannon Lawrence, Policy Analyst, Office of the Mayor
Gerry Miller, Chief Legislative Analyst
Sharon Tso, Executive Officer, Chief Legislative Analyst
Lynne Ozawa, Assistant Chief Legislative Analyst
Karen Sisson, City Administrative Officer

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 139

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS in mf*

Subject: **DEPARTMENT OF RECREATION AND PARKS – BUNDY TRIANGLE
LOCATED AT THE CORNER OF BUNDY DRIVE AND SANTA MONICA
BOULEVARD**

Your Committee requested the Department of Recreation and Parks (Department) to report back on the feasibility of developing a skate park or other community use for the Bundy Triangle located at the corner of Bundy Drive and Santa Monica Boulevard. Attached is the Department's response dated May 4, 2007.

The Department reports that the 0.22 acre Bundy Triangle is located at 1500 South Bundy Drive and currently being maintained by the Bureau of Street Services. The Department further reports that the Bundy Triangle has been fenced off and closed to the public since the mid-1990's at the request of the Los Angeles Police Department and the community due to vagrants congregating at the site.

According to the Department, the Bundy Triangle is already developed with grass and benches for potential passive use as a park. The Department indicates that a Council action is required to transfer jurisdiction of Bundy Triangle to the Department. Additionally, the Board of Recreation and Park Commissioners must be requested to approve the transfer, accept and dedicate the parcel as parkland.

The Department also provided a conceptual plan for a skate park at Bundy Triangle. According to the Department, the construction of a skate park at Bundy Triangle would cost between \$168,000 to \$195,000.

This memorandum is informational only. There is no fiscal impact.

KLS:VES:08070328c

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DEPARTMENT OF
RECREATION AND PARKS

1200 WEST SEVENTH STREET
7TH FLOOR, SUITE 748
LOS ANGELES, CA 90017

(213) 928-9033
FAX - (213) 928-9031

JON KIRK MUKRI
GENERAL MANAGER

May 4, 2007

Honorable Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

This is in response to your Committee's request relative to the Department of Recreation and Parks (RAP) creating a skate park on a City owned parcel commonly known as the Bundy Triangle.

The Bundy Triangle is located at 1500 South Bundy Drive and is a vacant parcel (and median strip) of 0.22 acre being maintained by the Public Works, Bureau of Street Services. Since the mid-1990s this parcel has been fenced and closed to the public at the request of the Los Angeles Police Department and merchants/neighbors because of vagrants congregating there. This lot is already developed with grass and benches for potential passive use by the public. The Assessor's Parcel Number (APN) is 4263-036-900; Thomas Guide: 631-H6. (The location is the intersection of Santa Monica Boulevard and Bundy Drive. Ohio Avenue feeds traffic eastward from Bundy to Santa Monica Boulevard along the southern edge of the parcel. This feeder street relieves congestion at the main intersection, which is at the northern edge of the parcel).

Bundy Triangle Proposed Skate Park

Concept Plan

Please see attached proposed concept plan for proposed skate pieces.

Concept Plan Assumptions

- All equipment to be located above ground and modular.
- Existing fence to remain.
- Use of solar lighting for pedestrian and security purposes.
- It is unknown if existing fountain is functional but the attached concept plan requires demolition.
- Walk in traffic/use.

Honorable Councilmember Bernard C. Parks
May 4, 2007
Page 2

Project Estimate

Cost for the Premier option: \$195,000.
Cost for the Base (eliminate some skate pieces): \$168,000
* Funding to be determined

Bundy Triangle Transfer

The process of transferring jurisdiction of the City-owned Bundy Triangle to RAP involves Council District 11 introducing a motion to direct the Department of General Services (GSD) to process the transfer. The Council District then needs to draft and sign a form titled, "Transfer of Jurisdiction and Control". RAP's Board of Commissioners will also be asked to approve the transfer and to accept and dedicate the parcel. Either procedure can occur first. After the Council motion is adopted and the RAP Board's approval obtained, GSD records the transfer deed with the County.

If you have any questions or need additional information, please contact Michael Shull, Senior Civil Engineer/PM III, at 213-928-9195.

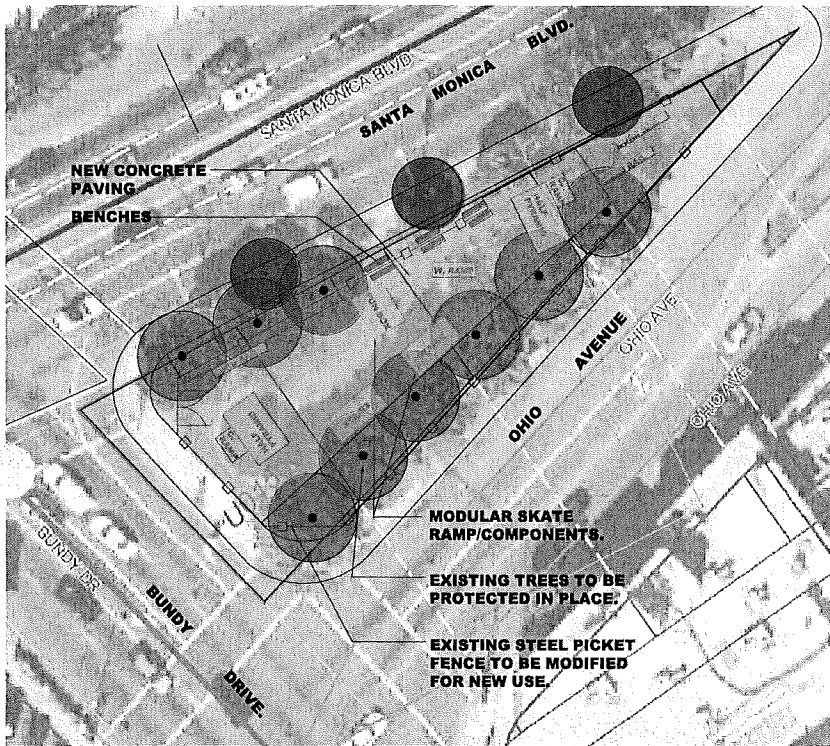
Sincerely,


JON KIRK MUKRI
General Manager

JKM:RA:cw

Attachment

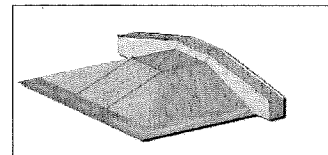
cc: Karen L. Sisson, City Administrative Officer
Veronica Salumbides, City Administrative Office



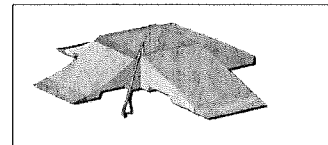
Bundy Skate Park

Council District 11
Proposed Concept Plan DATE: 06/20/07

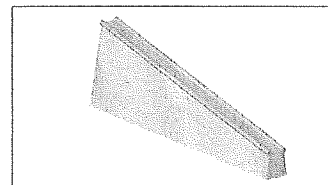
RECREATION AND PARKS
 PLANNING AND DEVELOPEMENT
 CITY OF LOS ANGELES



HALF PYRAMID

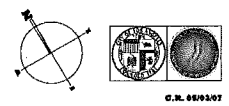


FUN BOX



CURB RAIL

Proposed skate pieces.



C.R. 050207

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 140

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mt*

Subject: **DEPARTMENT ON DISABILITY – EMERGENCY PLANNING GRANTS FOR CITY'S SENIOR AND DISABLED RESIDENTS**

The attached memorandum from the Department on Disability (Disability) responds to the Budget and Finance Committee's instructions to report back on the potential of obtaining emergency planning grants for the City's disabled and senior residents. Disability is in the process of applying for two Urban Area Security grants that total \$235,000 and would be used to fund an emergency preparedness website and training for a special emergency response team.

The potential internet site would provide interactive assistance to disabled residents and their caregivers in developing individualized emergency preparedness plans. The website service is intended to empower users to provide for their own needs during a city state-of-emergency, until such time as a secondary response is deployed by local government and private entities. The second grant would be used to establish emergency response teams of specially trained and equipped sign language interpreters.

Disability utilizes a contractual service provider to identify and prepare its applications for federal and private grants. The Department has included the Zatz Renfrew grant writing services as part of the three percent funding proposal that was submitted in response to the Committee's April 27, 2006, instructions.

In addition to the Department's grant-seeking efforts, Disability reports ongoing collaboration with the Department of Aging and the Emergency Preparedness Department to utilize available resources in the development of a comprehensive emergency preparedness plan for the City's disabled and senior residents.

FISCAL IMPACT

There is no additional impact on the General Fund. The direct expenses of the proposed emergency response projects would be entirely funded by grant sources, with sufficient funding for Department staff support provided through the 2007-08 Mayor's Proposed Budget.

KLS:BCH:08070332

Attachment

CITY OF LOS ANGELES

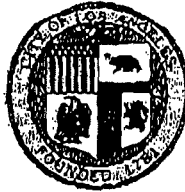
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ANTONIO R. VILLARAIGOSA
MAYOR

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www.lacity.org/dod

REGINA HOUSTON-SWAIN
EXECUTIVE DIRECTOR

May 4, 2007

Honorable Bernard Parks, Chair
Budget and Finance Committee
c/o Lauraine Braithwaite
Office of the City Clerk
Room 395, City Hall

Pursuant to the request for information from the Budget and Finance Committee relative to potential grant opportunities for funding emergency preparedness programs for people with disabilities, the Department on Disability submits the following:

As mentioned in the budget hearing, the Department on Disability is actively seeking grant funds to facilitate emergency preparedness among people with disabilities. The Department maintains a Resource Developer on contract who is actively seeking federal and private funds to support these and other projects.

In collaboration with the Emergency Preparedness Department, we are in the process of developing two Urban Area Security grant applications that will be submitted to Homeland Security. Specifically, we are seeking funds to implement a new project that would establish an interactive on-line program, whereby people with disabilities and their caregivers, will be able to develop customized emergency preparedness plans. The amount of this funding request is \$130,000. We are also submitting an application for a \$105,000 grant that would establish teams of sign language interpreters, trained and equipped to respond as needed in the event of an emergency.

The Emergency Preparedness Department has assured us that emergency preparedness for people with disabilities is one of the highest priorities, in the development of plans to ensure that the City as a whole is prepared for emergencies. To that end, an Emergency Preparedness Coordinator, who will specialize in the coordination of preparedness plans and activities for people with disabilities and seniors, is slated to be hired by the Emergency Preparedness Department during the new fiscal year.

Honorable Bernard Parks

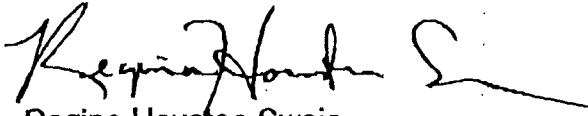
May 4, 2007

Page 2

The Department on Disability will continue to collaborate with the Department of Aging and the Emergency Preparedness Department, to leverage all resources in developing a comprehensive plan, to ensure that people with disabilities and seniors, are considered in all phases of emergency preparedness planning for the City of Los Angeles.

If you have questions or would like additional information, please contact me at (213) 847-9227.

Sincerely,



Regina Houston-Swain
Executive Director

cc: Thomas Saenz
Gabriel Sandoval
Ellis Stanley
Karen Sisson
Sally Choi
Bernyce Hollins
Laura Trejo

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 141

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT ON DISABILITY, 2007-08 PROPOSED BUDGET – ONE AND THREE PERCENT BUDGET REDUCTION PROPOSALS**

The attached memorandum from the Department on Disability (Disability) responds to the Committee's request for one and three percent budget reductions to the Mayor's Proposed Budget. In summary, the proposed funding reductions are not recommended in deference to federal service mandates and the Committee's conveyance of service priorities for disabled residents during the May 2, 2006, Department budget hearing.

Background:

Given a proposed budget appropriation of \$1,858,154 in General Fund and Community Development Block Grant monies, Disability's proposed one and three percent funding reductions total \$18,581 and \$55,744, respectively, as follows:

Contractual Services:	Proposed Funding	Remaining Balances		Service Description
		1% Reduction (\$18,581)	3% Reduction (\$55,744)	
Regents of UCLA*	\$ 33,800	\$ 15,219	\$ -	Self-guided internet service referral resource for disabled residents, their families and industry professionals.
Zatz Renfrew	15,000	15,000	-	Provides grant seeking and grant writing services on a fee-for-service basis.
Disabled Employee Assistance (DEA)*	<u>99,000</u>	<u>99,000</u>	<u>92,056</u>	Funds sign language interpreter services, assistive technology and personal assistants for disabled employees, all as mandated under the federal Americans with Disabilities Act.
Totals:	<u>\$147,800</u>	<u>\$129,219</u>	<u>\$92,056</u>	

* Proposed funding levels reflect Department's request to transfer \$15,000 from the Regents of UCLA contract to the DEA contract. The funding levels reflected in the 2007-08 Supplemental Schedules are \$84,000 (UCLA) and \$48,800 (DEA).

Findings:

Disabled Employee Assistance (DEA) Contract – Pursuant to the federal Americans with Disabilities Act, the City must honor all reasonable request for assistive services, which are currently provided through this contract. Based on expenditures through April 2007, the Department projects a \$41,553 expenditure overage above the 2006-07 contract award of \$99,000.

Recommendation:

- Funding reduction is not recommended for this service, given the federal service mandate, current-year expenditure overage and cost escalation for assistive services.

Zatz Renfrew Contract – The Committee directed the Department to pursue new grant opportunities in an effort to fund expanded services for the City's disabled residents. Disability reports that since it does not have the staffing capacity to pursue grant opportunities unassisted, the Zatz Renfrew contract is a critical service needed to mitigate revenue losses and escalating service costs.

Recommendation:

- If funding reductions are taken for this contract, authority to carryover unspent 2006-07 contract funding is recommended as a means for funding prioritized grant writing service in 2007-08.

Regents of UCLA, Living Independently in Los Angeles (LILA) Website – The Committee instructed our Office to report on an appropriate funding level for this service. Based on our analysis submitted to the Committee under a separate memorandum, a contract award of \$16,600 could potentially fund annual server cost of \$9,600 and data updates that are listed as a \$7,000 reimbursable cost in the 2006-07 LILA contract. The current contract allocation of \$33,800 should be sufficient to maintain the website, fund data updates and possibly minimal service enhancements.

Recommendation:

- Since additional funding reductions could result in discontinuation of this internet-based service, we recommend a minimum award of \$33,800 for the 2007-08 LILA contract.

FISCAL IMPACT

General Fund obligations could be reduced by \$18,581 to \$55,744, depending on the actions taken by the Budget and Finance Committee, relative to the potential 2007-08 Department on Disability budget reductions.

CITY OF LOS ANGELES

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DEPARTMENT ON DISABILITY

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2007 MAY -3 PM 12:06
 CITY ADMINISTRATIVE OFFICER

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ANTONIO R. VILLARAIGOSA
 MAYOR

REGINA HOUSTON-SWAIN
 EXECUTIVE DIRECTOR

DATE: April 30, 2007

TO: Honorable Bernard Parks, Chair
 Budget and Finance Committee
 C/o Lauraine Braithwaite
 Office of the City Clerk
 Room 395, City Hall

FROM: Regina Houston-Swain, Executive Director
 Department on Disability

RE: **PROPOSED BUDGET FISCAL YEAR 2007-08: RESPONSE TO REQUEST FOR ADDITIONAL 1 AND 3 PERCENT BUDGET REDUCTIONS**

In response to your request for one and three percent budget reductions from the Mayor's proposed budget, the Department on Disability proposes the following:

Mayor's proposed DOD budget	\$1,858,154
1% Reduction	18,581
3% Reduction	55,744

1% Reduction

Source	Reduction	Balance
1. Regents of UCLA	(\$18,581)	\$15,219*

3% Reduction

Source	Reduction	Balance
1. Regents of UCLA	(\$33,800)*	\$0
2. Zatz Renfrew	(15,000)	0
3. Disabled Employee Assistance	(6,944)	92,056
TOTAL	55,744	92,056

* This figure is based on the Department's request of April 27, 2007, reallocating \$15,000 from the Regents of UCLA contract to the Disabled Employee Assistance fund. The Mayor's proposed budget listed the Regents of UCLA contract amount at \$48,800.

SERVICE REDUCTIONS AND SHORTFALL

Regents of UCLA contract

Implementing these reductions will effectively eliminate a UCLA contract that provides an online resource for people with disabilities. It is expected that the site will continue to operate without City funding; however, the database that it relies on may no longer be updated and further enhancements will be curtailed.

Zatz/Renfrew Contract

This contract provides grant-writing resources to the Department. The Department has made it a priority to increase its grant funding in the coming years and relies on the expertise of Zatz/Renfrew to do so. If the proposed FY 07-08 allocation for Zatz Renfrew is not funded, the Department recommends that any current year savings in the contract be carried over to FY 07-08.

Disabled Employee Assistance Fund

Even with no cuts, this fund is projected to have a shortfall in FY 07-08 due to increasing use and costs of sign language interpreting. Reducing the fund will compound the shortfall. Sign language interpreter costs are projected to be approximately \$120,000 in the current year. This fund also pays for ADA assistants for disabled employees for approximately \$25,000 to \$30,000 annually.

Any additional budget cuts may have severely negative ramifications relative to the provision of qualitative programs and services to people with disabilities in Los Angeles. If you have any questions or need additional information, please contact me at (213) 847-9227.

Cc: Thomas Saenz
Gabriel Sandoval
Sally Choi
Bernyce Hollins

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 142

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **BUREAU OF ENGINEERING – ONE AND THREE PERCENT BUDGET REDUCTIONS TO THE PROPOSED BUDGET**

The attached letter from the Bureau of Engineering (BOE) responds to the Committee's one percent and three percent cuts to the Mayor's Proposed Budget.

The General Fund portion of the Bureau's \$82 million budget is \$34.7 million. One percent and three percent reductions would equate to cuts of \$346,971 and \$1,040,915, respectively. The Bureau identified Municipal Facilities and Street Improvements as two programs whereby staffing cuts would impact public service and revenue receipts less than cuts in other programs.

According to BOE, a one percent reduction would mean deferring planning and design phases of two MICLA-funded Street Services projects: Thatcher Yard and Asphalt Plant No. 1. A three percent reduction would also impact planning and design activities of the following projects: 3-1-1 Contact Center, Southwest Yard and El Pueblo – Italian Hall Seismic Retrofit.

Recommendation

The reductions are not recommended as project delays could result in higher construction costs and increase General Funded debt service.

KLS:WYL:06070165

Attachment

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DEPARTMENT OF
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GARY LEE MOORE, P.E.
CITY ENGINEER

1149 S. BROADWAY, SUITE 700
LOS ANGELES, CA 90015-2213

<http://eng.lacity.org>

2007 MAY -2 AM 11:21
ADMINISTRATIVE OFFICER

May 2, 2007

Bernard C. Parks, Councilmember 8th District
Chairperson, Budget & Finance Committee
c/o Lauraine Braithwaite
City Clerk's Office
City Hall, Room 395
Los Angeles, CA 90012

Re: Bureau of Engineering FY 2007-08 Proposed Budget – 1 to 3% Cuts

Dear Councilmember Parks:

As requested in our April 27, 2007 hearing to prepare 1 to 3% cuts in the General Fund portion of our proposed budget, this is the response for the Bureau of Engineering. The General Fund portion of our budget totals \$34,697,165. Therefore, 1% would come to \$346,971 and 3% would equal \$1,040,915.

We would like to provide some explanation of our approach to this request. We note that the majority of our budget is funded by special funds. The largest expenditure of General Fund in our budget is used to fund activities in the Privately Financed Improvements Engineering Program and the Municipal Facilities Engineering Program. To a lesser extent, the General Fund also funds the General Public Improvements Engineering Program and a portion of the Street Improvements Engineering Program. Since the vast majority of the budget for these programs consists of salaries, any meaningful reductions would have to come from staffing cuts.

We made a conscious decision not to target the Privately Financed Program for cuts because it would negatively impact our service to the public and costs are recovered from fees and permits. Also, at this time we do not forecast a decline in demand for these services. We are not proposing cuts in the General Public Improvements Program either. Responses to unforeseen conditions and emergencies are typically performed under this program. It is our experience that this is an activity where response time can be critical, the work must be performed, and a budgetary cut to this program will not translate into a workload reduction.

1% Reduction

A reduction of \$346,971 in the Bureau's General Fund portion of the salary account is proposed. This would impact planning and design activities in the Municipal Facilities Program and Street Improvement Program. This would be equivalent to four architectural or engineering associate positions. We are not proposing cuts that would affect projects currently in construction. This



would defer capital project work in the planning and design phases. The Bureau would manage this funding reduction by closely monitoring its salary expenditures and vacancy levels.

Impact

The impact of cuts in planning and design activities will result in fewer projects being ready to go to construction in the future. In the Municipal Facilities Program, the General Fund planning and design efforts that support MICLA projects and the Recreational & Cultural Facilities Program (Prop K, etc.) are not reimbursed, so support for those projects would be most impacted.

Though the General Fund covers a portion of the Street Improvement Program, the majority is funded by special fund. Delays in this program could possibly affect the City's ability to obtain funds for capital projects from MTA, State or Federal, if there are any time constraints, and delay needed projects that would help meet the transportation needs of the City.

3% Reduction

A reduction of \$1,040,915 in the Bureau's General Fund portion of the salary account is proposed in the Municipal Facilities Program and Street Improvement Program. This reduction in salary would be equivalent to 13 positions. These positions provide project management, design and construction management for projects in the programs mentioned above.

Impact

In the Municipal Facilities Program, the General Fund activities that support MICLA projects and the Recreational & Cultural Facilities Program (Prop K, etc.) are not reimbursed, so support for those projects would be most impacted. Since we must give priority to projects already in construction, our design activity would have to be cut back and work halted on some projects. In addition to reducing the number of projects ready for construction in the future, as stated above, a cut of this size could impact projects currently under construction as well, as design staff would not be available to provide clarifications, modifications or other design related services during construction. Delays in projects usually will result in higher construction costs.

If there is any information that you or members of your committee require from us please do not hesitate to contact me.

Yours truly,



Gary Lee Moore, P. E.
City Engineer

- cc: Sally Choi, Mayor's Office
- ✓ Karen Sisson, City Administrative Officer
- Cynthia M. Ruiz, Board of Public Works
- Valerie Lynne Shaw, Board of Public Works

07/08 Budget Cut Exercise - Potential Cut Candidates

Assumption: Avg Annual Rate = \$82,400 x 1.164 (CTO) = \$ 98,550

Proposed Project To Delay for 1% Cut

Program	Largest Exist Fund Source	Proj No	Project Title	Construction Budget	0708 Pos Reduct.**	0708 Cost***
MF Arch		G635	THATCHER YARD STREET SERVICES	\$4,365,000	2.2	\$ 216,811
MF Arch		G636	ASPHALT PLANT NO. 1/ STREET SERVICES	\$3,027,000	1.1	\$ 108,405
Total				\$7,392,000	3.3	\$ 325,216

Proposed Additional Projects To Delay For 3% Cut

Program	Largest Exist Fund Source	Proj No	Project Title	Construction Budget	0708 Pos Reduct.**	0708 Cost***
MF Arch	MICLA	G662	3-1-1 CONTACT CENTER	\$3,036,000	5.0	\$ 492,752
MF Arch	MICLA	G636	SOUTHWEST YARD/ STREET SERVICES*	\$3,904,000	1.7	\$ 167,536
MF Arch	MICLA	G612	EL PUEBLO - ITALIAN HALL SEISMIC RETROFIT	\$2,000,000	1.3	\$ 128,116
Total				\$8,940,000	8	\$ 788,403
Total Cost Reduction: 3%						\$ 1,005,214

* The Southwest Yard would be phased into two phases. Phase 1 would be the Transfer Station Retrofit, which would continue in 07/08. Phase 2 would be the Building Retrofit, which would be put on hold until 08/09.

** Number of positions that would have worked on the project in 07/08 that would not be staffed if cuts are implemented.

*** Proposed 07/08 savings is equal to the assumed average annual salary with CTO, multiplied by the number of unstaffed positions for each project.

Other Projects In Early Design That Were Not Found to be Good Candidates To Delay

Program	Largest Exist Fund Source	Proj No	Project Title
MF Arch	FTA	G653	SOUTH BAY GATEWAY TRANSIT HUBS
MF Arch	FTA	G626	ENCINO PARK & RIDE PARKING IMPROVEMENT
MF Arch	MICLA	G632	EL PUEBLO - INTERPRETIVE CENTER
MF Arch	MICLA	G633	BOYLE HEIGHTS NEIGHBORHOOD CITY HALL/ CHICAGO BLDG
MF R&P		G642	DOWNEY POOL REPLACEMENT
MF R&P		G641	LINCOLN POOL AND BATHHOUSE REPLACEMENT
MF R&P		G643	109TH STREET POOL AND BATHHOUSE REPLACEMENT
MF R&P		G644	COSTELLO POOL AND BATHHOUSE REPLACEMENT
MF R&P	CDBG	G522	HUBERT HUMPHREY MEM PARK ADA
MF R&P	CDBG	G503	EAST VALLEY MULTI-PURPOSE CENTER
MF R&P	General Fund	G540	HAZARD PARK ADA
MF R&P	Proposition A-1	G658	RUNYON CANYON PARK - FULLER PARKING AREA
MF R&P	Seismic Bond	B0XX	BARNSDALL PARK PHASE III
RC Fac		K170	SHELDON/ARLETA PHASE II (Grading)
SIG		M324	SAN FERNANDO MISSION BL SEPULVEDA TO GOLDEN STATE
SIG	Anticipated funds	M601	BROADWAY SIDEWALKS 2ND TO 3RD & NW 4TH ST
SIG	Assessment	C545	BLYTHE ST NEAR YOLANDA AVE - A'11 SEWER
SIG	Federal Transportation Enhancem	M581	BALBOA AND SAN FERNANDO INTERSECTION IMPRVMT
SIG	Federal Transportation Enhancem	M580	SAN FERNANDO RD WIDENING - SAYRE ST TO ASTORIA ST
SIG	General Fund	M454	CABRILLO AVENUE EXTENSION
SIG	LADOT	M571	BURBANK BLVD AND WOODLEY AVE INTERSECTION IMPRVMT
SIG	LADOT	M574	WESTERN AVE AT SUNSET BLVD INTERSECTION IMPRVMT
SIG	LADOT	M575	BURBANK BLVD AND HAYVENHURST AVE INTERSECTION IMPR
SIG	LADOT	M576	RIVERSIDE DR BETWEEN VAN NUYS BLVD AND TILDER AVE
SIG	LADOT	M604	REALIGN 1ST ST BETWEEN MISSION RD AND CLARENCE ST
SIG	LADOT	M573	SAN FERNANDO RD B/W ELM ST AND EAGLE ROCK/ VERDUGO
SIG	MTA	M303	MAGNOLIA BLVD - CAHUENGA BLVD TO VINELAND AVE
SIG	MTA	M251	ANAHEIM ST-FARRAGUT AVE TO DOMINGUEZ CHANNEL
SIG	MTA	M572	SKIRBALL CENTER DR IVE WIDENING PHASE II
SIG	MTA	M300	BURBANK BLVD - LANKERSHIM BLVD TO CLEON AVE
SIG	MTA	M301	MOORPARK ST - WOODMAN AVE TO MURIETTA AVE
SIG	MTA	M329	WILSHIRE BL COORIDOR IMP. - SELBY AVE TO COMSTOCK
SIG	MTA	M455	BARHAM/CAHUENGA CORRIDOR TRANSP. IMP. PHASE 4
SIG	MTA	M302	CAHUENGA BLVD - MAGNOLIA BLVD TO LANKERSHIM BLVD
SIG	MTA	M326	CESAR CHAVEZ AVE LORENA ST INDIANA ST INTERSECTION
SIG	Other	M600	OSBORNE ST WIDENING - SAN FERNANDO RD TO FOOTHILL
SIG	Other	M602	BUNDY DR WIDENING - WILSHIRE BL TO SANTA MONICA BL
SIG	State Fund	M269	VALLEY CIRCLE BOULEVARD - RELINQUISHMENT

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 143

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **DEPARTMENT OF CITY PLANNING REPORT ON EFFORTS TO REDUCE ITS CASELOAD BACKLOG**

Your Committee instructed the Department of City Planning to report on its ongoing efforts to reduce its caseload backlog. The report was to include the size of the backlog at the beginning of 2006-07, the number of cases that have been completed, and the size of the current backlog. The information was to be provided by Council District. Attached is the Department's response.

The Department reports that through its efforts in the past year, the 2005-06 backlog of its highest priority cases was eliminated. Nonetheless, a new backlog of 855 cases has accumulated during 2006-07 due to staffing levels that are inadequate to address the existing caseload. The 2007-08 Budget includes 34 new positions that the Department requested to address ongoing backlog issues.

KLS:JWW:02070247c

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

May 7, 2007

TO: Budget and Finance Committee

FROM: S. Gail Goldberg, AICP
Director of Planning
Department of City Planning

SUBJECT: REPORT BACK TO BUDGET & FINANCE COMMITTEE RELATIVE TO THE
STATUS OF THE CASE BACKLOG

The Budget and Finance Committee requested a report on status of the case backlog. The following is an overview of what it was, what it is today, and what we did to address it.

By 2001 City Planning was receiving approximately 3,500 entitlement case applications each year. The economic growth which has occurred over the past six years and the increasing need for more housing in Los Angeles has caused significant jumps in case filing. In Fiscal Year 2005-2006, City Planning took in 6,445 cases, not including appeals. However, in contrast to the **81% increase in case load**, City Planning's staffing level has not changed, with the exception of additional staff in the Case Expediting Unit. The increased case load and un-matched staffing level resulted in the accumulation of a significant case backlog.

In April 2006 the Director of Planning initiated an aggressive effort to reduce the case backlog. Our top priority were cases which had been accepted by the Department for review (with all required reports received, including Environmental) prior to January 1, 2006. A strike team composed of retired employees under the 90-day provision, outside consultants, and active employees working on an overtime basis was formed in mid-May 2006 to work on these "Priority One" cases. In addition, a department-wide effort was commenced in April 2006 to clean up data entry errors and capture missing case tracking information in the Planning Case Tracking System (PCTS) using our existing resources. This clean-up task allowed us to better monitor and track the backlogged cases.

By the end of 2006, the Priority One cases were completed. A small residual of less than 100 cases are still pending some action from outside of the Department, for example, an applicant's request to hold a case, or reports not yet provided by other City departments or outside agencies. Staff will continue to follow up on these pending cases, and will do so until their ultimate completion or withdrawal.

Although the backlog prior to 2006 has been eliminated, a new backlog totaling 855 cases has accumulated in 2006 and through January 2007 due to inadequate staffing. Please see attachment for backlog distribution by Community Plan Area. The Department is currently modifying computer programs to extract and present the backlog information by Council District, as requested by the Budget and Finance Committee. The current backlog of cases will be processed by City Planning staff only, as the Department does not have additional funds after May 2007 to hire back retired employees or outside contractors.

SGG:jpk

Attachment

cc: Jacob Wexler, CAO
Lauraine Braithwaite, City Clerk

Department of City Planning
Case Backlog Information
Period: 1/1/2006 - 1/31/2007

Community Plan Area / Year	2006	1/1/2007 thru 1/31/2007	Backlog Cases by CPA
ARLETA - PACOIMA	7	2	9
BEL AIR - BEVERLY CREST	12	2	14
BOYLE HEIGHTS	2	1	3
BRENTWOOD - PACIFIC PALISADES	16	4	20
CANOGA PARK - WINNETKA - WOODL	28	6	34
CENTRAL CITY	14	7	21
CENTRAL CITY NORTH	15	2	17
CHATSWORTH - PORTER RANCH	12	5	17
ENCINO - TARZANA	17	4	21
GRANADA HILLS - KNOLLWOOD	1	0	1
HARBOR GATEWAY	5	1	6
HOLLYWOOD	71	15	86
MISSION HILLS - PANORAMA CITY	15	1	16
MULTIPLE	2	0	2
NORTH HOLLYWOOD - VALLEY VILLA	17	2	19
NORTHEAST LOS ANGELES	124	16	140
NORTHRIDGE	9	1	10
PALMS - MAR VISTA - DEL REY	14	5	19
RESEDA - WEST VAN NUYS	9	5	14
SAN PEDRO	3	1	4
SHERMAN OAKS - STUDIO CITY	29	10	39
SILVER LAKE - ECHO PARK	15	1	16
SOUTH LOS ANGELES	39	2	41
SOUTHEAST LOS ANGELES	7	3	10
SUN VALLEY - LA TUNA CANYON	7	2	9
SUNLAND - TUJUNGA - LAKE VIEW	12	2	14
SYLMAR	13	3	16
VAN NUYS - NORTH SHERMAN OAKS	20	6	26
VENICE	25	11	36
WEST ADAMS - BALDWIN HILLS	6	0	6
WEST LOS ANGELES - CENTURY CITY	20	5	25
WESTCHESTER - PLAYA DEL REY	13	4	17
WESTLAKE	13	3	16
WESTWOOD	10	0	10
WILMINGTON - HARBOR CITY	5	2	7
WILSHIRE	37	15	52
COMMUNITY PLAN AREA UNKNOWN	36	6	42
Total:	700	155	855

Backlog Definition: A case is considered backlogged if (1) the case is not completed within 75 days after it's accepted for review by the Planning Department and the required environmental is completed; or (2) the case is not accepted for review by the Planning Department within 75 days after filing. Please note that a case is not backlogged if it is put on hold for reasons beyond City Planning's control.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **POLICE DEPARTMENT REPORT ON HOME GARAGING OF POLICE VEHICLES**

The Committee requested information regarding the Los Angeles Police Department's (LAPD) home garaging vehicles. Attached is the summary provided by the LAPD.

Home Garaging authorities in the LAPD are approved if they meet one of the following justifications:

1. Employees whose duties regularly subject them to emergency call-outs where time is a critical factor and direct response serves the public interest and/or employees who, because of their individual expertise, use of specialized equipment or assignment of a specially equipped vehicle, are regularly and without prior notice required to respond directly to a crime scene.
2. Employees at or above the command level whose duties require regular and unscheduled inspection and supervisory activities.
3. Crime task force employees whose duties require direct reporting to locations other than their assigned headquarters.

Officers of the rank of lieutenant and below, authorized to home-garage an emergency response vehicle, including motorcycles, are required to home-garage their assigned vehicle within the County of Los Angeles or within 60 miles of the Los Angeles City limits when outside the County. Officers home-garaging an emergency response vehicle outside the County may be required to pay an associated parking fee (\$40 for cars and \$25 for motorcycles) as determined by their current Memorandum of Understanding.

KLS:MC:04070175c

Attachment

HOME GARAGING SUMMARY
FISCAL YEARS 1999/2000 TO 2006/2007

	Fiscal Year							
	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007
Command and Staff Authorities	107	*	111	113	*	114	117	118
Motorcycle authorities	281	*	278	262	*	238	265	308
All others	380	*	428	449	*	651	675	677
Total Authorities	768	-	817	824	-	1003	1057	1103
Average Deployment	9356	9256	8912	9085	9215	9146**	9284	9439

* No statistics available

** At the beginning of the fiscal year, the Department did not hire any police officers.

Home Garaging authorities are approved if they meet one of the following justifications:

- 1) Employees whose duties regularly subject them to emergency call-outs where time is a critical factor and direct responses serves the public interest and/or employees who, because of their individual expertise, use of specialized equipment or assignment of a specially equipped vehicle, are regularly and without prior notice required to respond directly to a crime scene.
- 2) Employees at or above the command level whose duties require regular and unscheduled inspectional and supervisory activities.
- 3) Crime task force employees whose duties require direct reporting to locations other than their assigned headquarters.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by m t*

Subject: **BUREAU OF STREET SERVICES - OFF-BUDGET CONSTRUCTION WORK FUNDED BY GRANTS**

The Budget and Finance Committee requested the City Administrative Officer (CAO) to report on off-budget construction projects in Street Services that are funded by grants. The Committee also requested information on the total budget amounts, proposed project start and end dates and any required limitations or restrictions, so that the City does not lose grant dollars due to inactivity, backlog or lack of staff.

Street Services currently has approximately 70 projects at a total value of \$51 million for off-budget construction work through 2010-11. The sources of funding include the Transportation Grant Fund, Metropolitan Transit Authority Annual Work Program, Community Development Block Grant, Community Redevelopment Agency and Safe, Accountable, Flexible, Efficient Transportation Equity Act. Typical projects include work related to street improvement, pavement, street print, sidewalks, medians, bus benches and shelters, landscaping and trees. The projects are distributed throughout the City. Street Services will work with each Council District as projects are designed and implemented. (Attachment).

Ninety-six resolution authority positions, including 12 engineering positions are provided in the 2006-07 Personnel Authority Resolution and are expected to be continued in 2007-08 for these projects. An additional 26 unfunded resolution authority positions (3 engineering and 23 construction) are provided in the 2007-08 Proposed Budget to address the increase in off-budget projects over the past five years.

Street Services is requesting a revision of the 26 positions in the 2007-08 Proposed Budget to 13 positions. The 13 positions are for design work only and consist of three Landscape Architectural Associate III, one Landscape Architectural Associate IV, three Civil Engineering Associate III, one Civil Engineering Associate IV, two Civil Engineer/Landscape Architect Project Manager (PM) I, one Civil Engineer/Landscape Architect PM II, one Senior Management Analyst I and one Senior Systems Analyst I. The 2007-08 cost of the positions is \$1.2 million. Street Services will seek a loan from the Public Works Trust Fund to front fund the positions. Street Services expects to obtain reimbursement from grantors for costs within each fiscal year. Any funding lags will be managed within Street Services' budget. However, it is unknown if these grants will cover all direct and indirect costs.

Street Services expects to implement the projects over a three-year period. The requested design team will design projects. Construction crews will be requested the second and third year to ensure maximum efficiency and reimbursement.

Recommendation

We recommend approval of 11 positions subject to classification by the Personnel Department and review and approval of the paygrades by the CAO Employee Relations Division (ERD). At this time, we do not recommend the addition of a Senior Management Analyst I and a Senior Systems Analyst I. Street Services has vacancies in the Senior Management Analyst and Management Analyst classifications. The need for these positions should be further evaluated. Additionally, we do not recommend the addition of Project Manager (PM) bonuses for the three positions as requested. The projects need to be defined to determine if they meet the qualifications under the established guidelines for the PM designation. The CAO's ERD will work with Street Services to evaluate the duties of the position and the scope of the projects under these established guidelines. Additionally, the CAO will report to the Council within 90 days regarding the disposition of the remaining positions and costs.

KLS:BLT:06070175

Attachment

STREET SERVICES
OFF-BUDGET CONSTRUCTION PROJECTS
MAY 2007



CD	Project Name	Project Budget (\$000s)	Funding Source	Grant Start Date	Grant End Date					Project Status**
					2006-07	2007-08	2008-09	2009-10	2010-11	
MTA CALL FOR PROJECTS - Transportation Block Grant (TGF)										
8,9	Angels Walk - Figueroa Street - 7th Street to Exposition Park	\$ 204	TGF	2005-06			6/30/09			Inactive
1,10	Angels Walk - Wilshire	100	TGF	2005-06			6/30/09			Inactive
8	Broadway/Figueroa Transit Corridor Enhancements	1,900	TGF	2001-02		6/30/08				
11	Century Boulevard Median Enhancement (Aviation to La Cienega)	1,163	TGF	2001-02		6/30/08				
1	Chinatown Streetscape Improvements	2,314	TGF	2001-02		6/30/08				
13	East Hollywood Shared Street Pedestrian Circulation Improvements	478	TGF	2003-04			6/30/09			Inactive
9	Fashion District Streetscape	1,471	TGF	2003-04					6/30/11	Inactive
4,5,13	Hollywood Media District Pedestrian Improvements	500	TGF	2005-06					6/30/11	Inactive
9	Little Tokyo Pedestrian Linkage (1st Street to 3rd Street)	1,000	TGF	2003-04				6/30/10		
1	Northeast LA Community Linkages Phase III	720	TGF	2001-02		6/30/08				
10	Pico Boulevard Corridor Enhancement (Crenshaw to La Brea)	875	TGF	2001-02		6/30/08				Inactive
1	Pico Boulevard Corridor Enhancement (I-110 to Hoover)	706	TGF	2003-04					12/7/09	Inactive
3	Sherman Way Median Island Installation - De Soto to Topanga Canyon	264	TGF	2003-04					12/7/09	
6	Sun Valley- Sunland Boulevard between San Fernando and Strathern	578	TGF	2003-04					6/30/10	Inactive
1,8	Vermont Avenue and Jefferson Boulevard Transit Avenida	882	TGF	2003-04					6/30/10	Inactive
	Subtotal	<u>\$ 13,155</u>								
SAFE ROUTES TO SCHOOL PROJECTS										
14	Bridge Elementary School (ES) and San Antonio de Padua ES (Cycle 2)	\$ 200	TGF	2002-03	6/30/07					
6, 13	Cohasset Street ES, Rosemont Avenue ES, Valerio Street ES (Cycle 3)	1,129	TGF	2003-04	6/30/07					Inactive
9,13,15	Smart Crosswalk Package 1 (Cycle 3)	100	TGF	2003-04	6/30/07					
4,5,8	Smart Crosswalk Package 2 (Cycle 3)	100	TGF	2003-04	6/30/07					
9, 10, 12, 15	Smart Crosswalk Package 1 (Cycle 4)	100	TGF	2004-05		6/30/08				Inactive
7, 9, 12	Smart Crosswalk Package 2 (Cycle 4)	100	TGF	2004-05		6/30/08				Inactive
9, 10, 12	Smart Crosswalk Package 3 (Cycle 4)	100	TGF	2004-05		6/30/08				Inactive
4, 9	Smart Crosswalk Package 1 (Cycle 5)	100	TGF	2005-06			6/30/09			Inactive
8, 9, 10	Smart Crosswalk Package 2 (Cycle 5)	100	TGF	2005-06			6/30/09			Inactive
5, 9, 15	Smart Crosswalk Package 3 (Cycle 5)	180	TGF	2005-06			6/30/09			Inactive
1, 6, 9, 15	Ascot, Bassett, Braddock and Hooper ES, Gompers MS (Cycle 6)	1,000	TGF	2006-07					6/30/10	Inactive
	Subtotal	<u>\$ 2,209</u>								
Neighborhood Block Grant Projects (NBG)										
15	East Wilmington Park Green	\$ 3,500		NBG	ongoing					
1	Lincoln Heights			NBG	ongoing					
9	Old Bank			NBG	ongoing					
Community Development Block Grant (CDBG)										
		7,000								
6	CD 6 Sidewalk Construction - El Dorado			CDBG	ongoing					
4	North Hollywood Beautification			CDBG	ongoing					
10	CD 10 Sidewalk Improvements			CDBG	ongoing					
2	CD 2 Sidewalk Construction			CDBG	ongoing					
4	CD 4 Senior Citizen Parking Lot (Las Palmas Youth Center)			CDBG	ongoing					
14	Broadway Sidewalk Reconstruction Phase 2			CDBG	ongoing					Inactive

**STREET SERVICES
OFF-BUDGET CONSTRUCTION PROJECTS
MAY 2007**

CD	Project Name	Project Budget (\$000s)	Funding Source	Grant Start Date	Grant End Date					Project Status**
					2006-07	2007-08	2008-09	2009-10	2010-11	
	Community Redevelopment Agency (CRA)									
1	Pico Boulevard, 110 to Hoover	2,000	CRA	ongoing						Inactive
14	11th Street from Grande Vista Avenue to Soto Street	5,000	CRA	ongoing						
	Pedestrian Safety Program (PSP)									
1	Herrick Avenue Elementary School	390	PSP	2003-04		12/31/07				
	Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU)									
		5,771								
2	Laurel Canyon Boulevard - Hamlin to Victory		SAFETEA-LU	2007-08				6/30/11		Inactive
9	Central Avenue Historic Corridor		SAFETEA-LU	2007-08				6/30/11		Inactive
10	Olympic Boulevard - Vermont to Western		SAFETEA-LU	2007-08				6/30/11		Inactive
13	Temple Street - Hoover to Glendale		SAFETEA-LU	2007-08				6/30/11		Inactive
	Street Furniture Revenue Fund (SFRF)									
10	Washington Boulevard Beautification	3,500	SFRF	ongoing						
12	Tampa Sidewalk W/S Plummer to Lassen		SFRF	ongoing						
15	Downtown Wilmington Streetscape		SFRF	ongoing						
9	California Hospital Medical Center									
	Demonstration Funds (DEMO 21)									
3	Sherman Way - Topanga Canyon to De Soto	310	DEMO 21	2005-06				6/30/09		Inactive
	Transportation Community & System Preservation (TCSP)									
		500								
7	Vaughn Next Century Learning Center		TCSP	2005-06		6/30/08				
14	Duratherm on Broadway		TCSP	2005-06		6/30/08				
	Los Angeles Unified School District New Sidewalk Program									
6, 7, 12	Valley Region ES #4, #6, #7, #8, #9, Maclay ES, Monroe Span	7,000		Pending	2006-07					Inactive
5	Santa Monica Boulevard Neighborhood Traffic Management Plan	1,000			2007-08					
	Los Angeles Dept. of Transportation (LADOT) Misc Projects									
		400								
4	Wilshire Bl at Highland Southbond Left Turn		DOT							
4	Hollywood Media Dist Bus Stop Sidewalk Improvements		DOT							
2,3,6,12	Metro Orange Line Bikeway Alignment Improvements		DOT							
	Subtotal	<u>\$ 36,371</u>								

ESTIMATED TOTAL FUNDING AVAILABLE THROUGH 2011

\$51 million

* Grant/Funding end date for some projects has not been determined
**Inactive projects are pending the addition of staffing

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 146

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by m-f*Subject: **REPORT BACK ON THE CONVENTION ON THE ELIMINATION OF
DISCRIMINATION AGAINST WOMEN (CEDAW)**

The Budget and Finance Committee requested a report back on the duties and cost of the two resolution positions for CEDAW and human trafficking, and to present comparative information on San Francisco's CEDAW program.

CEDAW

The Commission on the Status of Women (Commission) CEDAW program is staffed by one Management Analyst I (MAI) position at a cost of \$64,958 (\$16,473 indirect costs) and one Management Analyst II (MAII) position at a cost of \$76,650 (\$19,438 indirect costs). The MAI position (resolution authority) is not recommended for continuation in the Mayor's proposed budget because all functions of the MAI position have been transferred to the MAII position (regular authority). We have observed that the program has run efficiently with all duties falling under the MAII position.

The MAI is charged with distributing and collecting Gender Analysis Surveys to City departments. This position does not investigate or analyze the survey results. This position also does not develop policies in response to survey results. Policies are developed by the CEDAW working group (Personnel Department, City Attorney's Office, CLA, CAO and the Commission) as recommended by Council.

The City of San Francisco, Department on the Status of Women (SFDSW) operates the CEDAW program. Unlike the Commission, the SFDSW's CEDAW program duties are shared between two part-time Policy Analysts and one full-time Policy Analyst. The total direct cost of these three positions is approximately \$175,000. These three positions work predominantly on grants, legislative issues, and other programmatic matters in addition to the CEDAW program.

Human Trafficking

The Commission's Human Trafficking program consists of one Senior Project Coordinator (SPC) at a cost of \$85,190 (\$21,604 fringe benefits). The Commission executed a contract with a non-profit in San Diego to receive federal grant funds for its Human Trafficking program. The Commission's contract does not reimburse the City for the SPC position. The contract does not require City staffing. About 90 percent of work related to the human trafficking program is performed by outside contractors according to the terms of the contract.

Recommendation

We recommend that the Commission absorb the functions of the SPC by relying on the Project Coordinator (regular authority) to monitor human trafficking contract work.

KLS:ND:02070232

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 147

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **DEPARTMENT OF RECREATION AND PARKS – WESTCHESTER JUNIOR GOLF PROGRAM**

Your Committee requested the Department of Recreation and Parks (Department) to report back on the details of the Westchester Junior Golf Program, including the number of participants and the outreach methods to be employed. Attached is the Department's response dated May 4, 2007.

The Department reports that the Westchester Junior Golf Program will be available to 140 youth participants between the ages of seven and 15. The participants will be shuttled to the Westchester Golf Course from the following 16 recreation centers:

- Rancho Cienega Sports Complex;
- Mar Vista Gardens Recreation Center;
- Mount Carmel Recreation Center;
- Westchester Recreation Center;
- Algin Sutton Recreation Center;
- Stoner Recreation Center;
- Culver-Slauson Recreation Center;
- St. Andrews Recreation Center;
- Van Ness Recreation Center;
- Oakwood Recreation Center;
- Baldwin Hills Recreation Center;
- Vineyard Recreation Center;
- Harvard Recreation Center;
- Penmar Recreation Center;
- Jim Gilliam Recreation Center; and,
- Robertson Recreation Center.

Attachment A of the Department's response provides details of the junior golf program. The Department reports that the Westchester Recreation Center staff is currently in the process of developing a brochure to advertise the junior golf program.

This memorandum is informational only. There is no fiscal impact.

KLS:VES:08070329c

BOARD OF RECREATION AND
PARK COMMISSIONERS

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DEPARTMENT OF
RECREATION AND PARKS

1200 WEST SEVENTH STREET
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(213) 928-9033
FAX - (213) 928-9031

JON KIRK MUKRI
GENERAL MANAGER

May 4, 2007

Honorable Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

In response to your Committee's request relative to the Westchester Junior Golf Program, we are pleased to submit the details of the Program (Attachment A) which will accommodate 140 youth ages 7 through 15 from the westside of the City. Outreach is being conducted through 16 recreation centers in the West and Pacific regions. The brochure advertising the program is currently being developed by Westchester Recreation Center staff.

If you have any questions or need additional information, please contact James Ward, Golf Manager, at 818-246-1243.

Sincerely,


JON KIRK MUKRI
General Manager

JKM:RA:am

Attachment

cc: Karen L. Sisson, City Administrative Officer
Veronica Salumbides, City Administrative Office

Department of Recreation and Parks

Junior Golf Program Proposal for Westchester Golf Course

The City of Los Angeles, Department of Recreation and Parks (RAP) conducts a large, citywide junior golf program. The purpose of this program is to introduce youth to the game of golf by making golf fun, inviting and enjoyable; to provide opportunities for boys and girls to receive instruction, learn etiquette, rules of the game and develop their skills; and to provide access to Los Angeles municipal golf courses. The Department has shown great success in achieving its objectives and has developed a model program for reaching under-served and at-risk youth through its Tregnan Golf Academy Recreation Center travel program.

The Tregnan Golf Academy opened in July 2000, and has been committed to achieving gender and ethnic parity mirroring the diversity of Los Angeles by reaching out to under-served youth who have limited access to golf programs and opportunities. By focusing on the needs of new and young golfers, programs at the Academy have built camaraderie among young people of diverse backgrounds and have helped each participant develop self-esteem and strong inter-personal skills while learning to play golf. The Academy has consistently been fulfilling two important goals:

- Providing young people with the best golf instruction and training opportunities available in a safe and comfortable environment.
- Providing active participants and past members with a variety of opportunities to play the game of golf.

Success of the Academy operations and programming has been a strong working relationship between the RAP and partnering agencies and golf programs to supply transportation, professional golf instruction, course maintenance, and a secure level of financial resources from private donors, fundraising, grants, and fees.

The Mayor's Office seeks the development of a junior golf program at Westchester Golf Course in cooperation with Los Angeles World Airports, American Golf Corporation, and the Department of Recreation and Parks. RAP respectfully submits the following proposal to make this request a reality by providing youth on the Westside a valuable opportunity to learn the game of golf.

Programming

The primary programming responsibilities will be handled by recreation staff in the West Region at Westchester Recreation Center. The Program Coordinator will be responsible for scheduling, registration, record keeping, activity supervision, recruitment, equipment inventory and control. The Program Coordinator will also be responsible for staff supervision, timekeeping and program budgeting. The proposed budget of \$50,814 will cover the costs to RAP to offer the program and provide one hundred forty (140) under-served or at-risk youth with a comprehensive golf experience.

Classes will be offered Monday through Friday from 4-5:30 p.m. or from 4:30-6:00 p.m. as agreed upon by American Golf Corporation. Students will receive one and a half (1½) hour lessons, once a week for eight (8) weeks. Each participant will receive a total of twelve (12) hours of professional instruction, use of appropriate equipment, access to range balls and course play as needed. The program will run from July 9 through August 31, 2007.

Participants will be picked up at their local recreation center 30 to 45 minutes prior to class time and returned within 30 to 45 minutes after class ends.

There will be a total of sixteen (16) pre-selected recreation sites for pick-up. Each site is allotted seven (7) participants, which is the maximum number of children that can be transported in mini-vans used for transportation. Twenty-eight (28) participants is the maximum number of students per class session.

The Program Coordinator will provide each site with applications, brochures, or other marketing materials for each center's community. The success of the program's ability to register under-served or at-risk youth is largely dependent on each recreation center's promotion within the local community. Brochures and flyers will be distributed at neighborhood council meetings, Community Police Advisory Board (CPAB) meetings, local elementary, middle schools, and community-based organizations starting the week of May 21st. Registration is scheduled the week of May 29th. If a center fails to enroll youth from its community the remaining spots may be offered to participants through Westchester Recreation Center.

RECREATION SITE AND DAYS

MONDAY	TUESDAY	WEDNESDAY	THURSDAY
RANCHO CIENEGA SPORTS COMPLEX 5001 RODEO ROAD LOS ANGELES, CA 90016 Phone: (323) 290-3142 Ralph Jordan	ALGIN SUTTON RC 8800 SOUTH HOOVER STREET LOS ANGELES, CA 90044 Phone: (323) 753-5808 Chinyere Stoneham	VAN NESS RC 5720 2ND AVENUE LOS ANGELES, CA 90043 Phone: (323) 296-1559 Thomas Stokes	HARVARD RC 1535 WEST 62ND STREET LOS ANGELES, CA 90047 Phone: (323) 778-2579 Alonzo Smith
MarVista Gardens RC 4901 Marionwood Dr. Culver City, CA 90230 (310) 397-8290 Hubert Price	Stoner RC 1835 Stoner Ave Los Angeles, CA 90025 (310) 479-7200 Eric Calhoun	Oakwood RC 787 California Ave Los Angeles, CA 90291 (310) 452-7479 Juan Soto	Penmar RC 1341 Lake St Los Angeles, CA 90291 (310) 396-8735 Juan Guzman
Mount Carmel RC 830 W. 70 th St. Los Angeles, CA 90044 (323) 789-2756 Mark Wilson	Culver-Slauson RC 5070 S. Slauson Ave Culver City, CA 90230 (310) 398-5291 Henry Doyle	Baldwin Hills RC 5401 Highlight Pl Los Angeles, CA 90016 (323) 934-0746 LaVerne Kimble	Jim Gilliam RC 4000 S. La Brea Ave Los Angeles, CA 90008 (323) 291-5928 Denise Stansell
Westchester RC 7000 W. Manchester Ave Los Angeles, CA 90045 (310) 670-7473 Linda Fisher	St. Andrews RC 8701 Saint Andrews Pl Los Angeles, CA 90047 (213) 485-1751 Gregory Glenn	Vineyard RC 2942 Vineyard Ave Los Angeles, CA 90016 (323) 732-2469 Erich Haas	Robertson RC 1641 Preuss Road Los Angeles, CA 90035 (310) 278-5383 Nicole Griffin

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 148

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **DEPARTMENT OF RECREATION AND PARKS - STAFFING OF RECREATION CENTERS UNTIL CLOSING TIME**

Your Committee requested the Department of Recreation and Parks (Department) to report back on the cost of staffing recreation centers until closing time. Attached is the Department's response dated May 4, 2007.

The Department reports that parks, by ordinance, are open until 10:30 p.m. The Department further reports that, on average, senior citizen centers are open, Monday through Friday, until 5:00 p.m. and child care centers are open, Monday through Friday, until 6:00 p.m.

According to the Department, generally, recreation centers are staffed, Monday through Friday, until 9:00 p.m. and until 5:00 p.m. on Saturdays and Sundays. The Department notes that staffing at recreation centers is based on available funding for both full-time and part-time staff. The Department further notes that approximately 30% of recreation centers remain open and staffed until 10:00 p.m. or 10:30 p.m. for programs where participants assist with additional staffing costs.

Most of the Department funding for full-time and part-time staff is from the General Fund. A portion of part-time staff funding is funded by user fees. The Department reports that the cost of keeping the approximately 120 recreation centers that normally close at 9:00 p.m. open and staffed until 10:30 p.m. every night would be approximately \$6.7 million. The Department's response provides details on the calculation of the estimated cost.

This memorandum is informational only. There is no fiscal impact.

KLS:VES:08070326c

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DEPARTMENT OF
RECREATION AND PARKS

1200 WEST SEVENTH STREET
7TH FLOOR, SUITE 748
LOS ANGELES, CA 90017

(213) 928-9033
FAX - (213) 928-9031

JON KIRK MUKRI
GENERAL MANAGER

May 4, 2007

Honorable Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
City Clerk, City Hall Room 395
Los Angeles, CA 90012

ATTN: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

This is in response to your Committee's request to report back on the cost to staff parks until closing.

Recreation Centers are staffed in various formulas using a mixture of full time and part time staff. By ordinance, parks are legally open until 10:30 p.m. each night. On average, with our current funding (General Fund and user fees that help keep centers open), Senior Citizen Centers are open until 5 p.m. Monday - Friday, Licensed Child Care Centers are open until 6 p.m. Monday - Friday, and most Recreation Centers are open until 9 p.m. (about 30% stay open until 10 p.m. or 10:30 p.m. if there are program participants that assist with additional staffing costs) Monday - Friday and 5:00 p.m. on Saturdays and Sundays.

In order to keep the 120 centers that close at 9 p.m. open until 10:30 p.m. each night, we would need approximately \$6.69 million annually calculated as follows:

Thirty seven hours of staff supervision per week x 120 centers x \$29 average weighted salary per hour equals \$128,760 per week multiplied by 52 weeks equals \$6,695,520 needed for these centers to stay open with staffing until closing time.

If centers were to close at night, Mondays or Fridays would seem to have the least impact. Most evening programming at the centers are on Tuesday through Thursday. The impact would vary by center. Some centers have strong adult leagues and classes; others have little or no programming for various reasons, such as safety.

Any early closing of facilities would impact our Municipal Sports Division's ability to offer adult recreation opportunities, not to mention the lost revenue from Municipal Sports and the recreation centers with strong programs. Early closure in at-risk communities also provides an opportunity for gangs to solidify their hold. An estimated loss of revenue in

Honorable Councilmember Bernard C. Parks
May 4, 2007
Page 2

excess of \$405,000 annually will affect Municipal Sports. This is based on current Monday through Friday permit hours.

Possible closures are best during down times at the facilities (i.e., 3-day weekends, the Friday after Thanksgiving, winter break, and January 1). If the Department closes early, patrons will not be able to avail of the services and the Department would potentially lose revenue from our various programming.

If you have any questions or need additional information, please contact Regina Adams, Executive Officer, at 213-928-9033 or Faith Mok, Chief Financial Officer, at 213-928-9310.

Sincerely,


JON KIRK MUKRI
General Manager

JKM:RA:ec

cc: Karen L. Sisson, City Administrative Officer
Veronica Salumbides, City Administrative Office

CAO System ID No. 322

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject: **PERSONNEL DEPARTMENT VARIOUS REPORTS BACK TO BUDGET AND FINANCE COMMITTEE REGARDING PROPOSED 2007-08 BUDGET**

Attached are six memos with information from the Personnel Department regarding the Mayor's Proposed 2007-08 Budget. The Department was asked to report back as follows:

1. With a breakdown of the projected monthly hiring goals for law enforcement positions at LAWA, Harbor, LAPD, and GSD;
2. With a survey of recruitment methods for LAPD hires;
3. On whether there have been changes in medical and physical abilities standards in the police officer selection process;
4. On steps taken to monitor and tighten controls over background staff and investigation results, including auditing processes and procedures and ratio of the number audited against the total number of background checks performed;
5. On the cost of re-establishing the employee wellness program; and
6. Working with the City Attorney, on ways to improve the sworn side of workers' compensation case management, similar to the LAWA model;

The Department indicated that the report on strategies used by other cities to recruit and hire more women in sworn positions is pending.

KLS: AIS:18070100d

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PERSONNEL BUILDING
700 EAST TEMPLE STREET
LOS ANGELES, CA 90012

Margaret M. Whelan
GENERAL MANAGER

May 5, 2007

Honorable Members of the Budget and Finance Committee
c/o City Administrative Officer
Room 1500, City Hall East

**PERSONNEL DEPARTMENT: FISCAL YEAR 2007-08 PROPOSED BUDGET
FOLLOW-UP ITEMS FROM APRIL 30, 2007 BUDGET HEARING**

The attached additional information is provided to the Budget and Finance Committee in response to the Personnel Department's budget hearing on April 30, 2007.

Should you have any questions or need additional information, please contact myself at (213) 847-9746, or Susan Nakafuji of my Administrative Services Division, at (213) 485-0613.


MARGARET WHELAN
General Manager

MW:TC:SN

Attachment

c: Sally Choi, Deputy Mayor of Finance and Performance Management
Lynne Ozawa, Office of the Chief Legislative Analyst
Anny Surmenian, Office of the Chief Administrative Officer

Personnel Department

System ID: 292

Report back with a breakdown of the projected monthly hiring goals for law enforcement positions a LAWA, Harbor, LAPD and GSD.

Information as conveyed to the Personnel Department from General Services, LAWA, and Port:

PUBLIC SAFETY OFFICER PROCESSING			
VACANCIES	GSD	AIRPORT	PORT
Current Vacancy (as of 05.01.07)	8	5*	25
Projected Vacancy for FY 2007-08	10	47-60	25
Projected total Hires for FY 2007-08	18	65	41
Hires per class/month**	2-3	10	10

* Airport Police anticipates 10 new positions during the current fiscal year (FY07/08) for Palmdale when United Airlines begins service.

** Number of hires per month until all projected hires for 07/08 are filled.

Additional Info: GSD and Airport Police attend the LAPD Academy. Classes are every four-week deployment period for 13 classes in a calendar year. Port Police continues to the LASO Academy.

<u>LAPD Academy Class Date</u>	GSD	AIRPORT	LAPD
DP 7 - 06/25/07	3	10	60
DP 8 - 07/23/07	3	10	60
DP 9 - 08/20/07	3	10	60
DP 10 - 09/17/07	3	10	60
DP 11 - 10/15/07	3	10	60
DP 12 -11/13/07	3	10	60
DP 13 - 12/10/07	--	5	60
DP 1 , 2008 - LAPD	--	--	60
DP 2 - LAPD	--	--	60
DP 3 - LAPD	--	--	60
DP 4 - LAPD	--	--	60
DP 5 - LAPD	--	--	60
DP 6 - LAPD	--	--	60
FY 2007/2008 projected hires	18	65	780

LASO Academy Class Date	PORT
07/25/07	10
08/15/07	10
10/03/07	10
11/07/07	6
12/05/07	5
Jan 2008	--
Feb 2008	--
Mar 2008	--
Apr 2008	--
May 2008	--
Jun 2008	--
FY 2007/2008 projected hires	41

Personnel Department

System ID: 293

Report back with a survey of recruitment methods for LAPD hires.

For the Period July 1, 2004 - December 31, 2006 the percentages are:

Direct advertising (billboards, print, radio, television, college and military media, movie screens, etc.) = 22.1% of candidates cited a form of direct advertising

Internet = 30.2%. It should be noted that all of our advertising is designed to drive potential candidates to the JoinLAPD.com website. Thus, many candidates who cite the internet may have seen or heard the website address on one of our ads.

LAPD/Personnel Department Recruitment Activities = 20.1%. This includes special events put on by the departments; job fairs, events, and other venues attended by LAPD recruiters; distribution of flyers and brochures; etc. The special events are always supported by direct advertising and LAPD attendance at job fairs, etc. are often supported by direct advertising.

Police Officer friend or relative = 27.4%

Personnel Department

System ID: 297

Report back on whether there have been changes in medical and physical abilities standards in the police officer selection process.

Physical Abilities Standards

The Physical Abilities Test is conducted in two parts. The first part consists of three events. A sidestep exercise measures coordination and agility. A cable pull measures upper body strength. A leg ergometer (stationary bicycle) measures muscular endurance. This portion of the PAT has been used since 1994. The second part of the PAT, administered at the same time as the medical examination, is a treadmill. Candidates are required to remain on the treadmill for 10 minutes, 20 seconds. The speed and elevation of the treadmill are set so that the candidate is required to expend the same amount of energy as running 1 1/2 miles in 14 minutes. **All candidates who entered the selection process after October 1, 2005 have been required to take and pass the PAT 2.** As of April 25, 2007, the scores of all candidates who entered the selection process prior to October 1, 2005 have expired, so all candidates in classes starting with the May 29, 2007 class will have been required to pass the PAT 2.

On the third Thursday of each month is held a meeting of the Police Coordinating Committee, which consists of representatives of those units within both the Personnel and Police Departments responsible for recruitment, hiring, and training of new officers. LAPD Training Division is a standing member of the committee. And while they state that candidates could certainly be in better shape, they have not said that the physical condition of recruits is significantly worse than in past years. In fact, we have been receiving a weekly list of all LAPD separations since April 29, 2006 and the reason for a recruit resigning from the academy rarely is lack of physical condition or a related reason (i.e., double failing self defense). A caveat should be added that many recruits resign for "personal reasons" and these reasons may include an inability to meet the physical demands of the academy, but we are not aware that this is a significant contributing factor. Additionally, we have not received any information indicating that there is an increase in injuries. Finally, according to Training Division, attrition in the training academy is lower than it has been in a number of years.

Candidates for Airport Police Officer, Port Police Officer, and Special Officer have been subject to the same PAT (except the treadmill) since 2001. Candidates for these departments who have entered the selection process since November 9, 2006 are subject to the treadmill. We have not received any concerns from these departments about the fitness of their candidates.

Changes in the Police Officer Medical Standards Since July 2005:

1. Body Fat cut-off for Police Candidate – for LAPD applicants only, changed to Male 24% and Female 32%. Previous requirement was male 22 %, female 30%. Effective July 19, 2005.
2. Bradycardia (slow heart rate) protocol) – requirements for additional medical tests were removed for those applicants with slow heart rates that could be accounted for on the basis of conditioning due to participation in high intensity cardiovascular activities (e.g., marathon runners, triathletes, etc). The change expedited the process for these candidates and removed the requirement for testing that was deemed to be unnecessary. Effective February 7, 2006.
3. Hearing Loss: H.I.N.T. – guidelines established for making the decision regarding which candidates with hearing loss would be offered the option for a repeat H.I.N.T. evaluation. The change resulted in giving applicants with a hearing loss a second opportunity to qualify rather than being disqualified. Effective January 4, 2006.
4. Hearing Aids - Police candidates could qualify by using hearing aids if they could pass the specialized hearing tests administered at the House Ear Clinic, as required by POST. Effective October 5, 2006.
5. Body Fat – reinstatement of the prior body fat requirement: males = 22%, females = 30%. Effective April 26, 2007.

Personnel Department

System ID: 296

Report back, in a confidential memo, on steps taken to monitor and tighten controls over background staff and investigation results. Include auditing processes and procedures and ratio of the number audited against the total number of background checks performed.

Background Investigation Audits

Audits are performed on 100% of completed background investigation case submitted by every Background Investigator. Using the attached Audit Form as a guide, the Team Leader (Background Investigator II) conducts a page-by-page review of the submitted investigation. The Audit Form was created to mirror those areas, which are audited by the Commission on Peace Officer Standards and Training (POST). In addition to the documents contained in the investigation, the Team Leader reviews the investigation to confirm that the information obtained from the collected records are corroborated by the field investigation conducted by the Background Investigator and to insure that issues of concern were sufficiently addressed. This initial audit also serves as an opportunity to provide Background Investigators with feedback and direction in maximizing the efficiency of resources and time.

In addition to the Investigation Audits, an Analyst from the Review and Evaluation Section of the Background Investigation Division also reviews every completed case. The Analyst reviews the completed investigation for thoroughness and whether the information contained in the package supports the Investigative Section recommendation. Completed background packages are also reviewed by the Medical Services Division (psychologist) and LAPD staff for hiring or disqualifying consideration.

Quality Assurance Survey

In addition to the Background Investigation Audit, Personnel Department has instituted the use of a Quality Assurance Survey (QAS). The attached form is used to conduct a random check on field contacts on a minimum of 10% of all completed packages. In addition to moving forward with the QAS effective this last quarter of the fiscal year, Personnel is also conducting a random check on field contacts using the QAS form on a minimum of 10% of backgrounds completed on candidates hired in the current fiscal year.

Background investigation field contacts fall into four basic categories; reference, residence, employer, and agency checks (law enforcement agencies where the candidate applied or had contact). These checks are conducted based on both information provided by the candidate and information developed during the course of the investigation. Telephonic contacts are primarily made to establish the availability and relevance of information at the point of contact. For example, if the initial contact with a previous employer establishes that there are no personnel records maintained nor employees currently employed who recall the candidate from several years ago, an

investigator will not make an in-person check. However, if initial contact reveals that there are files that require in-person review or persons who may have relevant information to provide, the investigator will make necessary arrangements to make the in-person field contact. This efficient practice eliminates wastes associated with "cold" field contacts, is utilized by major law enforcement agencies, and is an accepted practice by the Commission on Peace Officer Standards and Training.

Audit Form

Candidate:		Sex		Ethnic:		Oral	
Department		S.S. #:					
U.S. Citizen:	Yes	BI		Supervisor:			
Item	In File	Req	Item	In File	Req.		
PERSONAL HISTORY FORM / CIVIL SERVICE APP.				RECORDS/SPECIAL INVESTIGATIONS (Cont'd)			
Personal History Form			PD Checks				
Civil Service Application			Campus Police Checks				
PRELIMINARY BACKGROUND QUEST/INTERVIEW				Other Dept Applications			
Clarification Interview			REFERENCES				
PBQ			Spousal/Sig Other/ Ex's				
PIQ			Co Hab/Roommates				
TRANS UNION				Initial References			
Trans Union			Developed References				
Other Financial Records			ADMINISTRATIVE / MISCELLANEOUS				
Bankruptcy Documents			CPAT Test Results				
EMPLOYMENT / RESIDENCE				EMT Certificate			
Employment Checks			Paramedic License				
Residence Checks							
RECORDS/SPECIAL INVESTIGATIONS				Polygraph Examination			
Firearms Certification			Medical Affidavit				
CII			Urinalysis / Psych				
FBI			Driver License				
NECS			Social Security				
NIN			Birth Certificate				
GANGS			Naturalization Certificate				
ATD			Marriage License				
Selective Service			Divorce Documents				
DD-214			HS Diploma/Transcripts/GED				
Military Records			College Diplomas/Transcripts				
Military Police			Tattoo Photos				
Out of State DMV			Vehicle Insurance				
Out of State DOJ Check			I-9 Form				
Out of State COP Checks			Miscellaneous & LAPD Docs.				
			WAIVERS				
Interpol Checks			Notarized Waivers				

EMPLOYMENT RESIDENCE REFERENCE

AGENCY

QUALITY ASSURANCE SURVEY

Person Contacted: _____ **Date of Contact:** _____ (Use separate survey for each contact)

Assigned Investigator: _____

Candidate: _____ **SSN: XXX-XX-** _____

"I am conducting a random survey on one of our investigators to determine the effectiveness/demeanor of our personnel."

1. Was the interview conducted in person or telephonic? _____
2. Was the investigator professional in her/his questioning regarding the candidate? Yes-No (Explain no answer in comments section)
3. Did the investigator ask appropriate questions to determine the candidate's ability to perform the duties of a public safety officer? Yes-No (Explain no answer in comments section)
4. Is there anything about the interview that you feel should have been handled differently? Yes-No
5. Do you recommend the candidate for hire? Yes-No (Explain no answer in comments section)

COMMENTS:

(Place additional comments on page two.)

INVESTIGATOR RATING: Outstanding (4) ___ Above Average (3) ___
Acceptable (2) ___ Improvement Needed (1) ___

TEAM LEADER: _____ **Date:** _____
(Print Name and Initial)

COMMENTS:

REPORT DISCREPENCIES:

(Explain non-statement report discrepancies, if none noted indicate N/A)

Copy to Investigator Date: _____

Group Supervisor: _____ **Section Manager:** _____
(Initial) (Initial)



Los Angeles World Airports

May 3, 2007

The Honorable Bernard C. Parks
Chair, Budget & Finance Committee
City of Los Angeles
Room 460, City Hall
200 North Spring Street
Los Angeles, CA 90012

Dear Councilmember Parks:

- LAX
- Ontario
- Vari Nuys
- Palmdale
- City of Los Angeles
 - Antonio R. Villaraigosa
Mayor
 - Board of Airport
Commissioners
 - Alan I. Rothenberg
President
 - Valeria C. Velasco
Vice President
 - Joseph A. Aredas
 - Michael A. Lawson
 - Sylvia Patsaouras
 - Fernando M. Torres-Gil
 - Walter Zifkin
 - Samson Mengistu
Acting Executive Director

It was good to see you this afternoon. I want to amplify my comments thanking the Personnel Department and, in particular, Margaret Whelan, for the department's superlative efforts on behalf of the Airport Police in staffing our agency. On April 9th, 2007, I met with Martha Garcia and other members of Ms. Whelan's staff to discuss on-going recruitment issues related to the Airport Police Division at Los Angeles International Airport. The meeting was extremely productive and reflective of the great partnership between the APD and the Los Angeles City Personnel Department that has evolved under her leadership.

To recap, working together, we have placed 57 candidates into the police academy in fiscal year '06-'07, an unprecedented accomplishment in the history of the Airport Police Division. More importantly, the selection and background processes conducted and overseen by the Personnel Department have yielded top tier candidates for our agency. In fact, two of our recruits are President and Vice-President of their classes. It is particularly noteworthy that of all the candidates placed into the Los Angeles Police Academy to date, not a single one has been disqualified for failures during academy training.

We anticipate continued hiring to cover attrition, new position hires and supervisory vacancies in '07-'08. I again want to thank Ms. Whelan and her dedicated staff for assisting us in recruiting, back grounding and hiring the airport police officers of the future.

Sincerely,

James T. Butts, Jr.
Deputy Executive Director
Airport Law Enforcement & Protection Services


JTB:jko

cc: Honorable Members of Budget & Finance Committee
Margaret M. Whelan, General Manager, Personnel Department

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: May 3, 2007

TO: Maggie Whelan, General Manager
Personnel Department

FROM: 
Alvin Y. Blair, General Manager
General Services Department

SUBJECT: HIRING PROCESS FOR PUBLIC SAFETY OFFICERS

I would like to take this opportunity to thank you for your Departments assistance and dedication in the area of Public Safety Officer hiring. The Personnel Departments consolidated testing program has been a success as it relates to processing General Services Department Police Officer (Special Officer) candidates. This fiscal year, we have hired 31 officers to date and hiring is expected to surpass previous year numbers by the end of the fiscal year.

The quality of candidates we hire and send to the Los Angeles Police Academy are excellent. After graduation, those recruit officers have grown to become effective and professional law enforcement officers of this City.

Chief Gary Newton would especially like to recognize the hard work of Phyllis Lynes, Raul Lemus, Scott DeYoung and Olivia Flores of your staff. Each one of these employees has gone above and beyond the call of duty to ensure that candidates from all four City police organizations receive fair opportunity to evaluate and select quality candidates.

I look forward to continuing this cooperative relationship in the coming years and am confident that our remaining existing and new vacancies can be filled in the same expeditious manner that you have demonstrated in the past.

AYB/gn

Personnel Department

System ID: 300

Report back on the cost of reestablishing the employee wellness program.

City of Los Angeles Flex

Wellness Program

In an effort to control the costs of health insurance to maintain a healthier workforce, the Budget and Finance Committee requested costing information for implementation of an Employee Wellness Program for civilian employees. The Employee Benefits Division of the Personnel Department is requesting \$427,000 to provide us with the financial resources to provide an all-encompassing program.

Our proposed Wellness Program would include:

- **Website** - Mercer Human Resources Consulting has recently expanded its services into the realm of wellness by creating a personalized "benefits portal" website for its clients. The website will serve as a one-stop shop for employees and dependents to become more informed and involved with their health care. Web page links will guide employees through their FLEX Benefits, Medicare Information, and Value Options Employee Assistance Program Services. They will also be able to read and print health plan documents and forms. In addition, employees will also be able to log-in to access a secure site in order to make changes to their benefits. Finally, through the partnership of the City and its insurance providers, the site will also allow employees and dependents to easily link to Blue Cross & Kaiser Permanente websites, special programs, and member discounts. The approximated cost to the City for Mercer to build and maintain such a website would be: \$130,000 one time fee and an ongoing fee of \$41,000.
- **Wellness / Benefits Fairs** - Wellness Fairs combined with Open Enrollment Fairs including Health Screenings by Blue Cross & Kaiser Permanente staff. The approximated cost to the City for Blue Cross and Kaiser to coordinate and supply staff for these events would be: \$25,000
- **Worksite Wellness events** - Blue Cross and Kaiser Permanente are constantly producing new materials, services and programs to aid its members in creating healthy lifestyles. The insurance providers will provide therapeutic chair massages, health screenings, health risk assessments, influenza vaccines, and health education seminars. The approximated cost to the City for Blue Cross and Kaiser to coordinate and supply staff for these events would be: \$50,000
- **Rewards Programs & Incentives** - With funding, the Wellness Program could provide an online Rewards Program hosted by Blue Cross or Kaiser Permanente. The rewards website

would offer an online *Health Risk Assessment Questionnaire* in addition to incentives for active participation in healthy behaviors. The approximated cost to the City for Blue Cross and Kaiser to supply incentives to participating employees would be: \$100,000

- **Gym Discounts** – In addition to the product and service discounts already offered by our insurance providers, the City would be able to offer discounts to employees for gym memberships (i.e. 24 hour Fitness or LA Fitness) not discounted by Blue Cross or Kaiser Permanente. The gym would also participate in our Open Enrollment and Wellness/Benefits Fairs. The approximated cost to the City for gym membership premiums for participating employees would be: \$29,000
- **Newsletters & Resources Library** - Brochures, pamphlets, and information sheets about Disease Management (Asthma, Diabetes, Coronary Artery Disease, Heart Failure, Chronic Obstructive Pulmonary Disease, Cancer, etc.), pregnancy, smoking cessation, weight loss, and nutrition. The library would also include EAP brochures. The approximated cost to the City for providing such resources would be: \$52,000

Personnel Department

System ID 294

With the assistance of the City Attorney report back with suggestions for reducing workers compensation cost for both sworn and civilian. Report should include information from San Francisco, San Diego and Minneapolis regarding their successes in reducing workers compensation costs. See additional question on recruitment of females for sworn positions.

Preliminary data indicates that Los Angeles World Airport's (LAWA) expenditures, claims, and salary continuation (IOD) are overall less than the civilian population in general. The LAWA model is substantially different than the civilian and sworn model; for example, LAWA has two dedicated attorneys with reduced caseloads, and nursing and safety staff.

Both the recent Controller's audit of the City workers' compensation claims program and comments made by the Budget and Finance Committee on April 30, 2007, agree that reduced caseloads for the City Attorney and Personnel Department workers' compensation claims staff will result in reduced expenditures.

It is therefore recommended that the Personnel Department and City Attorney's Office together with the City Administrative Office be directed to report back to the Budget and Finance Committee with a comprehensive analysis and suggestions on reducing the City's sworn and civilian worker's compensation claims costs, including program design modifications, staffing models, and related cost-benefit analyses.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 150

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **EL PUEBLO DE LOS ANGELES REPORT BACK ON THE TOTAL AMOUNT
NEEDED TO MAINTAIN CURRENT EXPANDED MUSEUM HOURS**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on the amount needed to maintain current expanded museum hours in fiscal year 2007-08. The Department reports that funding in the amount of \$220,000 is currently budgeted in the 1070, Salaries As-Needed account for 2006-07, the same level of funding is provided in 2007-08. The Department also reports that it would need an additional funding of \$40,000 in the 2007-08 budget, to staff museums in order to support the expanded hours. This would increase the total amount of \$220,000 to \$260,000.

Attachment

KLS:DP:08070335c

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

BOARD OF
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EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT

ROBERT L. ANDRADE
GENERAL MANAGER

COMMISSION EXECUTIVE ASSISTANT
VACANT

125 PASEO DE LA PLAZA, SUITE 300
LOS ANGELES, CA 90012

TEL: (213) 485-6855
TDD: (213) 473-5535
FAX: (213) 485-8238

May 4, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: REPORT BACK ON ADDITIONAL FUNDING NEEDED TO MAINTAIN
CURRENT EXPANDED MUSEUM HOURS**

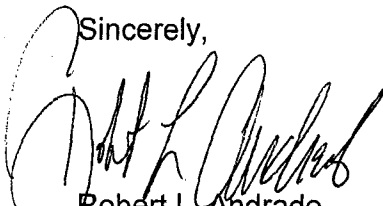
On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report on how much additional funding is needed to maintain the current expanded museum hours in fiscal year 2007-08.

The 2007-08 Proposed Budget for Salaries As-Needed account 1070 is \$220,000. This amount would need to increase by \$40,000 from \$220,000 to \$260,000 to provide funding necessary to staff museums to maintain the current level of hours of museum operations. No other funding or account adjustments are required.

Fiscal Impact

The total impact to the General Fund is \$40,000.

Sincerely,



Robert L. Andrade
General Manager

RLA:JF:qg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 151

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LETTER FROM THE HARBOR DEPARTMENT TO THE BUDGET AND FINANCE COMMITTEE REGARDING SECURITY NEEDS AND PLANS AND FEDERAL FUNDING SUPPORT**

The Harbor Department (Port) letter dated May 4, 2007 responding to security needs and plans and federal funding support for the Port is attached. The Port pursues federal grant funds whenever it has identified any security related projects. The Port of Los Angeles (POLA) believes that it has been underrepresented in the receipt of federal funding for security and related port infrastructure projects.

The Port has successfully applied for and received several federal grants to address port security and infrastructure. In addition, the POLA works closely with the Port of Long Beach (POLB), when appropriate, to apply for federal funding that will mutually benefit both ports. Since many federal grant applications require cost-sharing and reimbursement for funds already spent for capital projects, the Port includes these costs in its annual budget.

We concur with the Harbor to continue in its pursuit of federal grant funding to supplement Harbor revenue funds to expand and enhance costs to provide for port public safety, security and infrastructure.

Recommendation: That the Harbor Department report back to the appropriate City Council committee within 90 days on its security needs and plans and federal funding support.

KLS:ABN:10070189c

Attachments



May 4, 2007

Antonio R. Villaraigosa, Mayor
City of Los Angeles

Board of Harbor
Commissioners

S. David Freeman
President

Jerilyn López Mendoza
Vice President

Kaylynn L. Kim

Douglas P. Krause

Joseph R. Radtsich

Geraldine Knatz, Ph.D.
Executive Director

Honorable Bernard Parks, Chair
Budget and Finance Committee, City Council
City of Los Angeles
200 N. Spring Street
Los Angeles, CA 90012

Dear Honorable Parks:

**SUBJECT: PROPOSED FY 2007/08 BUDGET QUESTION #491 – SECURITY
NEEDS & PLANS AND FEDERAL FUNDING SUPPORT**

In response to the request from the B&F Committee's question concerning security and federal funding support, the Port of Los Angeles is submitting the following information.

Security

Port security projects have their genesis from a number of surveys or processes that are designed to protect lives, supply chains, and infrastructures. Once a project is identified and approved to move forward, the Port of Los Angeles continues to seek federal support by means of grant funding.

Although over 43% of containerized cargo enters the United States via the San Pedro Bay, it has been well established that the Ports of Los Angeles and Long Beach have been under-represented in federal grant funding to ensure security of the supply chain and related port infrastructure. There have been seven rounds of these grants.

In Rounds 1-6 POLA submitted 39 projects equaling \$150 million and was awarded 13 projects equaling \$31.2 million. The award amounts, on their face, represent a huge disparity between the requested amounts. The offset is also apparent when grant awards during this period were compared to other often smaller ports that may be at less risk. Recent improvements to the grant application process has changed the formula to one that is more risk based than in previous grant rounds, yet more equity to the process should be considered.

For the latest Round 7 process, each applying agency was limited to three projects; the LA/LB port region was assigned a predetermined total award amount of approximately \$14 million. Both Los Angeles and Long Beach ports coordinated



SUBJECT: PROPOSED FY 2007/08 BUDGET QUESTION #491 – SECURITY NEEDS & PLANS AND FEDERAL FUNDING SUPPORT

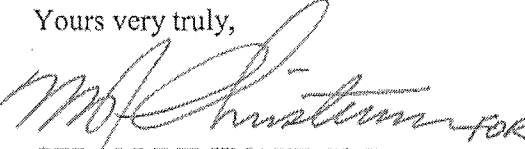
applications to total this amount while maximizing the projects for greatest benefit. POLA submitted three projects totaling \$6.9 million. Round 7 are currently in the evaluation period and we expect the results by the end of May 2007.

Since the many grant processes provide reimbursement for capitol spent on the awarded project, and in most cases a cost-share, the full project costs must be included in the Port of Los Angeles' annual budget. It is the move-forward plan of the Harbor Department to continue pursuing the best security practices and technologies, and advocate grant assistance from the federal government whenever possible. This will not, however, impede the pursuit to move aggressively on resolving any identified security risks. Although we have only received a fraction of the dollar amount applied for, these grants, coupled with port dollars, are currently funding several critical security projects; such as a highly sophisticated port-wide surveillance camera system, advance security systems at POLA facilities, and fiber optic connectivity throughout the port.

It is the position of the Board of Harbor Commissioners and Executive Director that matters of public safety and port security must be satisfied without reservation based upon a grant process. In closing, the general perception of Los Angeles' posture towards port security should be one of confidence that projects are moving forward without undue hindrance.

If you have any questions or need additional information, please contact Ron Boyd, Chief, Port Police, at (310) 732 – 3520.

Yours very truly,



GERALDINE KNATZ, Ph.D.
Executive Director

Attachment

cc: Gerry Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
Alvin Newman, Sr. Administrative Analyst, CAO
Lauraine Braithwaite, Legislative Assistant, City Clerk
Lynne Ozawa, Chief Legislative Analyst, CLA
Michael R. Christensen, Deputy Executive Director
Molly C. Campbell, Deputy Executive Director
William A. Gonzales, Controller

GK:MC:RB:he
File: Bud-1 Budget-2007/08

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 152

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*
by m-t

Subject: **EL PUEBLO DE LOS ANGELES REPORT BACK ON EMERGENCY REPAIRS**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on how emergency repairs are being addressed. The Department reports that under the existing system, the Department of General Services provides emergency repair services.

Attachment

KLS:DP:08070337c

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

**BOARD OF
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**EL PUEBLO DE LOS ANGELES
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FAX: (213) 485-8238

May 4, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: REPORT BACK ON HOW EMERGENCY REPAIRS ARE BEING
ADDRESSED BY THE DEPARTMENT**

On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report on how emergency repairs are being addressed by the Department.

Under the existing system, El Pueblo manages the Monument and the Department of General Services (GSD) provides emergency repairs to buildings, utilities and structures located at El Pueblo. GSD utilizes in-house staff or contract services to respond to unsafe conditions. GSD takes requests from El Pueblo and prioritizes them with all of the other requests for service and provides the services according to the priority list.

Sincerely,

Robert L. Andrade
General Manager

RLA:JF:qg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 153

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by m/f*

Subject: **EL PUEBLO DE LOS ANGELES REPORT BACK ON THE STATUS OF MERCHANT LEASES**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on the status of merchant leases, including the number of leases, the number negotiated, how far below market rate they are and the projected revenue at market rate. Attached is the Department's response. The Department reports that 17 merchants have signed leases and 61 are operating on a month-to-month basis. Currently, the Department is consulting with experts to determine a formula that can establish reasonable lease rates, which would then be negotiated and presented for Council approval.

Attachment

KLS:DP:08070338c

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

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May 4, 2007

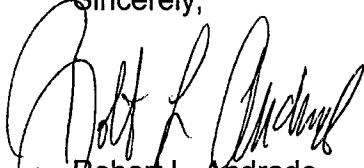
Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: REPORT BACK ON THE STATUS OF MERCHANT LEASES AT EL
PUEBLO DE LOS ANGELES HISTORICAL MONUMENT**

On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report on the status of merchant leases at El Pueblo.

Seventy eight merchants operate at El Pueblo; 17 have signed leases and 61 are operating on month-to-month agreements. The last renegotiation of rents occurred in 1997. El Pueblo, the Office of the Chief Legislative Analyst, and the Office of the City Attorney are currently developing merchant lease terms. The lease requirements are unique and no standard formula or comparables exist that would allow a fair market rate to be determined. Experts in this area of real estate are being consulted to establish a formula that can reasonably determine appropriate lease rates. Upon establishment of these rates, the leases will be negotiated and presented to the City Council for approval.

Sincerely,



Robert L. Andrade
General Manager

RLA:JF:gg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
5/7 mf*

Subject: **PROPOSITION O FUNDING COMMITMENTS**

The Budget and Finance Committee requested the City Administrative Officer to report on Proposition O (Prop O) commitments. The Committee also requested a status report on Vanowen Vanalden Park/Aliso Water Project.

The Prop O General Obligation Bond Measure authorized \$500 million of general obligation bonds in July 2004 to fund projects that provide improvements to protect water quality, provide flood protection, increase water conservation and provide habitat protection and open space. An Administrative Oversight Committee (AOC) and a Citizens Oversight Advisory Committee (COAC) oversee the program. The Mayor and Council have final authority over the program budget and master schedule.

Of the \$500 million authority, a total of \$469 million has been recommended by the COAC and AOC to fund project costs and approved by Council (Attachment). Additionally, the COAC has reserved \$24 million for one project currently in the predesign phase. A summary of project commitments is as follows:

<u>Proposition O Item</u>	<u>Amount</u>	<u>Council File</u>
Projects/Staffing/Consulting approved by Council	\$307,530,658	04-1034 and 06-1235
Projects pending Council approval - recommended by COAC and AOC	135,577,945	Pending
Projected future cost for the staffing approved by Council (C.F. 04-1034 and 06-1235)*	<u>26,516,348</u>	
Subtotal	\$469,624,951	
Reserved by COAC pending review of design - Santa Monica Bay Low Flow Diversions	<u>24,000,000</u>	
Total Amount Committed	<u>\$493,624,951</u>	
Funding Balance	\$ 6,375,049	
Potential Grant Funding identified to date	\$ 23,000,000	

Potential Funding Issues

- The \$178 million estimate for project set asides approved by Council for the Machado Lake, Echo Park and Wilmington Drain projects will be updated upon the completion of design.
- Up to \$23 million has been identified in potential reimbursable grant funding to date. Additional funding from other grants and state propositions may also be possible. However, at this time, it is unknown how much grant funding the City will actually receive.
- Staff costs are estimated at a zero cost escalation rate. Costs may need to be adjusted if necessary as a result of Cost of Living Adjustments.
- The COAC and AOC have discussed Prop O funding the Los Angeles (LA) River Revitalization Plan projects. Funding could be provided from project savings or the reduction of set asides made available by the award of grants to the City. Approximately, \$202 million in previously approved projects will contribute toward clean up of the LA River.
- There is no separate program contingency set aside. We recommend that some amount be set aside for overall program contingency to accommodate cost overruns and other program costs not reflected in the individual project contingencies. We are still working with the City Engineer to establish a recommendation regarding an appropriate level of contingency funding.

A report on the recommendations from the COAC and AOC for project funding is expected to be presented to Council in May 2007. Additionally, the COAC and AOC have requested a priority list of the existing projects for consideration at upcoming meetings. The COAC/AOC recommendations will be provided to Council at a future date.

The Vanowen Vanalden Park/Aliso Water Project or Aliso Wash-Limekiln Creek Confluence Restoration Project (\$575,000) was submitted as part of the December 2005 Call For Projects. The project is expected to be considered by the COAC in May 2007.

Recommendation

We recommend that Council set aside the unallocated amount of \$6.4 million for Proposition O program contingency.

*Estimated staffing costs will be revised as necessary

KLS:BLT:06070174

Attachment

Proposition O
Updated Program Budget Summary
May 2007



<u>Watershed/ Water Body</u>	<u>CD</u>	<u>Project No.</u>		<u>Costs</u>	<u>Council File</u>	<u>Council Approval Date</u>	<u>Project Status</u>
Projects Approved by Council. C.F. 04-1034 and 06-1235							
Los Angeles (LA) River / Tujunga	6	01-12	Cabrillo Paseo Walkway/Bike Path	\$ 1,337,696	06-1235	February 2007	Pre-design
LA River and Ballona Creek	1,4,8,9, 13,14,15	None	Catch Basin Inserts and Coverings Phase 1	17,000,000	04-1034-S1	June 2005	Construction
LA River and Ballona Creek	1,4,8,9, 13,14,15	01-52	Catch Basin Opening Screen Covers Phase 2	10,000,000	06-1235	August 2006	Construction
LA River	6	01-11	Cesar Chavez Ground Water Improvement	3,040,000	06-1235	August 2006	Construction
LA River	13	01-29	Echo Park Lake Rehabilitation (design)	10,997,899	06-1235	February 2007	Pre-design
Dominguez Channel	15	01-41	Inner Cabrillo Beach Bacterial Water Quality Improvement	8,000,000	06-1235	August 2006	Construction
Dominguez Channel	15	01-36a	Machado Lake Ecosystem Rehabilitation (design)	10,124,312	06-1235	February 2007	Pre-design
LA River	13	01-28	Oros Green Street	386,000	06-1235	August 2006	Construction
Dominguez Channel	15	01-40	Peck Park Canyon Enhancement	6,190,000	06-1235	February 2007	Pre-design
Dominguez Channel	15	01-35	Rosecrans Recreational Center Storm Water Enhancements	4,829,119	06-1235	February 2007	Pre-design
Santa Monica Bay	11	01-20a-c	Santa Monica Bay/Ballona Creek Best Management Practices (BMP) (3 locations)	13,300,000	06-1235	December 2006	Pre-design
Santa Monica Bay	11	01-51	Santa Monica Bay Low Flow Diversions Upgrades (design)	5,980,000	06-1235	August 2006	Pre-design
Santa Monica Bay	11	01-22a, c	Santa Monica Bay Beaches Bacteria Wet Weather TMDL (SMBBBWW TMDL) (2 locations)	4,162,158	06-1235	December 2006	Pre-design
LA River	9	01-16	South Los Angeles Wetlands Park	8,100,000	06-1235	August 2006	Pre-design
LA River / Sun Valley	6	01-10	Strathern Pit Multiuse	17,800,000	06-1235	February 2007	Pending
Dominguez Channel	15	01-36b	Wilmington Drain Multiuse (design)	2,200,613	06-1235	February 2007	Pre-design
				Subtotal	\$ 123,447,797		
Project Set Asides Approved by Council							
LA River	13	01-29	Echo Park Lake Rehabilitation (Set Aside)*	\$ 73,265,414	06-1235	February 2007	
Dominguez Channel	15	01-36a	Machado Lake Ecosystem Rehabilitation (Set Aside)*	89,399,585	06-1235	February 2007	
Dominguez Channel	15	01-36b	Wilmington Drain Multiuse (Set Aside)*	15,741,921	06-1235	February 2007	
				Subtotal	\$ 178,406,920		

Proposition O
Updated Program Budget Summary
May 2007



<u>Watershed/ Water Body</u>	<u>CD</u>	<u>Project No.</u>		<u>Costs</u>	<u>Council File</u>	<u>Council Approval Date</u>	<u>Project Status</u>
Consulting/Staffing							
			Consultants	\$ 960,000	04-1034-S3	October 2005	
			Bureaus of Accounting, Engineering and Sanitation 26 Positions 2005-06 and 2006-07	3,715,941	04-1034-S3/ 06-1235	October 2005/ December 2006	
			Sanitation - 8 TMDL Impl Plans Positions 2006-07	1,000,000	04-1034-S4	April 2006	
			Funding for approved City Staff Salaries not included in Project Line Items Above 2007-08 through 2014-15**	17,381,692	04-1034-S3/ 06-1235	October 2005/ December 2006	
			Indirect costs**	9,134,656			
			Subtotal	<u>\$ 31,232,289</u>			
Projects pending Council Approval (Recommended by Oversight Committees)							
LA River and Ballona Creek	All	01-51b	Catch Basin Opening Screen Covers Phase 3	\$ 44,500,000			
Upper LA River	7	01-14	Hansen Dam Recreational Area Parking Lot & Wetlands	2,220,702			
LA River	4	01-09	Los Angeles Zoo Parking Lot Phase 1	13,904,243			
Santa Monica Bay	11	01-22 e	SMBBBWW TMDL - Temescal Canyon Stormwater BMP	18,646,000			
Santa Monica Bay	11	01-22 f	SMBBBWW TMDL - Penmar Water Quality	23,585,000			
Santa Monica Bay	11	01-22 g	SMBBBWW TMDL - Westchester-LAX Stormwater BMP	32,722,000			
			Subtotal	<u>\$ 135,577,945</u>			
			Subtotal	\$ 469,624,951			
Santa Monica Bay		01-51	Santa Monica Bay Low Flow Diversions Upgrades (already designed)	<u>\$ 24,000,000</u>			
TOTAL PROPOSITION O OBLIGATED / RESERVED AMOUNT				\$ 493,624,951			
PROPOSITION O BOND AMOUNT				\$ 500,000,000			
Remaining Unallocated Funds needed to cover inflation increases, etc.				\$ 6,375,049			
Potential Savings from Grants (not available for allocation at this time)				\$ 26,783,000			
Items Pending Consideration - Requested Amounts							
			LA River Revitalization Master Plan projects***	\$ 50,000,000			
			Program Contingency, 5% for duration Program (2.5% in 2010-11)	25,000,000			
			Subtotal	<u>\$ 75,000,000</u>			

* Set Asides could be reduced by grants and savings
** Staff costs are estimated at a zero cost escalation rate. Costs will be adjusted if necessary as a result of City salary negotiations in future reports.
*** Designated for future set aside and savings by Oversight Committees

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **STAFFING OF THE SCIENTIFIC INVESTIGATION DIVISION**

The Committee requested information regarding the number of positions assigned to the Los Angeles Police Department's (LAPD) Scientific Investigation Division (SID). In addition, the Committee also requested information on how the Mayor's Proposed Budget addresses the current workload issues in SID, the existing DNA backlog and the implementation of an accelerated DNA testing method.

The Mayor's 2007-08 Proposed Budget provides the LAPD with 19 of the requested 37 positions for the SID. A table is provided below to summarize the number of positions requested by the LAPD and the number of positions included in the Mayor's Proposed Budget.

Classification	LAPD	Budget
Chief Forensic Chemist I	2	1
Clerk Typist	7	
Criminalist II	17	11
Criminalist III	2	2
Laboratory Technician I	2	2
Management Analyst II	1	1
Senior Management Analyst I	2	
Supervising Criminalist	2	1
Systems Analyst II	1	
Warehouse & Toolroom Worker I	1	1
Total	37	19

The LAPD requested \$4,627,239 in funding for six months of salaries for 37 positions (\$2,593,972) and various scientific equipment and expenses (\$2,033,267) in the SID. The Mayor's Proposed Budget provides \$2,584,488 in funding for nine months of salaries for 19 positions (\$1,087,677), various scientific equipment (\$596,811) for SID and various operating expenses for the Regional Crime Laboratory (\$900,000). In working with the Mayor's Office, it was determined that only 16 of the requested 37 positions would analyze DNA evidence and therefore help reduce the DNA backlog. An additional three Criminalists for the Firearms Unit were provided to allow three sworn officers, who were previously performing these duties, to return to field patrol duties. The 18 positions that were not included in the Proposed Budget performed administrative functions. It is estimated that \$861,063 in funding would be required to provide nine months of salaries for these additional 18 positions.

Another concern raised by the Committee and Councilmember Weiss is how the Mayor's Proposed Budget is able to address the following DNA issues:

1. The current workload

LAPD reports that its current SID Serology staff is able to analyze only 40 percent of the DNA samples that it receives through the door. This means that 60 percent of the samples contribute to the existing DNA backlog. LAPD states that DNA testing priority is assigned depending on the nature of the investigation.

2. The existing backlog

LAPD estimates that the current backlog is approximately 6,000 samples.

3. Accelerated DNA Testing Program

Some local police agencies have implemented a modified DNA testing program called ASAP. Under this program, laboratory staff only run the DNA tests which are required to solve the investigation. However, the Department of Justice (DOJ), which maintains the nationwide DNA database, usually requires public agencies to run additional tests to complete the entries in their database. This means that at some later time, Serology staff would be required to run the additional DNA tests to comply with DOJ requirements.

At this point, it is difficult to evaluate whether or not the Mayor's Proposed Budget provides LAPD with the resources required to address these issues. The LAPD is currently reviewing their staffing plans and estimating the number of laboratory personnel required to address all three issues simultaneously. In addition, the LAPD is exploring the feasibility of staffing both the current SID laboratory and the Los Angeles Regional Crime Laboratory.

Recommendation

It is recommended that the LAPD report back to the Public Safety Committee when it has completed its staffing assessment.

KLS:WKP:04070164c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 156

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mtf*Subject: **REPORT BACK ON THE STATUS OF PROP DD AND COMPLETED PROJECTS**

At its meeting of May 1, 2007, the Budget and Finance Committee requested that the Library Department report back on the status of the Library Bond Program (Proposition DD). Attached is a copy of the Department's response. In addition to the funds received from the Proposition DD General Obligation Bond, a grant from the California State Library, a CDBG grant, Friends of the Library groups and the Library Department for the Library Bond Program referenced in the attached memo from the Library, the Exposition Park Regional Library and the Silver Lake Branch projects received \$12,265,720 in General Fund appropriations in 2006-07.

KLS:CEA:05070034


CITY OF LOS ANGELES

2007 MAY -3 AM 10: 57

INTER-DEPARTMENTAL CORRESPONDENCE
CITY ADMINISTRATIVE OFFICER

DATE: May 3, 2007

TO: Honorable Members, Budget and Finance Committee
C/o Mark Davis, Office of the CAO

FROM: 
Fontayne Holmes, City Librarian
Library Department

SUBJECT: **FY 2007-08 PROPOSED BUDGET – REPORT BACK #360
ON STATUS OF PROP DD AND COMPLETED PROJECTS**

Proposition DD, \$178.4 million to build new libraries in Los Angeles, was approved by 73% of the voters in November 1998. The original 32 branch library projects in the Prop DD program were completed in six years, on time and under budget in 2005. With program savings and additional funds from Friends of the Library groups, a successful grant from the California State Library and a CDBG grant, the Library Department added four projects to the Prop DD program. Two of the additional projects are completed. The remaining projects are fully funded. The Exposition Park Dr. Mary McLeod Bethune Regional Branch Library is in construction and will open in 2008. Construction of the Silver Lake Branch will start this Summer 2007.

The Executive Summary of the January 2007 Quarterly Report on Proposition DD is attached to this memo. The full report is available on the Library Website, www.lapl.org. Click on About the Library Branch Libraries; Branch Library Construction Program Monthly Progress Report.

If you have any questions, please call me, or Assistant General Manager Kris Morita at 213/ 228-7515.

Cc: Ray Cortines, Deputy Mayor, Office of the Mayor
Sally Choi, Budget Director, Office of the Mayor
Shannon Lawrence, Policy Analyst, Office of the Mayor
Gerry Miller, Chief Legislative Analyst
Sharon Tso, Executive Officer, Chief Legislative Analyst
Lynne Ozawa, Assistant Chief Legislative Analyst
Karen Sisson, City Administrative Officer
Claudia Aguilar, Management Assistant, CAO

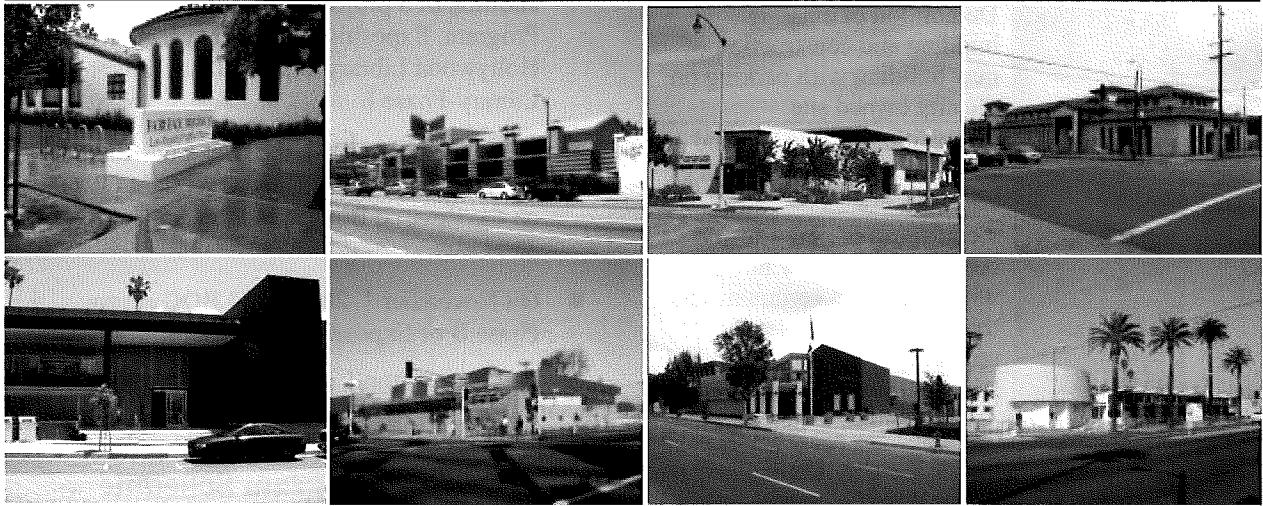


LOS ANGELES PUBLIC LIBRARY



1998 Library Bond Program **Quarterly Report - January 2007**

The 1998 Library Bond Program will improve, renovate, expand and construct 36 library projects throughout Los Angeles.



Arroyo Seco, Ascot, Baldwin Hills, Canoga Park, Chatsworth, Chinatown, Cypress Park, Edendale, El Sereno, Encino-Tarzana, Exposition Park, Fairfax, Harbor Gateway-Harbor City, Hyde Park, Little Tokyo, Mark Twain, Mar Vista, North Hollywood, Northridge, Pacoima, Palisades, Palms-Rancho Park, Pico Union, Playa Vista, San Pedro, Sherman Oaks, Silver Lake, Sun Valley, Sylmar, Valley Plaza, Westchester-Loyola, West Valley, Westwood, Will & Ariel Durant, Woodland Hills.

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prepared by:
Los Angeles Public Library, Bureau of Engineering



1.0 EXECUTIVE SUMMARY

1.1 Program Summary

- ◆ This Quarterly Report summarizes the overall progress of activities and accomplishments for the 1998 Library Bond Program through January 16, 2007. It provides the current Program Master Schedule, Program Budget, Use of Funds, Expenditure/Cash Flow and status report for on-going projects.
- The Library Bond Program consists of the original 32 branch libraries and 4 newly added projects with the following scope:

18 Libraries:	Demolition of existing building and construction of new building with parking on the city owned site.
9 Libraries:	Acquisition of new site and construction of new building with parking.
5 Libraries:	Acquisition of new site and construction of new building with parking in communities that do not have library services.
4 Libraries:	Renovation and expansion of existing building and parking.

- On November 3, 1999, the City Council adopted a report of the Library Bond Oversight Committee for the Branch Library Facilities Construction Program on the Master Schedule, Expenditure Program and Personnel Resolution Authority.
- On December 15, 2000, the City Council adopted a report of the Library Bond Oversight Committee on the Revised Budget and the Annual Report 2000.
- On February 15, 2002, the City Council adopted a report of the Library Bond Oversight Committee on the Revised Budget and the Annual Report 2001.
- On September 3, 2002, the City Council approved the addition of the Harbor Gateway - Harbor City Branch Library to the 1998 Library Bond Program.
- On January 28, 2003, the City Council adopted a report of the Library Bond Oversight Committee

on the Revised Budget and the Annual Report 2002.

- On October 28, 2003, the Library Department was awarded \$5,712,764 Grant from the State Prop. 14 funds to cover portion of cost for Harbor Gateway/Harbor City Library.
- On March 23, 2004, the City Council adopted a report of the Library Bond Oversight Committee on the Revised Budget and the Annual Report 2003.
- On June 15, 2004, the City Council approved the addition of 3 projects to the 1998 Library Bond Program, Exposition Park Library-Phase I, North Hollywood Library-Phase III, and Silver Lake Library-Phase I.
- On October 12, 2004, the City Council adopted a report of the Library Bond Oversight Committee on the Revised Budget and the Annual Report 2004.
- On November 1, 2005, the LBOC approved the Phase II of Exposition Park Library.
- ◆ On July 25, 2006, the LBOC approved the Revised Budget and the Annual Report 2006.

1.2 Master Program Schedule

- The original Master Schedule provided for the original 32 library projects to be complete within 6 years from November 1998, the date the voters approved the Library Bond measure.
- ◆ To date all original 32 projects are complete. The status of the 4 newly added projects are as follows. Two projects are complete. One project is in Construction and the other is in the Bid & Award phase.



1.3 Budget/Contract Commitments

- ◆ As a result of project savings, interest earnings, CIEP, CDBG and State Grant, four additional projects, Harbor Gateway-Harbor City, Exposition Park-Phase I and II, North Hollywood-Phase III, and Silver Lake-Phase I and II, were added to the program.

Total Sources of Funds	\$226.3 million
Cost of Original 32 Libraries	\$185.5 million
Program Savings	\$ 40.8 million
Added 4 Libraries	\$ 39.3 million
Program Contingency	\$ 1.5 million

- ◆ The Revised Expenditure Program establishes the following Source of Funds for the \$226.3 million Program Budget.

General Obligation Bonds	\$178.5 million
Council approved Housing and Community Development Block Grant funds	\$ 10.0 million
Friends of the Library donations	\$ 1.5 million
Interest earnings and Other Funds (Seismic, CIEP, Hartford & CRA)	\$ 30.9 million
California State Prop 14 Grant	\$ 5.3 million
Total Source of Funds	\$226.3 million

- On July 25, 2006, the LBOC adopted a motion for the \$225.9 million Use of Funds Expenditure Program for the 1998 Library Bond Program. The Use of Funds provides the amounts allocated for each library project to accomplish land acquisition, design, construction, and other direct activities. Amounts are also allocated for contingency, bond issuance, program and construction management and City staff costs.
- On August 4, 1999, the City Council adopted a resolution providing for the issuance and sale of the City of Los Angeles General Obligation Bonds, Series 1999-B in the amount of \$53.4 million.

- On November 15, 2000, the City Council adopted a resolution providing for the issuance and sale of the 2nd Bond in the amount of \$88.4 million.
- On July 18, 2001, the City Council adopted a resolution providing for the issuance and sale of the final (3rd) Bond in the amount of \$36.5 million.

1.4 Project Status Summary

- A total of 29 projects requiring Site Selection/Land Acquisition, all of them have been acquired. The 29 properties acquired are: Arroyo Seco, Ascot, Baldwin Hills, Canoga Park, Chatsworth, Chinatown, Cypress Park, Edendale, El Sereno, Encino-Tarzana, Exposition Park, Fairfax, Harbor Gateway - Harbor City, Hyde Park, Little Tokyo, Mar Vista, North Hollywood, Northridge, Palms-Rancho Park, Pico Union, San Pedro, Sherman Oaks, Silver Lake, Sun Valley, Sylmar, Valley Plaza, Westchester-Loyola Village, Westwood and Will & Ariel Durant.

- ◆ One project is in Bid and Award:

1. Silver Lake	100% Construction Documents complete. This project is scheduled for advertisement on January 19, 2007.
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- ◆ One project is in Construction:

1. Exposition Park	On November 1, 2006, the BPW awarded the construction contract to Sinanian Development. Demolition is complete. Grading and foundation work is in progress.
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- Thirty four projects are complete in construction:
Arroyo Seco, Ascot, Baldwin Hills, Canoga Park, Chatsworth, Chinatown, Cypress Park, Edendale, El Sereno, Encino – Tarzana, Fairfax, Harbor-Gateway/Harbor City, Hyde Park, Little Tokyo, Mar Vista, Mark Twain, North Hollywood-Phase I, II, & III, Northridge, Pacoima, Palisades, Palms Rancho Park, Pico Union, Playa Vista, Sherman Oaks, San Pedro,



Sun Valley, Sylmar, Valley Plaza, West Valley, Westchester – Loyola Village, Westwood, Woodland Hills, Will & Ariel Durant.

◆ In December 2006, the Encino-Tarzana Branch Library received the 2006 AIA/San Fernando Valley Design Award.

1.5 Program Management Activities

- To date the Library Department and the Program Management Team have conducted 183 Community Meetings for site acquisition and design review.
- Through the community and design/construction meetings additional review and approval processes are required for individual projects:
 - Specific Plan Review Board
 - Historic Preservation Overlay Zone Board
 - Economic Development Council Board
 - Developers Design Review Board
 - Cultural Heritage Commission
 - Community Redevelopment Agency
 - Housing Department
- The Program Management Team identified and completed 26 C.U.P.s required for the Program. In conjunction with City Planning, the C.U.P. process for the Program is fully complete.
- The Program Management Team, in conjunction with Administrative Services Division, developed a report on the “Program Budget vs. Actual Expenditures” for 03/04. This report will be updated monthly and is included in the current Progress Report, Section 3.0.
- On August 17, 2004, the Oversight Committee approved the report submitted by Program Management Team, in conjunction with Administrative Services Division, on the annual estimate (04/05) of City Staff utilization costs and reimbursements. The reports summarize the salary charges for the City Departments providing services to the Program. Total costs reflect base salaries, CTO, fringe benefits, overtime and adjustments.
- The Program Management Team’s collaborative efforts with the Southern California Gas Company (SCGC) have resulted in the selection of 6 library projects eligible for the “Saving by Design” Program. The projects are: Ascot, Chatsworth, Lakeview Terrace, Mar Vista, Playa Vista, and Sun Valley. The SCGC has indicated the award of approx. \$50,000 to this program.

1.6 Key Issues

A. Issue: A & I Work by the General Services Department

Status: The Library Department developed a list of A & I work to be completed for the 1998 Library Bond (see Appendix 5.1). The General Services Department (GSD) provided a Class “A” estimate in the amount of \$442,700 on the cost to complete the work requested.

Recommendation: PMT requests LBOC to approve the list of A & I work to be completed by GSD and allocation of \$450,000 to GSD from the Program Contingency.

B Issue: BOE Staffing for FY 06/07

Status: Due to having two projects remaining in the Library Bond Program, the PMT proposes to change/destaff the current BOE positions: two Architectural Associate III and one Senior Clerk Typist.

Recommendation: PMT requests approval for one Civil Engineer/PMI to replace two Architectural Associate III. The Civil Engineer/PMI will be the project manager of the two remaining Library Bond projects, Exposition Park Branch Library and Silver Lake Branch Library. The Civil Engineer/PMI will supervise the one Civil Engineering Associate III.

C Issue: City Staff Utilization Estimated Annual Allocations for FY 06/07

Status: The attached (see Appendix 5.2) is the salary allocations for Fiscal Year 06/07. Estimated annual appropriations are within the overall budget. The report provides estimated annual salary allocations for the City departments providing services to the Library Bond.

The total cost reflects all base salaries, CTO, fringe benefits, adjustments, overtime charges and their totals for the fiscal year 06/07. Actual salaries will be appropriated on an approved



incremental basis not to exceed the estimated annual allocations. Appropriations are summarized as follows:

BOE:	498,288
Library Department	188,982
CAO	29,394
GSD	30,000 (Testing)
Accounting	118,693
Contract Administration	303,453
Total:	1,168,810

Recommendation: The PMT recommends approval of the estimated allocations for City Staff Utilization for the FY 06/07 and authorize the CAO to approve Staff Cost Reimbursements with adjustments for CTO & Fringe Benefit Allocations due to changes in plan rates.

D Issue: Cost to Complete Budget Analysis

Status: The “Cost to Complete” budget analysis is based on final project closeouts, final projection of the current construction market conditions, and allocation of contingency to complete the two remaining projects. The revised allocation of funds for each library project is incorporated into the Forecast, column E, as the Proposed Revised Budget. The following table (see Appendix 5.3), “Program Budget and Use of Funds,” summarizes and outlines the changes from current Adjusted Budget (Column B) amount to the new Proposed Revised Budget (Column E) from the Cost to Complete budget analysis.

Recommendation: PMT requests approval of the “Cost to Complete” budget analysis as the Budget for the 1998 Library Bond Program.



2.0 SCHEDULE

2.1 Master Program Schedule

- The Master Program Schedule adopted by the Los Angeles City Council for the 1998 Library Bond Program indicates that all original library bond projects are scheduled to be completed within 6 years from November 1998, the date voters approved the Bond measure.
- ◆ The schedule diagram on the next page provides 2 bars for each library branch project. The top bar represents the Master Program Schedule start and completion dates adopted by the LBOC. The bottom bar represents actual start and progress for each Library project to January 2007.
- Major Phases of the Program are identified by the various colored bars on the diagram. The phases include site/property acquisition, design, bid & award, construction and post-construction.
- On December 10, 2002, the LBOC approved the addition of a 3-month post-construction phase for the remaining projects which includes final punch list, library dept. move-in, coordination of grand openings and project close-out.
- ◆ All original 32 library projects are complete in construction approximately 6 years from November 1998. The two projects: Exposition Park-Phase I & II and Silver Lake-Phase I & II will be completed by end of 2008. The North Hollywood-Phase III and Harbor Gateway/Harbor City projects are complete.
- ◆ To date all original 32 projects are complete in construction. The status of the 4 newly added projects is as follows: One Project is in construction and on schedule. One project is in Bid and Award and on schedule. Two projects are complete.

Description	Ahead	On	Behind
Projects in Site Selection/Land Acquisition:			
Complete			
Projects in Design:			
Complete			
Projects in Bid & Award:			
Silver Lake, Ph I & II		◆	
Projects in Construction:			
Exposition Park, Ph I & II		◆	
Projects Completed:			
Arroyo Seco, Ascot, Baldwin Hills, Canoga Park, Chatsworth, Chinatown, Cypress Park, Edendale, El Sereno, Encino – Tarzana, Fairfax, Harbor Gateway/Harbor City, Hyde Park, Little Tokyo, Mar Vista, Mark Twain, North Hollywood-Phase I, II, & III, Northridge, Pacoima, Palisades, Palms Rancho Park, Pico Union, Playa Vista, Sherman Oaks, San Pedro, Sun Valley, Sylmar, Valley Plaza, West Valley, Westwood, Westchester – Loyola, Woodland Hills, Will & Ariel Durant.			

* Harbor Gateway-Harbor City project added to the original Program scope in September 2002.
 ** Exposition Park, North Hollywood Phase III, and Silver Lake projects added to the original program scope in June 2004.
 *** Completed projects are not represented in the Master Program Schedule.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

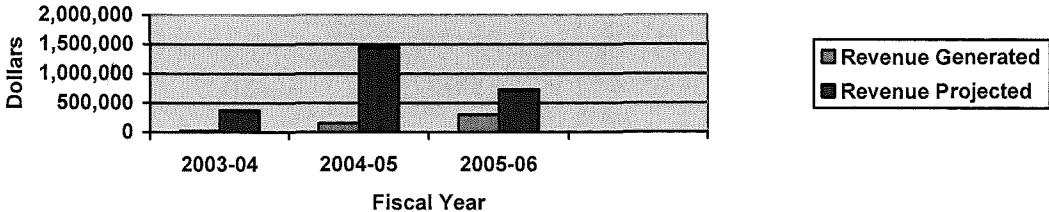
Subject: **ANIMAL SERVICES DEPARTMENT ANIMAL LICENSE CANVASSING PROGRAM**

At the April 26, 2007 meeting of the Budget and Finance Committee this Office was instructed to report back on the Department of Animal Services' (Department) Animal License Canvassing Program and establishing an equine licensing component to this program. The Canvassing Program deploys animal license canvassers to City neighborhoods to collect fees for delinquent and new animal licenses. Canvassers also disseminate educational information on the Department's various services, including the spay and neuter program, the microchip program, locations of the Spaymobile, and the City's 3-1-1 information phone system.

The 2007-08 Proposed Budget does not include position authority or funding for the Department of Animal Services' Animal License Canvassing Program. This program was authorized and funded in fiscal years 2003-04, 2004-05 and 2005-06 with the expectation that the program would generate enough revenue to fully support its operation. However, the program has not been successful in generating anticipated revenue (see Figure 1), primarily due to staffing recruitment and retention issues. The program did not achieve expected cost recovery and it was deleted in the 2006-07 Budget to realize savings.

Figure 1

Revenue Generated Vs. Revenue Projected



Although this program was formally deleted in the 2006-07 Budget, the Department has continued to employ eleven animal license canvassers on substitute authority

utilizing salary savings to fund this program. Substitute authorities were executed for layoff avoidance for four Animal License Canvassers and seven Vocational Workers. From July 1, 2006 through May 1, 2007, a daily average staff of eight animal license canvassers issued over 10,140 dog licenses, resulting in \$448,949 in gross revenue. Please note that this information is tracked internally by the Department and there is no way to verify these numbers independently as all receipts generated from dog licensing are deposited into the same revenue source codes regardless of how the fee was collected. Although eleven animal license canvassers are employed full time, the Department regularly assigns staff as-needed to assist with other shelter work; therefore the average staff deployed to the field on any given day is eight. One Animal Control Officer is currently assigned to oversee the canvassers in addition to other duties and one Clerk Typist is assigned to process the animal license paperwork. The Animal Control Officer and Clerk Typist are authorized on regular authority. The estimated full program cost is \$572,283 for eleven Animal License Canvassers, one Clerk Typist and one Animal Control Officer, including related costs.

The Canvassing Program does not currently include an equine licensing component; rather, the Department distributes equine license renewal notices annually via the United States Mail. However, the Department has indicated that a plan for increasing equine licensing will be included in any future Animal License Canvassing Program models. Equine licensing has remained relatively flat over the last three years. A total of 1,109 equine licenses have been issued by the Department this fiscal year through March 31. On average 1,515 licenses are issued each year. The Los Angeles Municipal Code (LAMC) Section 53.15.1, Equine License Fee, establishes an annual \$14.00 license fee to any person owning or having custody of an equine, such as a horse, pony, donkey, burro, or mule, twelve months of age or older. Although the Department issues equine license renewal notices to owners in the Department's database, processes payments and issues the equine licenses and tags, the Department does not receive any portion of the license fees to cover operating costs. Receipts of the license fees collected are deposited in the Equestrian Facilities Trust Fund. All moneys deposited into this fund are exclusively for the acquisition and construction of new equestrian facilities, such as bridle trails, and to maintain bridle trails located on publicly dedicated property. The Department receives \$5 for each delinquent equine license processed as authorized by the LAMC Section 53.15.1(g).

Current management has expressed that previous attempts at implementing this program were done in a piecemeal fashion, without sufficient research, planning or monitoring. With this in mind, the Department should be directed to report back relative to the most effective staffing level and deployment strategy needed to optimize revenue generated by this program. They should also incorporate a strategy for increasing the issuance of first time equine licenses and renewals.

The 2007-08 Proposed Budget includes a one-time five percent salary reduction to meet the Mayor's target reduction. As such, it is unlikely that the Department will be able to generate sufficient salary savings to fund this program in 2007-08. It would cost \$392,297 to continue this program at its current staffing level, excluding related costs (see Figure 2). This program would have to generate at least \$586,610 in revenue to achieve full cost recovery next fiscal year. Should the Council elect to reinstate this program, both position authority and

funding in the amount of \$299,750 (direct cost) should be added to the 2007-08 Budget for ten Animal License Canvassers. Position authority and funding for the Animal Control Officer II and Clerk Typist is not necessary as the Department can continue using existing funded positions to supervise and process animal license paperwork for this program.

Figure 2

Estimated Cost to Continue the Animal License Canvassing Program in 2007-08

	Direct Salary Cost Per Position	Qty.	Total Cost
Animal License Canvassers	\$ 29,975	10	\$ 299,750
Clerk Typist	\$ 38,384	1	\$ 38,384
Animal Control Officer II	\$ 54,163	1	\$ 54,163
	<i>Total</i>	12	\$ 392,297
		<i>Estimated Related Costs</i>	\$ 194,313
		<i>Grand Total</i>	\$ 586,610

Since the Department has been able to maintain consistent staffing levels of the Canvassing Program and has generated a steady flow of revenue during this fiscal year, with some additional changes to the structure and execution of this program the Department may be able to generate enough revenue to fully support its operation. Council can elect to continue this program and instruct the Department to modify the structure of the current program and require the Department to provide progress reports.

Should the Council decide not to reinstate the Animal License Canvassing Program, Vocational Worker incumbents could be trained to do other work within the Department or be re-assigned to other City departments. The Animal License Canvasser classification is unique to the Department of Animal Services. The Department would have to work with Personnel to place Animal License Canvasser incumbents in a different classification.

Please note that 2007-08 Proposed Budget does include revenue estimates predicated on the continuation of the Canvassing Program.

Recommendation

That resolution authority and funding in amount of \$299,750 (direct cost) for ten Animal License Canvassers be added to the 2007-08 Budget to continue the Animal License Canvassing Program. The estimated annual cost for ten Animal License Canvassers is \$455,080, including related costs. Related costs consist of employee benefits. The Department should be instructed to report on the progress of this program during the 2007-08 fiscal year in each of the Financial Status Reports. The Department should also be requested to begin tracking the number of licenses collected by type (i.e. new, renewal or delinquent).

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **POLICE DEPARTMENT REPORT ON THE IMPACT OF DEFERRING FLEET REPLACEMENT UNTIL 2008-09**

The Committee requested information on the impact of deferring the replacement of Los Angeles Police Department (LAPD) fleet vehicles until 2008-09. The following information was provided by the Department:

Motor Transport Division

The fleet is traveling farther each year as a result of the Chief's direction and implementation of continued new strategies to reduce crime throughout the City. Many of these strategies increase the number of officers patrolling City streets by moving officers from administrative and training functions to patrol and field assignments that require increased use of transportation resources. The fleet traveled 56.5 million miles in 2006, an increase of 4.5 percent or 2.5 million miles. This increase places a burden on the fleet replacement program as the number of vehicles reaching maximum replacement mileage continues to escalate and the number of authorized replacement vehicles falls short. Should funding be reduced or cut for Black & White vehicles and motorcycles, this would be the 8th year out of the last 10 years that the Department could not meet the established replacement program for Black and White patrol vehicles.

B/W	FY 98/99	FY 99/00	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	AVG	FY 07/08
REQUESTED	753	1054	229	263	240	266	311	345	350	286	235
APPROVED	555	769	207	221	198	85	244	301	350	229	202
MAX CRITERIA	680	846	207	155	297	214	276	310	239	243	70
PURCHASED	555	758	207	221	193	85	244	301	350	229	202
% FLEET	16%	18%	16%	17%	15%	7%	19%	24%	27%	16.65%	16%
ADTL NEEDED	198	296	22	42	47	181	67	44	0	42	33

Several factors affect aging and high mileage vehicles. The cost to repair and maintain vehicles in a safe operating condition escalates considerably after 90,000 miles. Safety systems must be refurbished and routine maintenance and repairs become costly due to age and deterioration of related systems. Another critical factor is the amount of time required to perform the additional maintenance and repairs, which also escalates. The average labor time to perform routine maintenance and repair increases by as much as thirty percent. Considering that civilian hiring will be reduced in the next fiscal year and create additional vacancies at Motor Transport Division (MTD), any reduction in the amount of new vehicles, but particularly Black & White patrol vehicles and motorcycles, would likely increase the out-of-service rate to the 14 percent range experienced back in the early 1990's when

similar circumstances occurred. Even with MTD fully staffed the reduction would cause a significant increase in the out-of-service rate.

It is important to remember that additional vehicles beyond those reaching maximum criteria will need to be replaced during the next 18 to 21 months. Each year vehicles involved in major traffic collisions (TC) and those requiring extensive mechanical repairs require replacement before reaching the maximum replacement mileage. The chart below identifies additional annual replacement vehicles needed beyond those reaching replacement criteria:

	No. in Fleet	% Loss TC/Year	No. Loss TC/Year	% Loss Mechanical/Year	No. Loss Mechanical/Year	Annual Total	21 Month Total
Black/White	1374	2.2	30	1.3	18	48	84
Motorcycle	398	2.4	9	1.1	5	14	25

In a 1996 report to the City Administrative Officer on the City's Fleet Management Operations, prepared by David M. Griffith and Associates Ltd., it was stated that the City's guidelines for the replacement of patrol cars were not in line with industry practice and exceeded "industry norms". The report goes on to state that the LAPD target replacement of 5 years or 90,000 miles is high in comparison to industry standards, which averages 2.5 years or 75,000 miles. This average replacement guideline is significantly lower than the City's. However with MTD's comprehensive and proactive maintenance program, the Department's established replacement criteria of 5 years of 90,000 miles works well and has proven cost effective.

The associated costs of maintaining an older fleet with higher mileage escalates significantly after established replacement criteria are met as problems occur that increase the out-of-service rate and compromise officer safety. Additional costs are generated from the added wear and fatigue factor on vehicle body systems, paint, and upholstery caused by emergency operation of the vehicles. To highlight problems associated with extending the life of patrol vehicles, several models of higher mileage Crown Victoria patrol cars developed stress cracks on the rear frame that require additional inspections, repairs, costs, and ultimately increases the out-of-service rate. This is just one example of problems that occur with an aging fleet that are difficult to predict, require immediate attention fleet wide, require continual monitoring, incur added costs (parts and labor), and jeopardize officer safety.

Another area of concern are the protective ballistic door panels installed in Black and White patrol vehicles. These panels have a usable life span of six years and most manufactures agree that some level of degradation of material occurs after the sixth year. While quantitative test results are not available to determine the amount of decrease in the penetration threat level, this is one area that should not be ignored nor postponed for replacement. The cost to replace ballistic door panels per vehicle is approximately \$2,500 and requires five to six hours of labor to remove and install the panels. Additionally, the automotive industry estimates that fuel consumption increases three to five percent in vehicles with excessive mileage (90,000 miles). This adds approximately \$107 annually to fuel costs for a patrol vehicle.

Air Support Division

The need to continue the helicopter replacement program is significant, and deferring the proposed funding would have an adverse impact on the level of service Air Support Division (ASD) provides to the Department and the community. Air Support Division maintains a fleet of 12 A-Stars, ten of which were acquired in 2000 and 2001. The oldest A-Stars now have approximately 10,000 flight hours and will pass the ten-year (replacement) cycle in 2010. Air Support Division also maintains a fleet of four Jet Rangers, all of which are 19-20 years old, and each has well in excess of 20,000 flight hours. Despite the advanced age of some of these aircraft, all are maintained in airworthy condition and regularly deployed in training, patrol, or surveillance.

The Department of General Services (DGS) has researched the optimum interval for the replacement of Department aircraft and recommends a replacement schedule of 15,000 hours or ten years, whichever comes first. The Jet Rangers are all well beyond all aspects of this replacement cycle. As A-Stars quickly approach the ten-year benchmark as a group of aircraft, and because they were all acquired in a relatively short period of time, many will pass it in the same 12-month period. Delaying the replacement program will cause additional aircraft to "stack up" beyond the recommended replacement interval.

An additional adverse impact associated with delaying the proposed aircraft purchase stems from the fact that the present demand for single-engine, light turbine aircraft exceeds the industry's manufacturing capacity. In fact, one Department helicopter ordered with 2006-2007 MICLA funding will likely not be delivered until 2008. Deferring the purchase of the next replacement aircraft until 2008-2009 will likely result in a 2010 delivery date. The DGS recommendation is based upon the principle that aircraft be replaced before major components require replacement and before the resale value of the aircraft drops off significantly.

Recommendation

We recommend that the proposed funding for fleet replacement (including helicopters) remain in the budget.

KLS:MC:04070176c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 159

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L Sisson, City Administrative Officer *KLS
by m7*Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY AVAILABLE FUNDING
WITH OVERHEAD COSTS**

Attached is a report requested by the Committee from the Los Angeles Homeless Services Authority (LAHSA) detailing 2006-07 funding sources and related administrative overhead costs.

The attached spreadsheet summarizes City, County, State and Federal funding sources received by LAHSA in 2006-07 and the associated administrative overhead related to each funding source. Overall, seven percent (\$4.4 million of \$62.7 million) of LAHSA's budget is committed to administrative costs.

It is important to note that certain funding sources have restrictions on the amount that can be charged for administration. It appears that LAHSA does charge the maximum, or close to the maximum on all funding sources, with the exception of the Federal Supportive Housing Program, which is allows up to five percent that can be charged to administration.

KLS:SDE:02070250

Attachment

Los Angeles Homeless Services Authority
2006-2007 Budget
10/18//2006 Amendment

Budget Category		As Amended	% ADM	Total	Total
		Administrative		Program	
Revenue:					
<i>City</i>					
One Time	General Fund	\$ 266,490	5%	\$ 5,433,510	\$ 5,700,000
	Emergency Shelter Grant	\$ 157,951	5%	\$ 3,001,073	\$ 3,159,024
	CDBG	\$ 1,115,500	12%	\$ 8,247,361	\$ 9,362,861
	Homeless Count	\$ 410,000		\$ -	\$ 410,000
	Total City	1,949,941	10%	\$ 16,681,944	\$ 18,631,885
<i>County</i>					
One Time	General Fund	\$ 1,049,000	21%	\$ 3,946,000	\$ 4,995,000
	Emergency Shelter Grant Program	\$ 66,049	5%	\$ 1,254,942	\$ 1,320,991
	Community Development Block Grant	\$ 285,000	100%	\$ -	\$ 285,000
	Independent Living Program	\$ 164,000	8%	\$ 1,975,386	\$ 2,139,386
	CalWORKS Homeless Fam Proj/DPSS	\$ 134,407	7%	\$ 1,765,593	\$ 1,900,000
	Skid Row Outreach Program/DPSS	\$ 303,788		\$ 2,696,212	\$ 3,000,000
	General Fund - Homeless Count	\$ 409,000	1 Time	\$ -	\$ 409,000
	Total County	2,411,244	17%	\$ 11,638,133	\$ 14,049,377
<i>State</i>					
	Emergency Housing Assistance	\$ -		\$ 146,136	\$ 146,136
	Total State	\$ -	0%	\$ 146,136	\$ 146,136
<i>Federal</i>					
	Supportive Housing Program	\$ 73,293		\$ 29,833,835	\$ 29,907,128
	Total Federal	\$ 73,293	0.25%	\$ 29,833,835	\$ 29,907,128
	Total Revenue	4,434,478	7.07%	\$ 58,300,048	\$ 62,734,526

Proposed Expenditures:			
LAHSA Personnel			
Salaries	\$ 2,694,883		
Taxes and Benefits	\$ 754,567		
Total Personnel	\$ 3,449,450		
LAHSA Non-Personnel			
Direct Program Expenses			
Insurance	\$ 72,266		
Office Expenses	\$ 134,464		
Office Technology	\$ 132,514		
Parking and Mileage	\$ 66,175		
Rent	\$ 132,172		
Professional Service Contracts	\$ 306,000		
Travel & Training	\$ 10,500		
Other Operating Expenses	\$ 78,937		
Grantor Repayment	\$ 52,000		
Total Operations	\$ 985,028		
Total Expenditures	\$ 4,434,478		
Budget Surplus	\$ (0)		

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 160

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mf*

Subject: **LOS ANGELES CONVENTION CENTER COUNCIL APPROVED FEE
WAIVERS**

Your Committee instructed the Los Angeles Convention Center (Department) to report on Council-approved Convention Center fee waivers for the current fiscal year. The Department reports that the Council approved approximately \$558,000 in fee waivers through June 9 of the current fiscal year. The Department did not differentiate between events charging an admission fee and the ones without admission fees. The attached Department response includes a year-to-date listing of all events with Council approved waivers for 2006-07.

KLS:MCD:08070341

Attachment

**LOS ANGELES CONVENTION CENTER
DISCOUNTED WAIVED EVENTS BY DATE
FOR THE PERIOD 07/01/06 TO 06/09/2007**

EVENT	EVENT NAME	FROM DATE	TO DATE	COUNCIL FILE	DISC/WAIVER
19373	Day of Citizenship	7/1/2006	7/1/2006	06-1399	(19,050.00)
19448	UTU - MTA Meeting	7/2/2006	7/2/2006	06-1509	(10,000.00)
18835	CalConExpo	8/17/2006	8/17/2006	06-1507	(12,500.00)
19227	Seniors Convention and Health Expo 2006	8/17/2006	8/17/2006	05-0634	(6,000.00)
19201	US-India Investment Seminar and Business Expo 2006	8/21/2006	8/21/2006	06-1204	(9,000.00)
19239	LAUSD-Superintendent	8/23/2006	8/23/2006	05-1927	(6,000.00)
19248	Compton Unified School District - "Back To School Meeting"	8/29/2006	8/29/2006	06-1612	(8,000.00)
19081	ERT Challenge and Emergency Fair	9/9/2006	9/9/2006	06-1865	(32,000.00)
19158	Youth Encouragement Day	9/9/2006	9/9/2006	06-1954	(1,512.96)
18653	Black Business Expo & Tradeshow	9/22/2006	9/22/2006	06-2106	(53,760.00)
19588	Day of Citizenship (Día de la Ciudadanía)	9/30/2006	9/30/2006	06-1995	(12,000.00)
18787	The New Beginnings Conference	10/5/2006	10/5/2006	05-2340	(8,277.00)
18936	The Accessible City Expo - Community Resources and Employment Fair	10/5/2006	10/5/2006	03-1315	(8,000.00)
19572	Youth Workshop in the LA River	10/12/2006	10/12/2006	06-2374	(6,300.00)
18675	LAUSD-Division of Adult Education - "Fall Staff Development Conference"	10/21/2006	10/21/2006	03-1302	(11,553.00)
19211	LACER'S Open Enrollment Fair	10/24/2006	10/24/2006	06-1795	(3,417.96)
19129	Cash for College: College & Career Convention	10/26/2006	10/26/2006	06-2181	(39,120.00)
19443	The COFEM Convention 2006 (1)	10/27/2006	10/27/2006	06-2143	(43,640.00)
19867	LA Municipal Association of Accountants and Auditors (LAMAAA)	12/12/2006	12/12/2006	06-2533	(651.48)
19200	Black College Expo (2)	1/13/2007	1/13/2007	07-0035	(36,940.00)
19881	LAUSD-Colloquium Event	2/5/2007	2/5/2007	07-0604	(5,928.88)
20063	LAPD Police Captain Exam	2/5/2007	2/9/2007	07-0168	(16,725.16)
20064	LAFD Fire Captain Exam	2/5/2007	2/9/2007	07-0168	(18,326.64)
20138	Section 8 Application Interview Event	2/6/2007	2/6/2007	07-0247	(4,500.00)
19199	LACTMA Mathematics Conference	3/2/2007	3/3/2007	05-0145	(32,846.00)
20116	First Annual World Languages and Cultures Convocation	3/17/2007	3/17/2007	07-0312	(4,317.40)
19250	Urban Marketplace 2007	3/21/2007	3/21/2007	05-0136	(6,000.00)
20197	Annual Women's Health Forum	3/24/2007	3/24/2007	07-0607	(9,047.00)
19442	Road to Health: Health, Fitness, and Wellness Expo	3/30/2007	3/31/2007	06-3114	(44,160.00)
19338	14th Annual Greater Los Angeles Vendor Fair	4/11/2007	4/11/2007	04-2538-S1	(13,000.00)
19142	11th Annual Parent Summit	4/21/2007	4/21/2007	07-0856	(28,795.00)
19745	Glamour Gowns 2007	4/21/2007	4/22/2007	07-0096	(5,528.88)
19613	Women Building California Conference	5/19/2007	5/20/2007	07-0097	(6,068.88)
19360	8th Annual Getting Ready	5/31/2007	5/31/2007	07-0872	(21,970.00)
19869	Childcare Provider Education Conference	6/9/2007	6/9/2007	07-0414	(13,593.00)
				TOTAL	(558,529.24)

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 161

MEMORANDUM No.

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
10/1*

Subject: **ZOO – STATUS OF CONSTRUCTION PROJECTS**

Attached is the Zoo's response to the status of the Zoo Capital Projects Construction Program. The Department reports that there are five active projects managed by the Bureau of Engineering (BOE). Attached are a narrative report prepared by the Zoo and an overview prepared by BOE.

KLS: DM: 08070344d

Attachments

**CITY OF LOS ANGELES
LOS ANGELES ZOO
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: May 7, 2007

TO: BUDGET AND FINANCE COMMITTEE

FROM: JOHN R. LEWIS, General Manager
Zoo Department



SUBJECT: **BUDGET MEMO – STATUS OF CONSTRUCTION PROJECTS**

As part of the 2007-08 budget deliberations, the Zoo was requested to report back on the status of construction projects. The Zoo Capital Projects Construction Program is managed by the Bureau of Engineering (BOE). The Zoo Capital Projects Construction Program is comprised of 10 projects along with infrastructure improvements and a percentage for arts projects. The total budget for all projects in this program is \$169 million. There are currently five active projects in the program. The following status report on the five remaining active projects is based on the most recent information provided by BOE.

c: Rebecca Abano, Zoo Program Manager
Bureau of Engineering

JRL:DMV/lg

Attachment

ZOO DEPARTMENT STATUS OF CONSTRUCTION PROJECTS

CAMPO GORILLA RESERVE:

This project includes demolishing existing gorilla exhibit and holding area and constructing a new state of the art gorilla exhibit.

Approved Budget: \$19,293,231

Construction is **75%** complete and is anticipated to be **100%** completed by August 2007.

GOLDEN MONKEY EXHIBIT:

The planning, design, and construction of 3,000 sq. foot Golden Monkey habitat, 300 sq. foot viewing structure, and a 1,000 sq. foot holding building. The project site is located in the northerly Asian Forest area of the Zoo.

Approved Budget: \$7,446,749

Construction is **40%** complete and is anticipated to be **100%** completed by December 2007.

PACHYDERM FOREST:

This project consists of renovating and expanding the existing Pachyderm exhibit and service area, creating six acres of living area for the elephants.

Approved Budget: \$38,748,240

Phase I has been completed. Project is in Phase II – Design Development. Construction is **18%** complete and is anticipated to be **100%** completed by June 2009.

RAINFOREST OF AMERICAS:

The project is developed to display and accommodate a wide variety of rainforest animals in naturalistic habitat exhibits. The project also includes visitor spaces, pathways, viewing shelters, animal holding and animal management staff areas.

Approved Budget: \$21,713,900

The schematic design phase has been completed. Construction is anticipated to begin in January 2008 and be completed by March 2010.









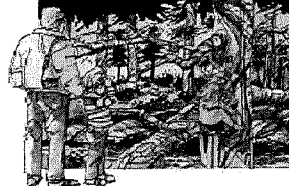

REPTILE AND INSECT CENTER

This new building complex will house a significant portion of the Zoo's diverse reptile and amphibian collection and permit the development of an expanded invertebrate collection in a state of the art purpose facility.

Approved Budget: \$14,168,400

This project is in the schematic design phase. Construction is anticipated to begin in January 2008 and be completed by October 2009.



PROJECT	PLANNED SCOPE	PROGRESS REPORT	PERCENT COMPLETE					
04 - Pachyderm Forest Exhibit 	This project consists of renovating and expanding the existing Pachyderm exhibit and service area for elephants. Funding: Prop A2, Prop CC & MICLA Approved Budget: \$38,748,240	Status: DESIGN - Portico is working 100% Design Development Documents. GSD continues to progress on Phase 1 work and anticipates completion by end April 2007. Architect: The Portico Group Contractor: N/A Expenditure to date: \$5,316,664	 <table border="1"> <tr> <td>Pre-Design Phase</td> <td>Design Phase</td> <td>Bid & Award</td> <td>Construction Phase</td> <td>Post-Construction</td> </tr> </table>	Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction
Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction				
07 - Reptile & Insect Center 	This new building complex will house a significant portion of the Zoo's diverse reptile and amphibian collection and permit the development of an expanded invertebrate collection in a state of the art purpose built facility. Funding: Prop CC / MICLA / General Fund Approved Budget: \$14,168,400	Status: DESIGN - Presentation to the Cultural Affairs Commission for Schematic Design approval is scheduled for May 3, 2007. Architect: The Portico Group Contractor: N/A Expenditure to date: \$1,165,998	 <table border="1"> <tr> <td>Pre-Design Phase</td> <td>Design Phase</td> <td>Bid & Award</td> <td>Construction Phase</td> <td>Post-Construction</td> </tr> </table>	Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction
Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction				
08 - Rain Forest of the Americas 	The project will developed to display and accommodate a wide variety of rain forest animals in naturalistic habitat exhibits. The project also includes visitor spaces, pathways, viewing shelters, animal holding and animal management staff areas. Funding: Prop CC / MICLA / General Fund Approved Budget: \$21,713,900	Status: DESIGN - Presentation to the Cultural Affairs Commission for Schematic Design approval is scheduled for April 5, 2007. Architect: The Portico Group Contractor: N/A Expenditure to date: \$2,067,237	 <table border="1"> <tr> <td>Pre-Design Phase</td> <td>Design Phase</td> <td>Bid & Award</td> <td>Construction Phase</td> <td>Post-Construction</td> </tr> </table>	Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction
Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction				
12 - Gorilla Holding Area & Exhibit 	This project includes demolishing existing Gorilla exhibit & holding area and constructing a new state-of-the-art Gorilla Exhibit. Funding: GLAZA, Prop CC & MICLA Approved Budget: \$19,293,231	Status: CONSTRUCTION - Construction is 75% complete. Caging work is in progress and is expected to be complete by the end of April 2007. Exhibit 2 planting is complete with the exception of the large palm trees which will be delivered in April 2007. The visitor pathway work is in progress and is anticipated to be complete by May 2007. Architect: Jones & Jones Contractor: AKG Construction, Inc. Expenditure to date: \$13,124,148	 <table border="1"> <tr> <td>Pre-Design Phase</td> <td>Design Phase</td> <td>Bid & Award</td> <td>Construction Phase</td> <td>Post-Construction</td> </tr> </table>	Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction
Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction				
15 - Golden Monkey Exhibit 	The planning, design and construction of 3,000 sq. ft. Golden Monkey habitat, 300 sq. ft. viewing structure and a 1,000 sq. ft. holding building. The project site is located in the northerly Asian Forest area of Zoo. Funding: MICLA, Zoo Enterprise Trust Fund & Prop CC Approved Budget: \$7,446,749	Status: CONSTRUCTION - Construction is 40% complete. Holding Building perimeter masonry walls and structural steel installation is complete. Pedestrian Bridge concrete panels are installation is progress. Caging work is in progress. Architect: The Portico Group Contractor: Dept of General Services Expenditure to date: \$3,475,004	 <table border="1"> <tr> <td>Pre-Design Phase</td> <td>Design Phase</td> <td>Bid & Award</td> <td>Construction Phase</td> <td>Post-Construction</td> </tr> </table>	Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction
Pre-Design Phase	Design Phase	Bid & Award	Construction Phase	Post-Construction				

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 162

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mt*Subject: **LOS ANGELES CONVENTION CENTER 2007-08 PROPOSED BUDGET - ONE AND THREE PERCENT BUDGET REDUCTION PROPOSALS**

In accordance with the April 27, 2007 instructions of the Committee, the Los Angeles Convention Center (Department) has submitted their response to the one and three percent budget reduction options, relative to the Mayor's Proposed Budget.

Based upon one and three percent reduction options, the Department's budget would be reduced by \$225,000 or \$675,000, respectively on the 2007-08 Proposed Budget of \$22,507,069.

The Department did not submit any budget reduction options in the attached memorandum, but instead detailed the City's increased Transient Occupancy Tax revenue and the higher projected 2007-08 Departmental revenues as an offset to any budget cuts.

Recommendation

An option to consider for the Department's one percent cut would be to increase the funding for security costs from \$1.6 million to \$1.85 million. This would provide full cost recovery for the Department of General Services and reduce the general fund subsidy of security cost at the Convention Center.

KLS:MCD:08070317

Attachment

CITY OF LOS ANGELES

CALIFORNIA

**LOS ANGELES
CONVENTION CENTER
COMMISSION**

CHRISTINA NOONAN
PRESIDENT

ARCHIE C. PURVIS
VICE PRESIDENT

MICHAEL FLEMING
CONCEPCION LARA
DIANA TORRES



ANTONIO R. VILLARAIGOSA
MAYOR

**LOS ANGELES
CONVENTION CENTER**

POURIA ABBASSI, P.E.
GENERAL MANAGER

1201 S. FIGUEROA STREET
LOS ANGELES, CA 90015
(213) 741-1151
FAX (213) 765-4441
TTY (213) 763-5077

April 30, 2007

To: Karen Sisson, City Administrative Officer

Attn: Mark Davis, Finance Specialist III

From: Pouria Abbassi, P.E., General Manager
Los Angeles Convention Center

**SUBJECT: BUDGET & FINANCE COMMITTEE, 2007-08 FY REDUCTIONS &
LACC'S BUSINESS OPERATING MODEL - REVISION**

In the April 27, 2007, letter to the Budget and Finance Committee regarding 2007-08 FY reductions and the LACC's business operating model, revisions should be made in the third paragraph as noted here. In the Proposed Budget, Los Angeles Convention Center's (LACC) operating budget totals \$22,507,069, and not \$20,507,069, and 1%-3% reductions would total \$225,000 and \$675,000, respectively.

PA

CITY OF LOS ANGELES
CALIFORNIA

LOS ANGELES
CONVENTION CENTER
COMMISSION

CHRISTINA NOONAN
PRESIDENT
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VICE-PRESIDENT
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CONVENTION CENTER

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GENERAL MANAGER

1201 S. FIGUEROA STREET
LOS ANGELES, CA 90015
(213) 741-1151
FAX (213) 785-4441
TTY (213) 783-5077

April 27, 2007

To: Karen Sisson, City Administrative Officer

Attn: Mark Davis, Finance Specialist III

From: Pouria Abbassi P.E., General Manager
Los Angeles Convention Center

SUBJECT: **BUDGET & FINANCE COMMITTEE, 2007-08 FY REDUCTIONS & LACC'S BUSINESS OPERATING MODEL**

Pursuant to the instructions of the Budget & Finance Committee regarding the identification of reduction options of 1%-3% of the proposed 2007-08 FY Budget, the Los Angeles Convention Center (LACC) respectfully submits the following recommendation and details for consideration.

It is our understanding that this effort is to make available additional resources to the General Fund in order to meet other funding requirements of the City. The approach that the Center has taken in establishment of its budget and distribution of its appropriations is solidly aligned with the goal of supporting and enhancing the City's fiscal position through our business operations. Our operating business model will provide returns equal to multiples of the 1%-3% reduction scenario, and will set the base for continued growth and prosperity for the City of Los Angeles and the Los Angeles Convention Center. The proposed 2007-08 FY LACC Budget has been aggressively designed to highlight our commitment in taking this charge seriously in support of providing funding for critical services in the City.

The FY 2007-08 Proposed Budget for the Los Angeles Convention Center totals \$20,507,069 in operating expenditures, and a corresponding 1%-3% reduction would total between \$205,000 and \$615,000. However, the full support of the LACC's fiscal approach will generate much greater dividends. The LACC's business model leads to an estimated \$8.2 M. equal to 40% of the LACC's 2007-08 Budget, of additional funds made available to the City's General Fund. This milestone can only be achieved if proper and required appropriation levels are addressed.

However, as detailed in our previous correspondence of April 23, 2007 to the Budget and Finance Committee, the Los Angeles Convention Center is concerned about the 46% increase (\$1.1M to \$1.6M) in appropriations; that obligate the LACC's Revenue Fund, in support of the General Services Office of Public Safety and a \$850,000 increase (\$0 in \$2006-07 FY and \$81,000 in 2005-06 FY) in appropriation to Capital Finance Administration Fund. No other operational account within LACC reflects these significant increases in the 2007-08 FY. While

April 27, 2007

LACC is supportive of a 10% increase (\$1.1M to \$1.2M) for GSD, we have requested the increase of 46% to be reviewed in the context of the other operational accounts. Additionally we have requested that the \$850,000 appropriation to the Capital Finance Administration Fund be eliminated, making funds available to revenue generating services.

Funding for the Los Angeles Convention Center is grouped within two main categories, those being funded in support of operations, and those in support of debt service (bond) obligations. Key points related to these two items are as follows:

- The Convention Center's proposed FY 2007-08 operating expenditures are fully supported by its operating revenues, with no impact on the City's General Fund.
- The Convention Center's financial and business initiatives are focused on completely releasing the General Fund of any debt service obligation. The business goal and plan of the Los Angeles Convention Center in the 2007-08 FY is to eliminate General Fund contributions to debt service through the support of the hospitality industry, through our events, and yielding a transient occupancy tax (TOT) that will fulfill the 2007-08 FY debt service obligations of \$34,140,666. A fraction of TOT generated is intended to fulfill the debt service obligations.
- The 2007-08 Proposed Budget identifies TOT generation that will exceed the debt service obligation. This represents a **positive \$7.5M turn around** compared to the 2006-07 FY, making more funds available for other City purposes.
- The Convention Center has proposed the acceleration of its repayment of a General Fund Advance Loan incurred in a previous Fiscal Year by 24 months (loan repayment was scheduled to begin in the 2008-09 FY), paying \$200,000 of it this Fiscal Year and the remaining \$505,057 next Fiscal Year. This alone makes available additional \$705,057 to the General Fund exceeding the highest level of reduction requested.

With the introduction of the new LA Live development, the Los Angeles Convention Center has an opportunity to provide substantial gains to the City through implementation of a business focused operating model. In brief, the advantages to marketing and coordinating client value of a campus-wide collection of assets (LA Live, Staples, and the Convention Center) are significant, as clients may now extract multiple "experiences" from one site, all within walking distance of each other. By adapting to a business model based upon the advantages of a campus-based value structure, potential clients will benefit from campus-wide coordination and service agreements. Examples include conducting a citywide convention at the Los Angeles Convention Center, experiencing a Lakers game at Staples, enjoying a live performance at Nokia, reminiscing at the Grammy's Experience museum, and savoring a variety of culinary and retail experiences as a coordinated value-added package. This will result in a significant influx of tourists and convention center clients, high levels of hotel occupancy, and a significant increase in TOT generation.

The Los Angeles Convention Center has already begun to implement this new model of conducting business, and is in close partnership with entities such as AEG, LA Inc., and local Business Improvement Districts. In the 2007-08 FY, the Los Angeles Convention Center will employ its assets to increasing operating revenues, enhancing Transient Occupancy Tax

April 27, 2007

generation, and delivering the highest level of economic benefit to the City. As a result, LACC and LA Inc., in association with our business partners at LA Live, anticipates a 13% increase in room nights, a 22% increase in direct economic benefit from delegate spending, and a 17% increase in attendee spending for non Bureau booked events in FY 2007-08, as compared to FY 2005-06. The proposed budget delineates an elimination of General Fund subsidy to debt service in the 2007-08 FY to be achieved through increases in the Transient Occupancy Tax revenues (TOT).

In support of this business model, the Los Angeles Convention Center needs to continue to focus on marketing, personnel, and the condition of our facility. Specifics of this investment are outlined in our Proposed FY 2007-08 budget submittal. Marketing coordination with partner organizations is absolutely key to extract the fiscal and perceptual value obtainable. This new business model requires modifications to the organizational structure, as the Los Angeles Convention Center must be operated as a fully competitive business in support of the City of Los Angeles. And finally, our facility is what we sell. As components of the facility are nearly 35 years old, we must focus on insuring the facility performs to expectations, and that it is competitive with other venues.

Economic performance of the Los Angeles Convention Center is strong with revenues exceeding expenditures, fiscal reliance on the City's General fund eliminated, and fiscal projections achieving an elimination of debt service repayment as the increase in hotel guests from our events provide a growing source of revenue through increased transient occupancy tax contributions.

In summary, the Los Angeles Convention Center proposes an ambitious business model, one based on the opportunities afforded through coordination and marketing of a significant "campus of values." Funding of this model in FY 2007-08 is fully supported by the revenues of the Los Angeles Convention Center, with no general fund impact. Most importantly, this proactive plan is necessary, and expected, to capitalize on the significant investment and opportunities afforded as a result of the new LA Live development.

PA:dh

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 163

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by m/f*Subject: **ETHICS COMMISSION – ONE AND THREE PERCENT BUDGET REDUCTION**

In accordance with the request of the Budget and Finance Committee, the City Ethics Commission (CEC) has submitted one and three percent budget reduction options relative to the Mayor's Proposed Budget. In addition to providing the reduction information, CEC also responded to the request from the Committee for a report on how disclosure laws for independent expenditure violations might be enforced in "real time" during a City election, and reiterated its position reallocation request, emphasizing the need to reallocate an Ethics Officer I to an Ethics Officer II and proposing to defer the request to reallocate the Auditor I to a Management Analyst II. The correspondence from CEC, dated May 4, 2007, is attached.

The proposed 2007-08 budget appropriation for CEC is \$2,573,556, and is comprised of General Funds provided through the Ethics Commission Trust Fund. In addition to reductions of one and three percent, CEC also identified a two percent reduction as follows:

Account	Account No.	Proposed Funding Level			
			1% Reduction	2% Reduction	3% Reduction
Salaries General	1010	\$2,175,273	n/a	\$17,947 salary savings	\$43,683 salary savings and/or layoff
As-Needed Salaries	1070	\$20,500	\$17,500	\$17,500	\$17,500
Overtime General	1090	\$900	\$900	\$900	\$900
Printing & Binding	2120	\$15,125	\$7,336	\$15,125	\$15,125
	Totals:		\$25,736	\$51,472	\$77,208

It should be noted that CEC typically transfers funds into its Overtime Account to meet workload needs. The funds remaining in the As-Needed Account (\$3,000) would cover only Commissioner salaries. Printing and Binding expenditures vary by year, but in a department of this size, such a reduction could be significant. For the three percent salary reduction, it is unclear whether CEC could achieve salary savings of this amount and avoid eliminating a filled position.

Recommendation

It is recommended that further budget reductions **not** be taken from the Ethics Commission.

KLS:DMR18070099c1.doc:

Attachment

CITY OF LOS ANGELES
CALIFORNIA

CITY ETHICS COMMISSION

LEEANN M. PELHAM
EXECUTIVE DIRECTOR



2007 MAY -4 AM 11:30
CITY ADMINISTRATIVE OFFICE

CITY ETHICS COMMISSION
200 N. SPRING STREET
CITY HALL - 24TH FLOOR
LOS ANGELES, CA 90012
(213) 978-1960
(213) 978-1988 FAX
TDD (213) 978-2609
<http://ethics.lacity.org>

GIL GARCETTI
PRESIDENT
BILL BOYARSKY
VICE PRESIDENT
ROBERT SALTZMAN
SEAN TREGLIA
HELEN ZUKIN

Hand Delivery

May 4, 2007

The Honorable Bernard C. Parks, Chair
The Honorable Wendy Greuel, Member
The Honorable Jose Huizar, Member
The Honorable Bill Rosendahl, Member
The Honorable Greig Smith, Member
City Council Budget and Finance Committee
ATTN: Lauraine Braithwaite, Office of the City Clerk
City Hall Room 395
Los Angeles, CA 90012

Re: One to Three Percent Budget Cut Exercise

Dear Chairman Parks and Honorable Committee Members:

This letter is in response to your request that the City Ethics Commission report back to the Budget and Finance Committee and City Administrative Officer regarding possible additional cuts for the Commission of between one and three percent from funding levels recommended in the Mayor's proposed FY07-08 budget.

The City Ethics Commission's current budget for FY06-07 is \$ 2,769,659. As proposed for FY07-08, the Mayor's budget would reduce Commission funding by 7.1 percent, to \$2,573,556. At that level, an additional one to three percent budget reduction would require another \$25,000 to \$77,000 to be deleted from the Commission's budget for the coming fiscal year. To achieve those additional reductions, the following accounts would need to be eliminated or reduced, as shown.

Account Name	Acct No.	Mayor's Proposed Funding FY07-08	At 1%	At 2%	At 3%
As-Needed Salaries	1070	\$17,500	\$17,500	\$17,500	\$17,500
Overtime General	1090	\$900	\$900	\$900	\$900
Printing & Binding	2120	\$15,125	\$7,336	\$15,125	\$15,125
Salaries General	1010	\$2,175,273	n/a	\$17,947 (From salary savings)	\$43,683 (From salary savings and/or layoff)
Total:			\$25,736	\$51,472	\$77,208

In addition, in response to two other items discussed at our budget hearing, we provide the following information.

“Real-Time” Enforcement of Independent Expenditure Violations

During our discussion in Committee, Councilmember Rosendahl requested us to report back on how disclosure laws for independent expenditures violations might be enforced in “real time” during a City election. Independent spending has typically occurred within the last month of City elections, and often within only two to three weeks of the election date. Several fundamental factors exist that shape the extent to which the Commission can initiate potential violations and bring these kinds of cases to timely resolution.

Enforcement is Often Complaint-Driven

By their nature, independent expenditures are communications made directly to voters to urge their support or opposition to a candidate, but that are not coordinated in any way with a candidate. The City’s disclosure laws seek to promote an accurate and timely understanding among voters about the independent nature of those messages, and to inform the public about the range of messages used in an attempt to influence their vote. Toward that end, City law requires disclaimers on ads themselves, requires timely reporting about who paid for the ads, and requires copies of those communications to be filed with the City Ethics Commission for public view.

While it is not impossible for the Commission to immediately detect an obvious violation from the filings it receives and the audits it conducts, an investigation into a possible independent expenditure violation is more generally sparked when the Commission receives information about a potential transgression. These complaints can be brought to our attention by a press report or the Whistleblower Hotline, or by persons who, for example, are aware of an independent expenditure that has *not* been reported. As with other areas of the law, it is simply impossible for any regulatory agency to be omniscient about all transactions that could give rise to possible violations of those laws.

Due Process Rights Must Be Assured

To assure that those accused of violating the law have the opportunity to exercise their due process rights, the City Ethics Commission enforcement regulations spell out explicit procedural safeguards that protect that opportunity.

When the Commission does become aware of potential violations, even obvious transgressions must be carefully investigated to determine who is responsible. We generally obtain this type of information through sworn statements of witnesses and through the review of documents. The Commission’s procedural regulations provide that we must first make a “reasonable effort” to obtain witness statements and documents without issuing a subpoena (LAAC Section 24.1.2(b)(3)(A)). This is an important first step in any enforcement matter, and it is a process that typically can take a minimum of

two to three weeks. If a subpoena is required to obtain necessary information, our enforcement regulations require that subpoenas for witness testimony must be served at least 10 days before the date of the interview. Subpoenas for documents require 20 days notice. We are required to add three days to these notice requirements if subpoenas are served by mail, which most are. (LAAC Section 24.1.2(b)(3)(D)). In the best case scenario, therefore, it can often be unlikely that information necessary for the investigation will arrive any sooner than five or six weeks after initiating the investigation.

After an investigation is completed and evidence has been gathered, a Report in Support of a Finding of Probable Cause ("probable cause report") is prepared to detail the investigative findings and alleged violations. Under City law, those responsible for the violations ("respondents") have a minimum of 21 days to respond to the probable cause reports that first notify them of the charges and the evidence supporting those charges (LAAC Section 24.1.2(d)(2)(B)). Respondents have the right to request a hearing before the probable cause hearing officer (Id.). The probable cause conference must be scheduled on at least 14 days' notice (LAAC Section 24.1.2(d)(6)(A)). Once scheduled and heard, the probable cause officer has up to 30 days to render her decision (LAAC Section 24.1.2(d)(7)(E)). If she finds probable cause, the Commission's Director of Enforcement then has up to 14 days to draft a public accusation (LAAC Section 24.1.2(d)(8)(A)) and serve it within 10 days of being prepared (LAAC 24.1.2(d)(8)(C)). Under City law, that accusation must be publicly announced no later than 10 days of serving it on the respondent(s). (LAAC Section 24.1.2(d)(8)(D)). Following that, at the next regularly scheduled meeting of the Commission's board, the board must choose a hearing process (LAAC Section 24.1.2(e)(1)).

Depending on the timing of any public announcement and the schedule for the agency's next Commission meeting, it may take as much as an additional five weeks to put the matter before the board. As a matter of policy, the Commission's board has routinely referred matters for hearing to the state's Office of Administrative Hearings ("OAH"). Those hearings, which are held before an Administrative Law Judge, often do not have hearing dates until three to four months after the request is filed. Once a hearing is held, however, the Administrative Law Judge prepares his or her report and recommendation within 30 days of the hearing. Once rendered, that decision must by law return to the Commission's board for its consideration and action.

In all, based on these due process checks and procedural requirements, assuming an average investigative and evidence-gathering time of two to three months, and the statutorily required periods for the adjudicative process, a case that requires full adjudication could take no less than one year to resolve. Even this timeframe assumes no delays in that process from either respondents or the Commission's staff.

Enforcement Resources and Timely Enforcement

As with any agency, staffing limitations also can cause delays in key programs and operations. Due to the size of the agency's overall staff and the breadth of its Charter-mandate, the level of personnel that can be dedicated to its enforcement function is limited. As a result, the initiation of investigations can become backlogged, and investigations can remain pending for weeks or even months after they have been assigned.

Recent experience has shown that the Commission's backlog of open investigations has decreased, and small, straightforward cases will continue to begin and end in a matter of weeks. Even as this occurs, however, the more likely place for bottlenecks has become the very important stage of transforming investigative findings – when warranted by the law and the facts – into a viable enforcement proceeding. It is critical that this process be handled carefully, as initiating any enforcement action demands that the evidence is sufficient to meet our burden of proof, and that the analysis of the facts and the law are thoroughly and accurately spelled out. Assuring that this standard is met for each case can be a time-consuming process, and one that requires an appropriate ratio of legal analysts and investigators to prevent substantial delays that can otherwise occur from the conclusion of an investigation to the drafting of the probable cause report.

In whatever the topic area, cases that are large or have multiple respondents, or those that raise new and complex legal issues, will likely continue to take the most resources and time to resolve. In these cases, experience teaches us that delays are very likely to occur. That said, the reality is that any litigation is complex and time-consuming. Yet it is the price of due process. While it is not impossible that some cases could be both initiated and resolved within the span of a campaign before the actual election day, that prospect remains unlikely.

Position Reallocations

Finally, as I noted in my comments before the Committee, the Commission also seeks reallocation of two positions to assure they are properly classified given the responsibilities of those positions. These reallocations are necessary because the duties required of both positions have expanded beyond their current classification. This resulted from a staff restructuring last year and the realignment of various staff responsibilities to better ensure our services and programs are delivered as effectively as possible.

The continued success of the Commission's Fast Track Audit program will rest largely on our ability to put the right resources to the task of meeting the needs of our growing audit program. Due to term limits and recurring special elections, mandatory audit cycles are no longer fixed at only every other year. In addition, the Commission's new responsibilities from Measure L to audit LAUSD campaigns are likely to expand the campaign expenditures we are required to audit by one-third. At the same time, however,

competing priorities have required the most creative and flexible use of all existing staff resources. This has meant, for example, that the Director of Audits has been required to assume overall responsibilities for the Commission's financial, budget, personnel, and administrative operations. Consequently, the day to day needs of the audit program has required the Auditor I to assume more significant programmatic responsibilities. With the high priority of our audit mandate, this will continue to be the case regardless of the classification of the auditor position. While we believe that the new audit work paper supervision, review and program management duties assigned to the Auditor I clearly warrant a reallocation of the position, we are willing to defer further consideration of this particular request until the FY08-09 budget in light of the difficult financial year ahead for all city departments.

To assist in your evaluation of our request for the other reallocation, the Enforcement Division's Ethics Officer I position, we note that the present classification of that position (an Assistant Director for Enforcement) falls into a classification that is below that of a Deputy City Attorney II (Code 0544-A), yet its responsibilities include the duty to:

- train and supervise the work product of six staff, including responsibility for:
 - guiding investigators in structuring investigations;
 - instructing investigators in the proper use of subpoenas and other legal tools of discovery;
 - evaluating complex legal issues that can arise in gathering and analyzing information and evidence in the course of investigations; and
 - converting investigative findings into viable enforcement proceedings, when warranted by the facts and the law.

- exercise significant autonomy and authority as the primary administrator of the City's Charter-mandated Whistleblower Hotline (1-800-824-4825), including:
 - supervising a paraprofessional's work in performing intake duties, maintaining case databases, and preparing ongoing workload and performance indicators necessary to assure program effectiveness;
 - determining when to initiate formal investigations after investigators have made preliminary findings;
 - acting as Commission's liaison to manage and coordinate interdepartmental relationships on Whistleblower complaint matters; and
 - closing complaints when there is insufficient evidence or lack of jurisdiction.

- represent the Commission in prosecutions before state administrative law judges. This requires the position to:
 - supervise junior attorneys' research into complex legal arguments;


- assume a "first chair" responsibility for litigating complex administrative adjudications; and
- initiate and respond to pre-hearing motions.

For these reasons, and because the work of this position directly shapes both the daily operations of the Enforcement division and the effectiveness of ethics enforcement citywide, we believe its classification is more properly an Ethics Officer II.

If I can provide any additional information to assist you in the development of your recommendations regarding the Commission's FY07-08 budget, I hope you will feel free to contact me directly at (213) 978-1970.

Once again, thank you very much for your time and consideration.

Sincerely,


LeeAnn M. Pelham
Executive Director

cc: Karen Sisson, City Administrative Officer
Sally Choi, Budget Director, Office of the Mayor
Dolores Rivera, CAO Budget Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 164

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L Sisson, City Administrative Officer

*KLS
m/f*

Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY REPORT ON COUNTY OF LOS ANGELES FUNDING FOR EMERGENCY SHELTER BEDS**

Attached is a report requested by the Committee from the Los Angeles Homeless Services Authority (LAHSA) detailing 2006-07 County of Los Angeles (County) funding for emergency shelter beds.

The County provides funding to LAHSA for nine service providers for emergency shelter beds. Funding is approximately \$2.9 million per year and funds approximately 195 emergency shelter beds and 85 transitional beds. In comparison, City funding is \$5.2 million 820 emergency shelter beds

KLS:SDE:02070251

Attachment

Los Angeles Homeless Services Authority
 County of Los Angeles
 Emergency Shelter Funding Commitments to Date 4/17/2007

Agency	Program	Emergency Shelter Beds	Transitional Beds	Type	Amount	Period	2007-2008 Amt	Notes/ Special Populations Served
Salvation Army	Emergency Shelter	70			2,450,000	3 years	816,666	
	Emergency Shelter	70		Women				
Union Station Foundation	Emergency Shelter	20		Women	650,000	3 years	216,666	
New Directions	Transitional Housing		50		250,000	1 year	250,000	
Step up On Second	Outreach				43,000	1 year	43,000	
St. Joseph Center	Relocation Support				86,000		86,000	
OPCC	Emergency Shelter	10		MI/F	200,000	1 year	200,000	Mentally Ill Females
	Transitional Housing		5	MI/F				Mentally Ill Females
	Emergency Shelter	25		Chronic	561,000	2 year	280,500	Chronically Homeless
JWCH	Mobile Medical				311,000		311,000	
New Image	Transitional Housing		30		500,000	1 year	500,000	
Penny Lane	Eman Foster Y TH		TBD		200,000		200,000	
		<u>195</u>	<u>85</u>		<u>5,251,000</u>		<u>2,903,832</u>	
Amount in 2007-2008 Budget							<u>1,479,377</u>	
Additional Commitments not accounted for in 2007-2008 Budget							<u>1,424,455</u>	

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 165

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **COMMUNITY DEVELOPMENT DEPARTMENT ADMINISTRATIVE COSTS**

At the Budget and Finance Committee meeting on May 2, 2007, the Community Development Department (CDD) was instructed to report back and work with the City Administrative Officer in determining whether grant or special funded administrative costs could be managed for less than the funding sources' maximum allowable levels. Attached is a report from CDD dated May 4, 2007 which provides an overview of the administrative allocation for the Department's major grant and special funds.

The report notes that the Department, and in the case of the Community Development Block Grant which is allocated across multiple departments (for an aggregate administrative cap of 20 percent), is budgeted up to the cap for its various sources. While the Department has sustained attrition efforts over the last few years, reducing grant-funded staffing from approximately 490 positions in 2002 to just over 300 at present, substantial increases in the Department's grant-reimbursable related costs¹ (which are now at 51 percent of every salary dollar spent compared to 34 percent in 2003-04) have offset any direct cost reductions from attrition efforts. This has forced administrative costs across not only CDD but other grant funded departments to remain at the maximum allowable level. In the case of CDBG and the Workforce Investment Act, the Department is not achieving full recovery of related costs altogether due to both funding availability and cap limitations.

The matter of whether CDD can achieve the same level of services with less staffing can only be determined through an extensive workload analysis of each of its operations, which cannot be achieved within the timeframe of this budget process. We are working, however, toward incremental steps that would enable the Department to fully capture its related cost obligations to minimize impact on the General Fund. The 2007-08 Proposed Budget for CDD, for instance, reflects an overall budgetary decrease of five percent over current year. Other opportunities for administrative cost efficiencies would be explored through the upcoming Workforce Investment Board Annual Plan and the annual Consolidated Plan budget processes (where over the past cycle more than 90 off-budget positions have been frozen due to funding limitations and to further mitigate related cost burdens).

Finally, curbing administrative costs to make available additional program dollars does not in and of itself assure an enhancement of constituent services based on the

¹ Overhead costs are determined through a Cost Allocation Plan methodology that captures a general rate of reimbursement to the General Fund for employee benefits and other City support costs.

Department's current public services structure. The Controller pursuant to a 2006 audit of the Family Development Network, a component of CDD's Human Services Delivery System, concluded in a written statement to the Council and Mayor that a "top to bottom reinvention of the Community Development Department" was ultimately needed to establish "a more effective, responsible and accountable system of delivering coordinated services and assistance to those who need it most." CDD had recognized that need with a reorganization that was implemented over the past year, although much of it did not involve a redesign of services nor administrative overhauls specifically designed to cut costs (some efficiencies are noted in the Proposed Budget, inclusive of position authority reductions and redeployment of staff to centralize certain administrative functions). As the City delves into the matter of prioritizing grant dollars and services where needs are greatest (in concert with emerging gang reduction strategies), we would be in a better position for more informed analysis relative to the administrative needs of those services.

Recommendation

Instruct the General Manager, Community Development Department, or designee, with assistance of the City Administrative Officer, to continue identifying efficiencies and attrition measures within its operations on an annual basis, particularly within the Consolidated Plan and Workforce Investment Board annual plan budgeting processes, including deletion of lower priority positions and activities, to align administrative needs and operations with available grant and special funding sources including related cost recovery.

KLS:ER:02070249


Attachment

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2007

TO: Karen Sisson
City Administrative Officer

FROM: Richard Benbow, General Manager 
Community Development Department

SUBJECT: Community Development Department Report Back to Budget and Finance Committee concerning Administrative Costs (CAO System ID 420/429)

During the meeting of the Budget and Finance Committee on May 2, 2007, concerning the review of the Mayor's Proposed Budget for FY 2007-08, Councilman Parks requested that the Community Development Department (CDD) report back regarding whether administrative costs had been and could be reviewed with respect to funding at amounts less than the maximum permitted by the grants in order to allow more to be expended on program costs.

The question of grant administrative costs has been considered on several occasions by CDD and the City. In addition to this matter being reviewed during previous departmental budget hearings and related reports, administrative costs associated with grants have been reviewed by the department, citizens groups, City officials, and funding sources during the grant application process, which is conducted on an annual basis for the largest grants that CDD administers.

Table 1 lists the five largest grants administered by CDD and the amounts budgeted for City administrative costs, the percentage of grant funds used for administrative costs, and the percentage of grant funds allowable for administrative costs.

Table 1

Grant	PY 07-08 Est. Grant Amount	City Admin. Budget	% of Grant Used for Admin.	% of Grant Allowable for Admin. Costs
Community Development Block Grant	\$113.9 million	\$20.6 million	18%	20%
Workforce Investment Act	\$39.9 million	\$3.9 million	10%	10%
Community Services Block Grant	\$7 million	\$1.4 million	20%	20%
Proposition 12 and 40	\$76.7 million	\$0	0%	0%
IDA (FY 06-07) Bonds/Loans	\$72.2 million	\$0	0%	N/A
Total	\$309.7 million	\$25.9 million	8.4%	N/A

It is important to recognize that grant amount budgeted above for City administrative costs does not entirely get appropriated to the Community Development Department. For example, for the Community Development Block Grant (CDBG), approximately \$12 million of the nearly \$21 million budgeted for City administrative costs is allocated for CDD. The other nearly \$9 million of the CDBG administrative budget is appropriated to other entities, such as the Los Angeles Housing Department, the Los Angeles Homeless Services Authority, the Department of Disability, the Aging Department, the Board of Public Works, and the City Attorney's Office.

Further, of the amount budgeted for CDD, some of the funding reimburses the General Fund for related costs and indirect costs, as calculated by the City's Cost Allocation Plan (CAP). The City Controller's Office has calculated CDD's CAP rate at over 52% (for costs associated with employee benefits and other City overhead). This means that for every \$1 of salary costs we need to set aside more than \$.52 for City related costs. Although there are insufficient grant funds budgeted to cover all of the related costs for CDD, a portion of the above administrative funds are used for this purpose. (The matter of related costs was further addressed in remarks of CDD and CAO during the aforementioned budget meeting and other budget processes.)

As for other uses of the above administrative funds, City departments, particularly CDD, perform work such as the following:

- Analyzing, researching, and preparing program plans and grant budgets
- Conducting Request for Proposal processes to select program contractors
- Executing and monitoring program agency contracts, and related program activities
- Paying, accounting, and auditing grant-funded transactions, involving agencies, contractors, and departments
- Developing and maintaining systems that assist with processing and reporting information regarding funded agencies and clients served
- Informing agencies, officials, and public about funded programs, and related requirements
- Reporting to grant sources and officials regarding required and/or requested information, particularly involving financial and performance matters
- Conducting personnel and procurement transactions involved in employment of staff, and obtaining goods and services, in order to operate and administer programs

It is also important to recognize that although the salaries and related costs of many of CDD's administrative staff are funded by the above grant administrative budget, a significant number of CDD employees are involved in program delivery in which administrative costs are *not* off-set by grant funds. For example, administrative costs for program services supported by Proposition 12 and 40 funds and IDA bonds and loans are not off-set by a portion of these funds allocated for CDD administrative purposes. As indicated in Table 1 the City's overall use of grant funds for administrative costs is approximately 8.4 percent.

As indicated, the vast majority of grant funds administered by this Department go toward program delivery for the benefit of residents of this City.

I hope that the above information addresses any concerns the Budget and Finance Committee may have regarding this matter. You are welcome to contact my Assistant General Manager, David Esparza, or me, should you have additional questions.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 166

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*Subject: **ONE FIRE ASSISTANT CHIEF FUNDED BY AIRPORTS DEPARTMENT**

The Committee requested that this Office report back whether Airports Department (Department) has funded one Fire Assistant Chief position for the Los Angeles Fire Department (LAFD) in the Department's proposed 2007-08 budget.

The Department currently is providing up to 50 percent funding for a Fire Assistant Chief position. The Department has not allocated resources in its 2007-08 proposed budget to provide any funding for this position. The Department will continue to provide 100 percent funding for a Fire Captain II position in its 2007-08 proposed budget.

KLS:AVM:10070190

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 167

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mt*

Subject: **EL PUEBLO DE LOS ANGELES REPORT BACK ON THE RESOURCES
REQUIRED FOR CATALOGING ARTIFACTS**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on the resources required for cataloging artifacts. The Department reports that one Systems Analyst II position and \$6,900 in funding would be necessary to initiate a three-year project. The Department also states that additional funding would be requested in future budgets for the shelving, relocation, fumigation, security and maintenance of artifacts.

Attachment

KLS:DP:08070336c

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

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**EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT**

ROBERT L. ANDRADE
GENERAL MANAGER

COMMISSION EXECUTIVE ASSISTANT
VACANT

125 PASEO DE LA PLAZA, SUITE 300
LOS ANGELES, CA 90012

TEL: (213) 485-6855
TDD: (213) 473-5535
FAX: (213) 485-8238

May 4, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: REPORT BACK ON RESOURCES REQUIRED FOR CATALOGING
ARTIFACTS**

On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report on the resources required for cataloging artifacts.

The Office of the City Controller's April 29, 2004 Audit mandated that El Pueblo establish sound internal procedures to safeguard the over 10,000 historical artifacts under its care. The Mayor's 2007-08 Proposed Budget provides for needed hardware; however, El Pueblo lacks the technical expertise to implement fully the above-mentioned mandate.

To initiate a three-year project, one position authority for a Systems Analyst II (1596-2) plus requisite expenses (\$6,990) and one digital camera to properly record each of the over 10,000 historical artifacts to be stored in the server recommended in the 2007-08 Proposed Budget are necessary.

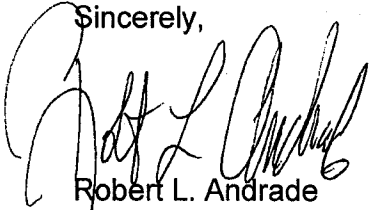
The additional funding will allow El Pueblo to begin the process of complying with the Office of the City Controller's April 29, 2004 portion of the audit concerning the cataloging and safeguarding of historical artifacts. Additional future resources will be needed, including shelving (\$55,000), relocation of the final 30 percent of artifacts (TBD), fumigation (\$45,000), security (TBD), and maintenance (TBD). El Pueblo will request these resources in future budgets.



Fiscal Impact

Personnel costs are \$68,758 and expense costs are \$6,990. The total impact to the General Fund is \$75,748.

Sincerely,



Robert L. Andrade
General Manager

RLA:JF:qg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 168

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L Sisson, City Administrative Officer *KLS by mt*Subject: **LOS ANGELES HOMELESS SERVICES AUTHORITY REPORT ON FUNDING SOURCES**

Attached is a report requested by the Committee from the Los Angeles Homeless Services Authority (LAHSA) detailing 2007-08 proposed funding sources.

Below is a chart that summarizes 2007-08 proposed funding:

Source	Amount
City of Los Angeles	\$ 19,192,444
County of Los Angeles	\$ 16,119,754
State of California	\$ 146,136
United States Department of Housing and Urban Development	\$ 29,833,835
TOTAL	\$ 65,292,169

The LAHSA chart does not include an additional \$2 million in funding provided in the Mayor's Proposed Budget from 2006-07, but it is reflected in the above table. LAHSA did not provide an expenditure plan for the \$1 million in General City Purposes funding for policy and planning.

KLS:SDE:02070252

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 169

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*
by mt

Subject: **EL PUEBLO DE LOS ANGELES REPORT BACK ON THE TOTAL COST FOR SECURITY SERVICES.**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on the total cost for security services, including the existing funds and how much is needed to fully secure the grounds. The Department reports that funding in the amount of \$350,000 is currently budgeted for security in 2006-07. Based on the information provided by the Department of General Services (GSD), \$296,580 is needed for security in 2007-08. The Department also reports it would need additional funding of \$60,000 in the 2007-08 budget, to maintain the level of service provided in 2006-07.

The Department is also requesting an increase in security presence (from two to four officers per shift). This will provide one lieutenant and one captain for every two officers. According to GSD, this will be an increase of an additional \$470,000 above the funded appropriation of \$350,000 for a total amount of \$820,000.

Recommendation: Funding for the increased security represents a policy decision. A general fund appropriation of \$470,000 would be required because El Pueblo receipts are insufficient to offset the proposed increased cost.

Attachment

KLS:DP:08070334c

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
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FAX: (213) 485-8238

May 4, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

SUBJECT: REPORT BACK ON TOTAL COSTS FOR SECURITY SERVICES

On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report on the total costs for security services.

Security is provided through the General Services Department (GSD) by means of a contracted security company. The current deployment consists of weekday and weekend shifts for two officers, one lieutenant and one captain (see attachment for schedule). Based on the terms of the new security contract, to maintain the 2006-07 security service level for 2007-08 an increase of \$60,000 from \$350,000 to \$410,000 is needed.

The current level of security is inadequate for El Pueblo's site. Crimes at El Pueblo create risks to merchants, employees, and visitors. The types of criminal activity recorded in 2006-07 at El Pueblo include, illicit drug sales, assaults, deaths and a homicide.

The El Pueblo Commission and Los Angeles County and City stakeholders organized a Security Task Force. The Security Task Force concluded that an increase in security presence will reduce crime. Furthermore, they issued the following recommendations: 1) stricter enforcement of unlicensed vendor laws; 2) improve coordination of communications among El Pueblo, La Placita Church, and Chinatown Business Improvement District; and, 3) increase the number of security personnel and their visibility.

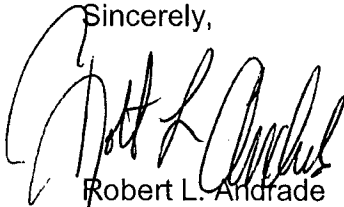


Increased security deployment from two to four officers per shift would substantially improve safety and reduce crime. According to GSD, an increase of \$470,000 above the 2006-07 service level of \$350,000 to a revised 2007-08 service level of \$820,000 is needed. The terms of the new security contract require one lieutenant and one captain for every two officers.

Fiscal Impact

The total impact to the General Fund is \$470,000.

Sincerely,



Robert L. Andrade
General Manager

RLA:JF:qg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission

Attachment

Security Services

Current Schedule

One Lieutenant, One Captain, and Two Uniformed Officers

SCHEDULE OF DAYS AND HOURS:							
	SUN	MON	TUES	WED	THURS	FRI	SAT
Two Uniformed Officers Per Shift	07:00 – 03:00 03:00– 11:00 11:00 – 07:00 11:00 – 07:00*	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00 11:00 – 07:00*
One Lieutenant per Shift	07:00 – 03:00	07:00 – 03:00	07:00 – 03:00			07:00 – 03:00	07:00 – 03:00
One Captain per Shift	07:00 – 03:00			07:00 – 03:00	07:00 – 03:00	07:00 – 03:00	07:00 – 03:00

* An additional officer is required on Saturday & Sunday to work 11:00 – 07:00 shift.

Proposed Schedule

Two Lieutenants, Two Captains, and Four Uniformed Officers

SCHEDULE OF DAYS AND HOURS:							
	SUN	MON	TUES	WED	THURS	FRI	SAT
Four Uniformed Officers Per Shift	07:00 – 03:00 03:00– 11:00 11:00 – 07:00 11:00 – 07:00*	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00	07:00 – 03:00 03:00– 11:00 11:00 – 07:00 11:00 – 07:00*
Two Lieutenants per Shift	07:00 – 03:00	07:00 – 03:00	07:00 – 03:00			07:00 – 03:00	07:00 – 03:00
Two Captains per Shift	07:00 – 03:00			07:00 – 03:00	07:00 – 03:00	07:00 – 03:00	07:00 – 03:00

* An additional officer is required on Saturday & Sunday to work 11:00 – 07:00 shift.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 170

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **ONE-TIME REVENUES AND EXPENSES HISTORY**

Attached is a five year history of one-time revenues and three year history of one-time expenses. The One-Time Revenues and Expenditures Financial Policy has been in place and tracked since FY 2005-06. Over that time frame the City's one-time revenue in excess of one-time expenditures has decreased year-to-year. Please note that the CAO applied a strict interpretation of this policy for 2007-08. Figures previously reported in the Supporting Information Book for 2005-06 and 2006-07 were readjusted based on our revised interpretation of this policy.

KLS:TAB:01070069c

Attachment.

One Time Revenues & Expenditures
 FY 2003-04 through 2007-08
 (Thousand Dollars)

	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
<u>REVENUES</u>					
Reserve Fund Transfer	\$ 149.58	\$ 122.87	\$ 295.27	\$ 231.30	\$ 93.10
Telecomm. Back Tax Settlement	6.00				
Transfer from Telecomm Dev. Account	2.20				
Grants	40.90	34.20	4.00		
DWP Supplemental Transfer		60.00			
Hotel Tax Remittance Schedule Change		16.00			
Fire Life Safety Fund Closure		4.80			
Deferred Property Tax			14.00		
Loss of Property Tax Revenue			(48.00)		
VLf Loan Proceeds			23.85		
B&S Enterprise Fund start-up reimbursement				8.20	
GSD Property Sales				3.00	
DWP Fiber Optic Sale					20.00
DWP Loan for LED Installation Credit					10.00
Total One-Time Revenues	<u>\$ 198.68</u>	<u>\$ 237.87</u>	<u>\$ 289.12</u>	<u>\$ 242.50</u>	<u>\$ 123.10</u>
<u>EXPENDITURES</u>					
Total One-Time Expenditures*			<u>\$ 71.84</u>	<u>\$ 115.36</u>	<u>\$ 57.10</u>
Net One-Time Revenues and Expenditures*			<u>\$ (217.27)</u>	<u>\$ (126.84)</u>	<u>\$ (66.00)</u>

*One-Time General Fund Revenue and Expenditure Policy not tracked prior to 2005-06.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 171

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **SPECIAL STUDIES REPORT BACK**

Attached is a status update on Council requested report backs from the 2006-07 Budget process. The attached update shows projects by "Completed" or "Pending" and by reporting agency "Department" or "CAO." For those report backs that are pending, we will report back to Budget and Finance Committee in two weeks with estimated completion dates.

KLS:TAB:01070073c

Attachment.

Budget and Finance Committee Special Studies

Department Report Backs Completed

<i>Department</i>	<i>Council File</i>	<i>Report Date</i>	<i>Project#/Description</i>	<i>Study Resolution</i>
Building & Safety			5 Evaluate the use of Housing's CRIS system for B&S permit process.	B&S memo to the CAO dated April 21, 2006 concluded that utilization of CRIS system would be inefficient and inadequate to the needs of B&S.
CCYF	06-0600-S41		20 Develop a plan with the assistance of the CAO for the use of the \$100,000 transfer from CCYF to the UB to support childcare initiatives, including an evaluation of Phase II of Data Report and the needs expressed through community forums and submit to B&F for approval.	\$70,000 funding for the Workforce Initiative contract was approved by the Council in July 2006. Mid-Year Financial Status Report recommends placing remaining \$30,000 in the Unappropriated Balance Reserve for Economic Uncertainties.
Community Development	06-2367		22 Capacity building training for non-profits.	Capacity building efforts continue through the Capacity Builds LA program (C.F. 06-2367). The second year of the program kicked off on September 27, 2006 with a goal of providing 18 free seminars to community and faith-based organizations. As of January 23, 2007, 326 persons have attended seven seminars in CDD's main office and the Valley. CDBG funding of \$128,000 is being sought to continue the program in the 07-08 (33rd Year) Consolidated Plan.
Cultural Affairs	06-0600-S34		33 Cultural Affairs and City Attorney report to Council on findings from review of the nexus study and eligible uses of the Arts Development Fees within 30 days.	The City Attorney and Cultural Affairs have an administrative agreement where every contract, which proposes to spend Arts Development Fee funds is subject to the review of the City Attorney for the purposes of ensuring compliance with the City's nexus requirement.

**Department Report Backs
Completed**

Department	Council File	Report Date	Project#/Description	Study Resolution
Cultural Affairs	06-0600-S15		34 Additional grants for Non Profit Cultural Arts Programs citywide.	Each year the Department's budget includes funding for grants. The Proposed Budget include Specials I (\$2,088,485), II (\$697,991) and III (\$323,509). The Department has made and continues to make efforts to submit applications to receive grant dollars and other non-City funds.
El Pueblo	06-0600		37 Film permit waivers exclusion for El Pueblo.	During the 06-07 Council deliberation, there was a technical adjustment to exclude El Pueblo from filming permit waivers to maintain the revenue stream for the department.
Environmental Affairs	06-0600-S13	12/7/2006	39 Assist in the development of a Green Agenda for the City comprised of EAD, Sanitation, Engineering, General Services, Building and Safety, and Water Power, CLA and CAO.	Department report pending Committee.
Ethics Commission			40 Is there a State law requiring disclosure for recorded phone calls?	City Attorney advice provided.
General Services	06-0600-S57	10/16/2006	51 Work with proprietary departments to do bulk purchasing and potential use of hedge purchases such as done by DWP.	Department report pending Committee.
General Services			54 Graffiti abatement at the two Hollywood libraries.	All library service requests for graffiti abatement have been fulfilled.
Housing	04-0777	9/12/2006	63 Rent Stabilization Ordinance study - LAHD, CLA, CAO to do scope of work for an RFP to analyze methodology to calculate rent increases vs. cost increases; have rent increases kept pace?	RFP has been released.

**Department Report Backs
Completed**

Department	Council File	Report Date	Project#/Description	Study Resolution
Police			77 70 additional Detention Officer positions at the jails to address workload issues and the feasibility of taking over certain duties currently performed by sworn personnel.	20 additional positions with six months funding placed in the Proposed Budget.
Police	05-0600-S34	2/28/2007	78 Report to Public Safety Committee on Police sworn overtime usage.	Department reported on overtime. 113,000 additional hours funded in the Proposed Budget.
PW Con Ad	06-2030		80 Standardized review process regarding MBE/WBE participation; MBE/WBE should be applied equally to contracts for all departments including proprietaries.	Department report pending Committee.
Transportation	05-1107-S1	8/21/2006	98 Plan to address the structural deficit in Prop A; encumbered and unspent funds; amount of reserve; criteria and need to expand DASH bus services.	Council acted on department report.
Transportation	06-0600-S39	7/6/2006	99 Appropriate positions and expense for the design and construction of 25 left-turn arrow signal installation projects.	Department report pending Committee.

**Department Report Backs
Pending**

Department	Council File	Report Date	Project#/Description	Study Resolution
Animal Services			3 Additional surveillance cameras or resources needed to ensure the safety of shelter employees.	As part of Prop F construction projects, each shelter is being outfitted with surveillance cameras and keycard access systems. The department is requesting the City contractor to provide quotes for the installation of surveillance cameras and keycard access systems at shelters that are not being renovated or constructed as part of Prop F. The department will be preparing a memo to Council regarding the status of this issue.
Animal Services		2/14/2007	4 Provide a 10 year history of (1) number of animals licensed; (2) the license fee (or fees) for that year; and (3) how many were neutered/spayed?	The department will include these figures in a memo to Council.
CCYF			19 Contract between CCYF and Joy Picus Childcare Center service provider.	Ongoing discussions with the department.
Cultural Affairs	03-2748-S2		25 Review programming and facilities issues to determine which department(s) should be responsible.	Department is currently preparing a follow-up report.
Cultural Affairs			35 Masterplan – development of RFP; include Council review/input.	Department is in the process of developing an approach to this issue.

Department Report Backs Pending

<i>Department</i>	<i>Council File</i>	<i>Report Date</i>	<i>Project#/Description</i>	<i>Study Resolution</i>
Environmental Affairs	06-0600		82 Bureau of Sanitation/Water & Power, and CAO to report to Council within 45 days on sources of funds totaling \$165,000 such as the Citywide Recycling Fund, the Stormwater Pollution Abatement Fund, DWP funds, and other funding sources that can be used to develop a one-year pilot program for the City to partner with Global Green USA and Sustainable Works (non-profit organizations) to promote environmentally conscious practices (with the intent to expand this program citywide).	Council Offices are involved in identifying space and funding.
Fire	06-0272		48 Differences in examinations provided by City health plan and Fire's requested medical exams; workers compensation savings generated by medical exams and source for on-going funding.	Pending Fire Department report back. However, the \$800,000 placed in the Unappropriated Balance to continue this program in 06-07 has been reappropriated in the Mid-Year report to offset other deficits within the Department (C.F 06-0600-S74).
Fire	05-1568		45 Ambulance transports and billings.	Pending report back from the LAFD.
Fire	06-0996	3/30/2007	46 Controller's audit recommending civilianization of various sworn positions including 18 in the Dispatch Center.	Pending Fire Department report back to the Audits and Governmental Efficiency Committee.
Housing		2/28/2007	62 Cost benefit analysis on the code enforcement staff.	LAHD drafting report.
Housing Authority			56 Payment in-lieu of taxes for Pilot Fees; need to formulize process for pilot fee waivers; need to spend pilot fees in accordance with Council action.	City Attorney opinion requested.
LAHSA			55 Develop program to monitor expenditures.	

Department Report Backs
Pending

Department	Council File	Report Date	Project#/Description	Study Resolution
Personnel			66 Recruitment strategies to hire more police officers and female firefighters.	Department to report back.
Police			76 Homeland Security Enhancement – Assess net effect of staffing for Phase I on vacancies in various divisions and impact of field deployment. Implementation of Homeland Security Phase II must be considered in conjunction with the actual results of recruitment and the staffing and deployment effects on the LAPD overall.	Department to report back.
PW Street Services			100 Obtain revenue to reimburse for street damage caused by buses.	Department drafting report.
Rec & Parks			91 Citywide plan for skateboard parks.	Department to report back.

CAO Report Backs Completed

<i>Department</i>	<i>Council File</i>	<i>Report Date</i>	<i>Project#/Description</i>	<i>Study Resolution</i>
Aging	06-0600-S42	8/14/2006	1 Pilot Civic Improvement program to encourage more senior volunteers.	The department released a report proposing the Civic Engagement Program of Senior Volunteers. The Personnel Committee instructed GSD to work with the Department to identify a suitable City facility to house the volunteer program. Mid-Year Financial Status Report recommends placing funds in the Unappropriated Balance Reserve for Economic Uncertainties for this program.
CAO			8 Potential centralization of all grants management functions.	Report issued. This Office will continue to explore potential measures to streamline the City grant process and report back to Budget and Finance.
CERS	06-0600-S19	12/19/2006	16 Seven-year smoothing rather than the current five year smoothing methodology; CALPERS 15 year smoothing methodology?	CAO report received and filed; Council requests Retirement Systems' auditor to review smoothing methodologies.
CIEP	06-0600	5/4/2006	103 Funding for Phases I and II of the renovation of the City-owned Vision Theatre and construction of the Manchester Jr. Arts Center.	Status report submitted to Council.
City Attorney	06-0600	5/5/2006	11 Savings in workers' comp costs generated by LAWA City Attorney investigation unit.	Addressed as 06-07 Budget memo.
City Attorney	06-2498	10/16/2006	13 Neighborhood Prosecutor Pilot Program (program focused solely around schools and their neighborhoods) i.e., proposed deployment, the agencies involved and the integration of the pilot program with existing programs.	The 07-08 Proposed Budget consolidates School Safety Prosecutor Program, Neighborhood Prosecutor Program and Gang Unit into the "Gang Prosecution Program" as part of the overall Citywide Anti-gang and Youth Development Strategy.

CAO Report Backs Completed

<i>Department</i>	<i>Council File</i>	<i>Report Date</i>	<i>Project#/Description</i>	<i>Study Resolution</i>
City Attorney	06-0600		15 Funding and resolution authority for seven positions for expansion of the outside counsel oversight unit, to significantly enhance oversight of the use of outside counsel by the proprietary departments; cost will be fully reimbursed by the proprietary departments.	The CAO report was approved by Council as part of the 06-07 Budget.
Convention Center	06-0600-S64	11/17/2006	24 Creation of an enterprise fund.	CAO report pending Committee.
Cultural Affairs	06-0600-S34		28 Public and private resources available for the Music L.A. Program.	The 07-08 Proposed Budget redistributes \$65,000 from special grant funds for the Music LA Program. The Department will continue its fundraising efforts to collect \$90,000 in private funds for the Department for 07-08. The CAO will continue to monitor this program and report back through financial status reports.
Cultural Affairs			29 Strategy to correct the perennial problem with the As-Needed Salaries Account shortfall.	The 07-08 Proposed Budget adds three authorities, at a no cost adjustment, which will help reduce the Department's reliance on the As-Needed account. The CAO will continue to work with the Department.
Cultural Affairs	06-0600-S8		32 Add six months funding for staffing and programming at the Charles Mingus Art Center in Watts, which is scheduled to open January 2007.	The opening for the Charles Mingus new facility has been delayed to 07-08. Funding is provided in the Proposed Budget.

CAO Report Backs Completed

<i>Department</i>	<i>Council File</i>	<i>Report Date</i>	<i>Project#/Description</i>	<i>Study Resolution</i>
Emergency Preparedness	06-2070	9/11/2006	38 Proposed reorganization of EPD: (1) how EPD will be staffed; (2) how it coordinates with other departments; (3) what grant funding will be made available to it; (4) how "fellows" are distinguished from EPCs; (5) are positions proposed to be transferred from other departments; (6) if so, what expertise will be lost in those departments; (7) how EPD's proposed functions relate to the recently approved functions of LAPD/FD anti-terrorism packages; (8) how will workload indicators change; and (9) staffing of the EOC when it is activated.	CAO report regarding Phase I pending Committee. EPD to report back on Phase II.
Ethics Commission		8/29/2006	41 Is reimbursement received, or can it be received, from LAUSD for ethics filings administered for LAUSD by the City, including posting information on the City website?	The Ethics Commission serves as the filing officer for all legally required campaign filings for candidates for elected office with LAUSD. The School District reimburses the City for this service along with the rest of the reimbursements for LAUSD election-related services provided by the City. This reimbursement is received by and credited to the City Clerk's Election Division.
Fire	06-1947	8/4/2006	47 Timeline for hiring Fire sworn personnel and projected attrition.	CAO report pending Council.
Fire	06-0272	10/25/2006	49 Homeland Security Enhancement - Effect of staffing Homeland Security Phase I on overall staffing of LAFD, including effect on Constant Staffing Overtime and recruit training impact.	Council action taken.

CAO Report Backs Completed

<i>Department</i>	<i>Council File</i>	<i>Report Date</i>	<i>Project#/Description</i>	<i>Study Resolution</i>
GCP	06-0600-S33		107 Seek a match from the County, consistent with the current year efforts, to maintain the 820 shelter beds year round; to the extent the County provides additional funding, every effort should be made to leverage those dollars to increase the number of beds to 1,064 year round.	Council action taken to maintain 820 beds in 06-07.
GCP	06-0600-S10		110 Increase funding for the Los Angeles Neighborhood Land Trust from \$100,000 to a total of \$500,000.	Funding of \$100K was provided through CDBG 32nd PY Reprogramming.
GCP	06-0600-S7	8/28/2006	109 Add funds to the GCP to assist the Atwater Village, Echo Park, and Hollywood Sears Farmers' Markets.	Report issued to Council.
General			116 Document imaging plan-citywide.	Document Management Steering Committee established and coordinated citywide.
ITA	06-0600	1/19/2007	44 Handhelds for paramedics – RFP, ITA involvement. Status of RFP? Projected 07-08 and 08-09 revenue?	Reported in 2nd FSR.
Pensions	04-2617	11/7/2006	64 Projected impact of DROP and the cost of the program.	CAO report pending Committee.
Planning	05-0600-S71		68 List of Neighborhood Council generated workload.	Addressed as 06-07 Budget memo.
Planning	06-0600		69 Transfer funding for Civic Center Master Plan to the UB, inasmuch as coordinated efforts need to happen with Council District 9, and the Little Tokyo Community, including the Little Tokyo Coordinating Council, especially in regards to the Art park and the First and Alameda RFP.	Council Action in 06-07 addressed this issue.

CAO Report Backs Completed

<i>Department</i>	<i>Council File</i>	<i>Report Date</i>	<i>Project#/Description</i>	<i>Study Resolution</i>
Police	04-2617		79 CAO/CLA conduct study of LAPD's deployment practices, that focuses on the following components: 1) an assessment of staffing, backfilling, and the impact on deployment of patrol officers from Phases I & II of the LAPD's Homeland Security Plan and "Cold Case" operations, including the impact on field operations, especially in high violent crime areas; and 2) the overall impact of, DROP retirements, hiring and other attrition.	This has been a topic of discussion in relation to a number of items before Public Safety and Budget and Finance Committees. 07-08 Budget Memo No. 41 released on Homeland Security staffing.
Police	06-0600		74 Possibility of using jailers to transport detainees.	Detention Officers are not a viable option at this time as they do not carry guns as required for transportation of detainees.
Police	06-0600		75 Resources to staff the Cold Case DNA testing in LAPD. Federal grants?	Council Action provided resources received in 06-07 Budget.
Police			73 Overtime transfers from the last two year-end reports and what transfers occurred?	07-08 Budget Memo No. 15 issued on overtime usage.
PW Sanitation	06-0600-S55	9/28/2006	81 Possible grants to be used for water treatment plants and grants previously received.	CAO report received and filed.
Rec & Parks	06-0600		90 R&P landscaping/gardening functions at various City facilities – consolidation.	Addressed as 06-07 Budget memo.
Rec & Parks	06-0600-S6		92 Add funding for the Griffith Park Observatory Visitor Access Program for public outreach and marketing.	Department addressed internally within own funds.

**CAO Report Backs
Completed**

Department	Council File	Report Date	Project#/Description	Study Resolution
Rec & Parks			94 CAO/CLA to identify \$260,000 to fund the relocation and use of two trailers, currently being used at the Griffith Observatory Satellite, to the Friendship Auditorium in Griffith Park for a Senior Center.	RAP has addressed the funding need using special funds (Griffith Observatory Trust Fund and Quimby funds).
Utility Users Tax			105 Revenue estimates based on current variables.	CAO is continuing to monitor and report.
Utility Users Tax			106 Development of replacement ordinance.	Ordinance has been administratively amended.
Water & Power			102 Estimated revenue for committee regarding the transfer.	CAO is continuing to monitor and report.

CAO Report Backs
Pending

Department	Council File	Report Date	Project#/Description	Study Resolution
Building & Safety	05-2669	2/28/2007	117 Provide funding for a One-Stop Permit Office for Charter Schools, pursuant to Council File #05-2669.	Report pending Council.
CAO			7 Grants management – ensuring the City gets its fair share and how we account for them – how we do compared to other jurisdictions, cities, what grants are out there, what have we applied for. Conduct survey.	Survey developed and submitted to 14 cities.
CAO			9 CAO and any other relevant departments to report to the Public Works Committee on Capital Improvement Expenditure Program (CIEP) including the process of getting a project on the list.	Under review.
City Attorney		4/20/2007	12 Proposal to create a Bureau of Investigation to take over certain investigative functions from LAPD.	Proposal not funded in the 07-08 Proposed Budget. CAO will continue to assess this proposal in conjunction with the City Attorney and Police Department.
Convention Center		2/16/2007	31 Expand cultural tourism working with LA Inc. and CAD.	Report in progress.
CSOW		2/14/2007	21 City's overall initiatives regarding elimination of human trafficking; the role of LAPD and CSOW; determination of duplication of effort; and opportunities to coordinate and streamline programs for efficiency and effectiveness.	Report in progress.
Cultural Affairs	06-0600-S36	4/20/2007	27 Citywide Cultural Heritage events - criteria for recommending funding.	Department report pending Committee.
Cultural Affairs		1/1/2007	26 Difference between City Arts Fee and Arts Fee charged by CRA.	CAO report is pending review with the City Attorney.

**CAO Report Backs
Pending**

Department	Council File	Report Date	Project#/Description	Study Resolution
Cultural Affairs			30 Institute a tracking system for Public Arts Program fees, including, but not limited to: revenue anticipated and received; purpose of expenditures; encumbrances and available balance.	The Department is asked to report to the CAO on an ongoing update regarding Arts Development Fees the Department receives from the Department of Building and Safety. The Department is also establishing separate accounts for each project in which the Department collects an Arts Development Fee. The Department is working with the City Attorney's office on this matter.
DONE			119 What departments track workload by geographic Work Order number to give Neighborhood Councils a list of work done in each neighborhood?	CAO reported on City staffing impact of neighborhood Council in 2006. Based on that info, CAO will conduct a survey of departments to determine how Neighborhood Council workorders are tracked.
Fire			50 Evaluate the use of Housing's CRIS system for Fire permit process.	Evaluation pending.
Fire		4/20/2007	42 Comprehensive review of the LAFD budget including a review of Fire positions and funding, variable staffing and constant staffing overtime accounts, expense and equipment accounts. Is there an opportunity to save money?	Currently conducting an analysis of the documents/data provided by the Fire Department. Additional documents from the Department are pending.
Fire		3/30/2007	43 Need for video cameras on LAFD vehicles and other large City vehicles as a safety measure for drivers to see behind them when backing up.	Presently under review.
ITA	06-0600-S5		60 Increase funding for Channel 36 operations by \$100,000 and instruct CAO/CLA to report back with a plan to incrementally raise this allocation by \$200,000 in future years until the total allocation for Channel 36 operations reaches \$1.2 million.	Under review in conjunction with 1/16/07 Motion (Hahn-Rosendahl) to conduct a fiscal and operational audit of Channels 35 & 36.

**CAO Report Backs
Pending**

Department	Council File	Report Date	Project#/Description	Study Resolution
Pensions	05-0600-S34	4/20/2007	65 Long-term trend analysis.	Study underway.
PW Street Services			86 Instruct CAO, CLA, Street Services, GSD and DOT to provide a comprehensive analysis of the street sweeping program.	Under review.
PW Street Services	06-0600-S9	4/20/2007	87 Add nine months funding and two positions consisting of one Tree Surgeon Supervisor I and one Street Services Investigator to enforce the Protected Tree Ordinance.	Currently under review.
Rec & Parks	06-0600-S12		96 Add funds for payment of utilities at Pershing Square.	Under review.
Rec & Parks	06-1831		93 CAO/CLA identify \$270,000 for the City's contribution towards the Arroyo Seco Feasibility Study, and report to the Budget and Finance Committee.	Under review.
Rec & Parks	06-0600		95 CAO/CLA to identify \$200,000 for the City's contribution towards the Tujunga Wash Feasibility Study.	Under review.
Rec & Parks	06-0600		89 Evaluate R&P use of part-time employees; regularizing As-Needed employees who meet the criteria of part-time status.	Ongoing employee relations process.

CAO Report Backs
Pending

Department	Council File	Report Date	Project#/Description	Study Resolution
Rec & Parks		4/20/2007	88 Golf Enterprise Fund – calculate full cost recovery vs. actual annual revenue and need for General Fund subsidy; anticipated receipts and costs associated with establishing a Golf Enterprise Trust Fund; ensure that all costs are captured consistent with current City practices relating to Enterprise Trust Funds.	Under review.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **BUREAU OF STREET SERVICES – SIDEWALK REPAIR FUNDING**

The Budget and Finance Committee (Committee) requested the City Administrative Officer (CAO) to report on the amount required to bring the Sidewalk Repair Program in Street Services back to the 2006-07 funding level. The Committee also requested a modified option between the 2006-07 Adopted Budget and the 2007-08 Proposed Budget.

The Sidewalk Program is funded at a base level of 26 miles. Additional funding is provided each fiscal year as available. The 2006-07 Adopted Budget provides 78 miles of sidewalk repair on-budget. An additional 12 miles is funded off-budget through the Consolidated Plan. A total of 90 miles for the Regular and 50/50 Sidewalk Repair Programs is funded in 2006-07 as follows:

<u>2006-07 Sidewalk Program</u>	<u>Funding</u>	<u>Positions</u>	<u>Sidewalk Miles</u>
Regular Base Program	\$6,203,660	50 regular authorities	26
Addition to Regular Program and 50/50 Sidewalk Repair Program	2,856,228	73 resolution authorities (27 are unfunded)*	52
Consolidated Plan – regular sidewalk	<u>1,854,000</u>	18 resolution authorities	<u>12</u>
Total	<u>\$10,913,888</u>		<u>90</u>

The 2007-08 Proposed Budget provides 39 miles on budget. An additional seven miles is funded off-budget through the Consolidated Plan. Funding from the Consolidated Plan in 2007-08 is reduced by \$145,843. A total of 46 miles for the Regular and 50/50 Sidewalk Repair Programs is proposed in 2007-08.

<u>2007-08 Sidewalk Program</u>	<u>Funding</u>	<u>Positions</u>	<u>Sidewalk Miles</u>
Regular Base Program	\$6,203,660	50 regular authorities	26
Addition to Regular Program and 50/50 Sidewalk Repair Program	1,350,096	27 resolution authorities	13
Consolidated Plan – regular sidewalk	<u>1,708,157</u>	18 resolution authorities	<u>7</u>
Total	<u>\$9,261,913</u>		<u>46</u>

An increase of \$1,651,675 to the 2007-08 Proposed Budget is required to match the funding level in the 2006-07 Adopted Budget. Additionally, 46 resolution position authorities will be required. Of this amount, 27 positions are to be unfunded.

Discussions with Street Services indicates that \$5.15 million in addition to \$1.35 million provided in the 2007-08 Proposed Budget is required to repair the same level of miles (52 miles) as 2006-07. Forty-six resolution authorities will be required. While the increase of \$1.6 million will restore funding to the 2006-07 level it will not fund a total of 52 miles as in 2006-07.

Street Services Request to match 2006-07 Adopted Budget miles:

<u>2007-08 Sidewalk Program</u>	<u>Funding</u>	<u>Positions</u>	<u>Sidewalk Miles</u>
Regular Program	\$3,800,000	23 resolution authorities	26
50/50 Sidewalk Repair	<u>1,350,000</u>	23 resolution authorities	<u>26*</u>
Total	<u>\$5,150,000</u>		<u>52</u>

Discussions with Street Services further indicate that providing an incremental increase is not feasible. Additional staffing and resources will be needed to accommodate any increase in sidewalk repair miles. It is anticipated that staffing costs alone will absorb any incremental increase, leaving no funding for material costs and equipment usage. If any additional funding is provided, it should be to fully restore the program.

The funding provided in the 2006-07 budget was a result of Street Services absorbing the cost for 27 resolution position authorities in the Sidewalk and 50/50 Sidewalk Repair Programs because an adjustment would have created a funding gap in the 2006-07 Adopted Budget. To make the regular sidewalk repair program whole, \$3.8 million is needed to perform 26 miles of regular sidewalk repair. To restore 26 miles of 50/50 Sidewalk Program, an additional \$2.7 million and staffing is required.

Additional research is required to determine a modified option between the 2006-07 Adopted Budget and the 2007-08 Proposed Budget. If funding is not restored to the 2006-07 level the CAO will report to Council within 90 days on this issue.

*Fifty percent of miles are funded by contributions from participants

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 173

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF TRANSPORTATION – OBSOLETE ACCOUNTS AND PROGRAMS IN PROPOSITION A**

The Budget and Finance Committee directed the City Administrative Officer (CAO) to provide information regarding any obsolete accounts or programs in Proposition A.

Each year, as part of the budget formulation process, the annual reappropriations report, and as part of ongoing budget analysis throughout the fiscal year, City departments and CAO analysts review all Special Fund and General Fund budgets' prior year funding and programs in an effort to uncommit funds that will not be spent. This effort ensures that all available funds are programmed and budgeted for the current and upcoming fiscal year. This process was executed in the formulation of the 2007-08 Proposition A Proposed Budget.

Although there are few capital projects funded by Proposition A, the annual reappropriations report to be released this summer will reflect fund expenditures for 2006-07. Any specific Proposition A projects that have been completed will be identified and remaining funds will be recommended to be swept and put towards existing projects with shortfalls, as well as other critical needs.

In addition, DOT has indicated that a comprehensive report concerning Propositions A and C will be released to the Transportation Committee in the next 30-45 days. This report will address the projected significant shortfalls and include strategies to maximize fund capabilities.

KLS:ALB:06070199c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 174

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by m +*Subject: **OFFICE OF THE TREASURER – ONE PERCENT SALARY SAVINGS RATE
REDUCTION**

The Budget and Finance Committee requested all departments to report back through the CAO on increasing the salary savings rate by an additional one percent.

The Office of the Treasurer's salary savings rate is five percent, which is \$145,232. Increasing the salary savings rate by one percent equals \$29,046. The Treasurer reports that any additional budget reductions would critically impair the Treasurer's Office ability to perform its core functions. The Treasurer states that most of their vacant positions have recently been filled with qualified staff, turnover has been reduced, proper internal controls have been implemented and treasury operational best practices have been instituted. Without adequate staffing and funding, the Treasurer believes all these efforts will be jeopardized. We concur with the Treasurer's appraisal.

KLS:CMC:01070071c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **ANIMAL SERVICES DEPARTMENT PROPOSED FY 2007/08 BUDGET - REDUCTION EXERCISE AND OTHER BUDGETARY CONCERNS**

At the meeting of the Budget and Finance Committee on April 26, 2007, the Chair of the Committee requested that each department submit a one to three percent reduction based on the Mayor's Proposed Budget. Attached is a copy of the Animal Services Department's (Department) proposal. The Department's letter also includes their comments and concerns regarding the Animal License Canvassing Program, the Administrative Hearing Program, fee adjustments and facility maintenance.

The Department proposes generating \$197,950 in salary savings to achieve a one percent budget reduction and \$548,850 to achieve a three percent budget reduction. However, the 07-08 Proposed Budget already includes a \$974,290 one-time salary reduction for this department to meet the Mayor's 2007-08 Budget Reduction Target of five percent. This reduction was included on the assumption that ASD would hold a total of 13 positions vacant for a full year and delay the hiring of eleven positions assigned to the Harbor shelter and seven positions assigned to the Northeast Valley Shelter by six months (see Figure 1). Given that all of the new, replacement and renovated shelters associated with the Proposition F Facilities Bond Program, with the exception of the new South Los Angeles Shelter, will be completed by August, requiring the Department to take an additional one percent or three percent cut could negatively impact their ability to staff the new facilities and manage the anticipated increased workload that will result from longer hold times and increased kennel space. We do not recommend an additional one or three percent reduction to the Animal Services Department's 2007-08 Budget.

Figure 1

POSITIONS TO BE HELD VACANT ALL YEAR		
Classification	Total	Location (Quantity)
Management Analyst I	1	Administration (1)
Animal Care Tech Supervisor	3	West LA (1) West Valley (1) East Valley (1)
Animal Care Tech	9	West LA (2) West Valley (1) East Valley (1) Harbor (1) Northeast (1) South LA (1) North Central (2)
<i>Total</i>	13	

POSITIONS TO BE HELD VACANT FOR SIX MONTHS		
Classification	Total	Location (Quantity)
Veterinary Technicians	2	Harbor (2)
Animal Care Tech Supervisor	1	Harbor (1)
Animal Care Tech	15	Harbor (8) Northeast (7)
<i>Total</i>	18	

The Department also expressed concern regarding 2007-08 revenue projections. The proposed budget contains totals that were predicated on the implementation of the Animal License Canvassing Program. The Department's revenue estimates should be reduced by \$850,000 because the Animal License Canvassing Program is not being continued.

The Department also discussed the cost of continuing the Animal License Canvassing Program. It would cost \$338,134 to add position authority and funding for ten Animal License Canvassers and one Clerk Typist. If funding is available in 2007-08 it would be appropriate to add position authority and funding to the 2007-08 Budget if Council would like the Department to continue this program. It is not likely that the Department would be able to generate sufficient salary savings to fund this program next fiscal year without negatively impacting the staffing levels at the new, renovated and replacement facilities. (Please refer to our related budget memo.)

The 2007-08 Proposed Budget does not include position authority or funding for the Administrative Hearing Program. The intent of this action is that the Department collaborate with the Office of the City Attorney to explore additional opportunities to utilize available resources to more efficiently handle barking dog and dangerous animal issues. The City Attorney offers a Dispute Resolution Program which provides a free voluntary alternative to the administrative hearing program. In 2006-07 only position authority was included in the Budget to continue this program because the expectation was that the Department would generate sufficient salary savings to fund this program. It is estimated that during the current fiscal year, the Department will have received 2,200 barking dog complaints, 80 barking dog administrative cases will be filed and 80 dangerous animal hearings will be filed. The Department conducted a total of 154 administrative hearings in 2005-06.

The Department's letter discusses its desire to continue a scaled down version of the program focusing on dangerous dog hearings. It would cost \$152,079 to continue this program in 2007-08 with a staff composed of one Management Assistant, one Clerk Typist and one Senior Animal Control Officer II. Again, it is not likely that the Department would be able to generate sufficient salary savings to fund this program next fiscal year. If funding is available in 2007-08 and the Council decides that the Department should continue this program, it would be appropriate to add position authority and funding for one Management Assistant, one Clerk Typist and one Animal Control Officer to the 2007-08 Budget.

The Department also expressed concern regarding the Department of General Services' (GSD) and the Department of Recreation and Parks' ability to provide custodial and landscaping maintenance at the new, renovated and replacement facilities. The Department should be instructed to work with GSD and the Department of Recreation and Parks to determine what additional resources are necessary to maintain the new facilities and report back to Council.

Recommendation

We do not recommend an additional one or three percent reduction to the Animal Services Department's 2007-08 Budget.

S:SMS:04070174c

Attachment

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DEPARTMENT OF
ANIMAL SERVICES
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Los Angeles, CA 90012
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EDWARD A. BOKS
GENERAL MANAGER

May 3, 2007

Budget and Finance Committee
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Dear Honorable Members:

The Department of Animal Services would like to thank you for your time in considering our FY 07-08 Budget. At this time, we would like to bring to your attention some issues and concerns that may affect our ability to meet fiscal and performance expectations in the upcoming fiscal year.

- Our FY 07-08 revenue estimate as contained in the proposed budget was predicated on implementation of the Canvassing Program. Revenue projections for the Canvassing Program were estimated in our original budget package at \$850,000 for FY 07-08. However, this program was not included in the Mayor's Proposed FY 07-08 Budget.
- The Department's Canvassing Program received no funding or position authorities in the FY 06-07; however, sub-authorities have been utilized this year to continue a scaled down version of the proposed program. As of May 1, 2007, \$448,949 in revenue can be attributed to the Canvassing Program, which is staffed with an average of eight (8) canvassers a day. The preferred minimal canvassing crew would be ten (10) Animal License Canvassers and one (1) Clerk Typist, at an annual cost of \$338,134.
- Funding and position authority for the Administrative Hearing Program's three (3) Senior Animal Control Officer II's, one (1) Management Assistant, and two (2) Clerk Typists, was not included in the FY 07-08 proposed budget. This program currently conducts hearings for both Barking Dog and Dangerous Dog cases at an annual cost of approximately \$303,045. The Department believes there is a clear need in continuing the Dangerous Dog case aspect of our program, because of legal requirements. However, since over 95% of the 2,000+ annual barking dog complaints are resolved with either our notice-to-comply steps or with animal care center staff moderating a face-to-face meeting, the Department proposes to scale-down the program, with focus on Dangerous Dog cases, at an annual cost of \$155,979. Alternately, we will continue

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Dangerous Dog cases using existing staff only, which may result in a backlog. We will be assessing the addition of a fine for dangerous dogs that might offset expenses. We are also meeting with the City Attorney to resurrect the Barking Dog Mediation Program (Canine Court). This program uses trained, certified volunteers to mediate disputes, and City's Dispute Resolution Team is excited about renewing this program with us.

- The Department will complete an analysis of both our license and permit fees to ensure full cost recovery. Part of our proposed plan will be to change the Los Angeles Municipal Code (LAMC) and allow for the General Manager to adjust fees on a cost recovery basis (annually or as needed), no longer requiring a change to the LAMC for fees based on direct costs such as care and feed and inspections.

As requested, we have provided information below about the impact of a 1% and 3% additional cut. However, the 5% efficiency already proposed creates significant challenges. The following salary savings analysis is submitted for your review and consideration in formulating your recommendation for the Department of Animal Services' Budget.

Item	FY 07-08 Required Salary Savings		
	Title	Amount	Explanation for Required Funding
A.	5% Salary Reduction	\$974,290	Included in Mayor's Proposed Budget
B.	Unfunded Curator of Education	\$33,875	Included in Mayor's Proposed Budget (6 months funding)
C.	Private Vet Care - Acct. 4460	\$230,000	Estimated shortfall caused by ongoing Vet vacancies.
	Required Salary Savings	\$1,238,165	Required Salary Savings for Items A, B, and C.
D.	Canvassing Program	\$338,134	Funding for revised Canvassing Program (11 positions)
E.	Administrative Hearing Program	\$155,979	Funding for revised Admin. Hearing Program (3 positions)
	Required Salary Savings	\$1,732,278	Required Salary Savings for Items A, B, C, D, and E.
		\$1,732,278	
F.	Salary Reduction - 1%	\$197,950	1% reduction per Budget & Finance Committee
	Required Salary Savings with 1%	\$1,930,228	Required Salary Savings for Items A, B, C, D, E, and F.
		\$1,732,278	
G.	Salary Reduction - 3%	\$548,850	3% reduction per Budget & Finance Committee
	Required Salary Savings with 3%	\$2,281,128	Required Salary Savings for Items A, B, C, D, E, and G.

In FY 06-07, the Department realized an estimated \$1.6 million in salary savings, which was achieved due to the following:

- Construction on the new animal care centers was delayed, which contributed to an approximate six (6) month postponement in the hiring of 44 Animal Care Technicians at a cost of approximately \$894,833 and 16 Veterinary Technicians at a cost of approximately \$432,634, totaling \$1,327,467.
- In order to achieve the same salary saving results in FY 07-08, the Department will be required to hold these positions vacant for a similar amount of time. This will not be possible as the new care centers begin opening this month.
- As the majority of our Department's vacancies are in the Animal Care Technician and Veterinary Technician classifications, any hiring delay would significantly impact our day-to-day operations.

FY 06-07 Account 1010 Realized Salary Savings	Amount	Description Breakdown
Funds transferred out as of 3/31/07	\$165,556	Private Vet Care & Travel Expenses
Approved Mid-Year Transfer	\$113,000	Private Vet Care & Contractual Services
Additional requested transfers as of 5/2/07	\$527,869	Replacement Computers, Printers, & Server; Overtime; Walkie-Talkies; Public Relations Outreach; Firearms; Prop F Furniture & Equipment; and Travel
Fund Transfer	\$400,000	Transfer to the UB reserve, for economic uncertainties
Approved and Proposed Transfer Total	\$1,206,425	
Projected Year-End Surplus	\$663,133	Estimated year-end salary savings as of 5/2/07
Total FY 06-07 Realized Salary Savings	\$1,869,558	
	\$1,327,467	Salary savings attributed to the construction hiring delay.
Realized Savings After Hiring Delays	\$542,091	Net salary savings had hiring not been delayed.

We would again like to bring to your attention that had our hiring not been postponed due to the construction delays, our salary savings would have totaled only approximately \$542,091 in FY 06-07. This again highlights the challenge ahead for us in FY 07-08 when considering the proposed 5% efficiency reduction of \$974,290.

- General Services Department (GSD) and Recreation & Parks have both expressed concern that their current resources may not be sufficient to service the new and expanded Prop F facilities.
 - Each new facility includes expanded landscaping areas in addition to new training and public yard areas.
 - Not only did our new facilities increase tremendously in size, they were designed to welcome and embrace the communities, which is apparent in the increase of public areas, including restrooms.
 - Current allocated custodial and landscape resources will not allow for the required maintenance that will ensure that the facilities are maintained in a manner to which the taxpayers who supported Prop F would expect during their 30-year commitment to repay the bond.

Again, we appreciate your questions and consideration. If you have any questions or need additional information, please contact Assistant General Manager Linda J. Barth at (213) 482-9558.

Sincerely,



Edward A. Boks, General Manager
 Department of Animal Services

LJB\CG:\G:\Budgets\07-08 Budget Request\Budget and Finance Committee\Budget and Finance Hearing Re-cap.doc

C: Linda J. Barth
 Staci Sosa, CAO
 Catherine Garcia

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 176

MEMORANDUM No.

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mt*

Subject: ZOO – 1% AND 3% BUDGET REDUCTION EXERCISE

Attached is the Zoo's proposal for a 1% and a 3% reduction. The Zoo's salary accounts comprise of 80% of the Department's total budget. The Zoo is proposing to reduce \$98,800 in salaries as part of the 1% reduction and \$296,400 in salaries as part of the 3% reduction. The Department has consistently ended each fiscal year with savings in salaries and other accounts and can absorb its proposed reduction of \$296,400.

Recommendation: Adopt the Zoo's proposed reduction of \$296,400. CAO will monitor its salary accounts throughout the 2007-08 Fiscal Year.

KLS: DM: 08070347d

Attachment

**CITY OF LOS ANGELES
LOS ANGELES ZOO
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: May 3, 2007

TO: BUDGET AND FINANCE COMMITTEE

FROM: JOHN R. LEWIS, General Manager
Zoo Department



SUBJECT: BUDGET REDUCTION RESPONSE

As part of the 2007-08 budget deliberations, all departments were requested to submit a response to further reductions of the Mayor's Proposed Budget by one percent and three percent. The Zoo Department's response is contained in the attachment.

The Zoo's salary account is approximately 80 percent of the total budget. As such, any reductions have an immediate impact as most of our expense accounts involve maintaining the facility, providing optimal animal husbandry and health care and marketing the zoo as family destination thus achieving attendance and revenue projections. While the Department recognizes the fiscal challenges the City is confronted with, reductions beyond one percent will significantly impact the Department's ability to maintain current service levels at a time when significant construction continues in the central portion of the Zoo, with two additional projects to begin construction in the next 12 to 18 months.

If you have any questions regarding this response, please contact Mei Kwan, Director of Administrative Services at (323) 644-4203.

JRL:DMV:MK/Ig

Attachment

ZOO DEPARTMENT

REDUCTION EXERCISE

Source of Funds:

General Fund \$9,880,000

1% Reduction – \$98,800

The Department will need to maintain an additional two (2) positions vacant to meet the 1% reduction requirement. The majority of the Department's positions are relative to animal care and facility and guest services. These cuts will impact the Department's ability to provide the current level of service during a period of significant construction.

3% Reduction – \$296,400

A 3% reduction to the Zoo's budget will have a tremendous impact zoo-wide. The Department will need to maintain an additional six (6) positions vacant to meet the 3% reduction requirement. These vacancies will impact the Department's ability to provide current service levels at a time when two new major exhibits, Campo Gorilla Reserve and the Golden Monkey exhibit, will open in Fiscal Year 2007-08. The Zoo anticipates increased attendance from 1.5M to 1.6M with the opening of these two exhibits in FY 07-08.

Additional reductions to the Zoo's budget will adversely impact its core operations. Impacts include the cleanliness of the facility, slow processing time for patrons at the gate, and the ability to perform appropriate repairs and in-house construction maintenance to an already aged facility. These services are all critical to providing an optimum quality visitor experience that will help the Zoo meet its increased attendance and revenue goals.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 177

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
hmt*Subject: **DEPARTMENT OF AGING – REQUEST FOR A COST-NEUTRAL
PERSONNEL AUTHORITY ADJUSTMENT**

The Department of Aging (Aging) verbally requested a personnel adjustment during its May 1, 2007 budget hearing to add a Personnel Analyst in exchange for an existing Management Analyst position on regular authority.

Aging currently utilizes a Management Analyst II position to serve as the Department's personnel coordinator. As the subject position was recently vacated by the incumbent, no personnel impact will result from the recommended adjustment. Also, since the pay structure for the two classifications is identical, no additional cost will be incurred.

Since funding for the position is already included as part of the Department's 2007-08 base funding, the recommended personnel adjustment will impose no additional impact on the General Fund. Aging is currently working with the Personnel Department and the Office of the City Administrative Officer to review the appropriate duties and associated paygrade for the requested Personnel Analyst position.

Recommendation:

Our Office recommends this cost-neutral personnel adjustment, which is needed to achieve operational efficiencies.

KLS:BCH:08070345

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 178

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
Kmt*

Subject: **OFFICE OF THE TREASURER – ONE AND THREE PERCENT BUDGET REDUCTIONS TO THE 2007-08 PROPOSED BUDGET**

The Budget and Finance Committee requested all departments to submit one percent and three percent reductions to the 2007-08 Proposed Budget.

The 2007-08 Proposed Budget for the Office of Treasurer is \$5,034,002, of which \$4,622,875 is funded from the General Fund. One percent and three percent reductions would equate to \$46,229 and \$138,686, respectively. The Treasurer reports that any additional budget reductions would critically impair the Treasurer's Office ability to perform its core functions.

The Treasurer's 2007-08 Proposed Budget includes a one-time 15% reduction in the Bank Services Fees account of \$257,453. This reduction was made possible due to the current interest rate environment created from an inverted yield curve. However, the Treasurer does not recommend any additional reduction from this account due to the market condition changing back to the normal environment in which long-term rates exceed those of short-term rates.

However, the Treasurer's Office reports that this unique interest rate situation helps generate additional savings in the current year, and approximately \$79,000 should be realized in the year-end reversion. This estimated amount will be available this week and the Treasurer will report back at that time.

KLS:CMC:01070070c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 179

Date: May 7, 2007

To: The Budget and Finance Committee

From: Karen L Sisson, City Administrative Officer *KLS*Subject: **HOUSING AUTHORITY OF THE CITY OF LOS ANGELES REPORT ON AN EXPENDITURE PLAN FOR PAYMENT IN-LIEU OF TAXES FUNDS**

The Committee requested a report from the Housing Authority of the City of Los Angeles (HACLA) regarding proposed expenditures of the Payment In-Lieu of Taxes (PILOT) funds.

HACLA reports that PILOT funds would be used to provide the following services to its public housing communities and residents:

- Trash Receptacle Program (6-cubic yard metal bins to replace large, problematic, plastic cans);
- Employment Technology Centers (where all youth and adults can access literacy and academic enrichment, technology and employment services, and recreation activities throughout HACLA's 12 housing developments; and,
- Various infrastructure improvements to streets and sidewalks, including curb cuts and other 504/ADA compliance projects.

A report from HACLA is pending and under review by the Office of the City Attorney. This report offers more specific uses for the PILOT funds and will be considered by the Council in the next few months.

KLS:SDE:02070253

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KS by m f*

Subject: **REAPPROPRIATION OF ONE-TIME FUNDING FOR CONTINUATION OF THE 3-1-1 CITYWIDE SERVICE REQUEST SYSTEM (CSRS)**

As part of the Mayor's proposed 2007-08 budget, maintenance and expansion of the 3-1-1 Citywide Service Request System was not funded because it was anticipated that 2006-07 monies would be reappropriated. In order to build on the progress made in 2006-07, and continue with a reduced, but phased, approach, our Office will include a recommendation in the 2006-07 Year-End Report to revert and transfer a total of \$1,467,000 in surplus funding from budgeted funds in the Information Technology Agency's (ITA) Contractual Services account of \$813,000 and unspent funds in the Unappropriated Balance "3-1-1 Service Request" line item of \$654,000, respectively, on July 1, 2007, to ITA.

The intent of this continuation effort is to provide a minimal level of funding to continue implementation with eight City support staff, further consolidation of calls into the new Citywide Service Request System, the relocation to and build-out of the call center on the tenth floor of City Hall East, and equipment for the new call center (existing equipment will be relocated to City Hall East plus new equipment will be required for expansion).

As a consequence of the reappropriation of 2006-07 funds, there would be no 2007-08 General Fund impact for the continuation of the 3-1-1 Citywide Service Request System. Our Office recommends that Council approve continuation of six authorized resolution approved for the project, and authorize two new resolution authority positions for July 1, 2007 through June 30, 2008.

Recommendations

That the Council:

1. Authorize continuation of employment authority for the Information Technology Agency for the following positions, for the period July 1, 2007 through June 30, 2008:

<u>No.</u>	<u>Class Code</u>	<u>Class Title</u>
1	1409-1	Information Systems Manager I
1	1597-2	Senior Systems Analyst II

2	1431-4	Programmer/Analyst IV
1	7607-4	Communications Engineering Associate IV
1	1597-1	Senior Systems Analyst I

2. Authorize employment authority for the Information Technology Agency for the following positions, subject to the pay grade determination by the City Administrative Officer and to the position allocation by the Personnel department, for the period July 1, 2007 through June 30, 2008:

<u>No.</u>	<u>Class Code</u>	<u>Class Title</u>
1	9375	Director of Systems
1	9171-1	Senior Management Analyst I

Fiscal Impact Statement

Approval of the recommendations contained herein will not impact the General Fund inasmuch as 2006-07 surplus funding is available in the Contractual Services account of the Information Technology Agency and in the Unappropriated Balance for this purpose. Succeeding years will cost approximately \$1,700,000 annually.

Approval of the position authorities recommended in this report complies with the City Financial Policies in that fiscal year 2007-08 costs will be supported by 2006-07 surplus funds reappropriated for this purpose. Future costs of the 3-1-1 Citywide Service Request System will be addressed when the fiscal year 2008-09 Budget is adopted.

KLS:WDC:11070088

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 181

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **EL PUEBLO DE LOS ANGELES REPORT ON THE STEPS NEEDED TO ADDRESS THE CONTROLLER'S CONCERNS**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on the staffing concerns expressed by the controller's 2004 Compliance Audit and the steps taken to implement the recommendations contained in the audit. The Department reports that four senior level / administrative level positions were required to address the lack of qualified staffing in the Department. These positions were added as resolution authorities in the 2006-07 budget and are now recommended to be regularized for the 2007-08 budget. The Department requests one additional position (Personnel Analyst II) to address human resource issues.

The Department has implemented 29 of the 31 recommendations from the Controller's audit. The status of Merchant Lease Agreements and the Cataloging of Artifacts are addressed in separate memos to the Budget and Finance Committee.

Recommendation: Funding for the Personnel Analyst would require an additional appropriation of approximately \$70,000 from the General Fund. The Department does not have sufficient receipts to offset the cost of this position.

Attachment

KLS:DP:08070346c

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

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**EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT**

ROBERT L. ANDRADE
GENERAL MANAGER

COMMISSION EXECUTIVE ASSISTANT
VACANT

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LOS ANGELES, CA 90012

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May 4, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: REPORT BACK ON STEPS TAKEN AND NEEDED TO ADDRESS
CONTROLLER CONCERNS AND AUDIT RECOMMENDATIONS**

On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report on steps taken to address the City Controller's concerns regarding the four resolution authority positions listed on page 156 of the Bluebook and the steps needed to address the Controller's audit recommendations.

Regularize Four Resolution Authority Positions

As part of the Compliance Audit of 2004, the City Controller recommended establishment of these four senior-level or administrative-level staff positions to address the lack of qualified administrative staffing in the department. The filling of these positions with qualified staff implemented five of the Controller's audit recommendations. The 2006-07 Adopted Budget included the four positions to be employed under Resolution Authorities. The Mayor's 2007-08 Proposed Budget recommends approval to regularize the four positions.

Additional staffing support for human resources administration was identified in the Controller's 2004 Compliance Audit report. However, additional staffing for this support was not included in prior reports and has not been requested to date. However, the work current and future work requirements justify additional funding and approval for one Personnel Analyst II (1731-2). Although many of accounting and fiscal management issues have been fully resolved, many human resources issues need to be more-fully addressed.



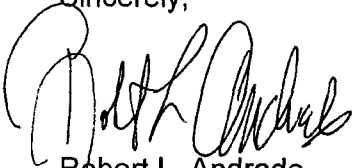
Steps Needed to Address the City Controller's Audit Recommendations

As of today, 29 of the 31 audit recommendations have been fully implemented and the remaining two recommendations have been partially implemented. The current status of the two partially-implemented recommendations is covered in other Reports Back to the Budget and Finance Committee as follows: Resolution of legal issues surrounding renegotiation of tenant leases – Report Back on the Status of Leases at El Pueblo. Cataloging of artifacts – Report Back on Resources Required for Cataloging Artifacts.

Fiscal Impact

Personnel costs are \$70,820 and expense costs are \$3,900. The total impact to the General Fund is \$74,720.

Sincerely,



Robert L. Andrade
General Manager

RLA:JF:gg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 182

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
by m fSubject: **CULTURAL FACILITIES OVERVIEW**

The Department of Cultural Affairs (Cultural Affairs) submitted a letter to the Budget and Finance Committee dated May 2, 2007 providing an update regarding the Cultural Facilities Overview. The Department indicates that the completed report on Cultural Facilities will be forwarded to the Budget and Finance Committee within the next 45 days.

The Department also discusses its \$65,148 request for the Nate Holden Performing Arts Center. The Department is requesting that half this amount, \$32,574, be placed in their operating budget, *Contractual Services Account*, 3040 and the other half be placed in the 2007-08 Unappropriated Balance (UB). It is likely that the operating contract for this facility will not be executed before December 2007, therefore the CAO supports the Department's request to appropriate \$32,574 in its 2007-08 operating budget.

Recommendation: It is recommended that \$13,713 of the Department's request for \$32,574 be placed in the 2007-08 UB. The 2006-07 year end financial status report includes instructions to reappropriate the remaining \$18,861 to the 2007-08 UB for the purposes of providing caretaker services for the facility. Therefore, the year end instructions and the above recommendations should provide for \$32,574 in the Department's operating budget, Account 3040 and \$32,574 in the 2007-08 UB for a total amount of \$65,148.

KLS: DM: 08070343d

Attachment

DM 8

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

2007 MAY -3 PM 12: 05

DATE: May 2, 2007

CITY ADMINISTRATIVE OFFICER

TO: THE BUDGET AND FINANCE COMMITTEE

FROM: Karen Constine
Interim General Manager
Department of Cultural Affairs (DCA)



SUBJECT: CULTURAL FACILITIES OVERVIEW (C.F. 03-2748-S2)

As requested, DCA is providing information on the above subject. On September 15, 2006 the City Council adopted a motion to approve a report from the Budget and Finance and Arts, Parks, Health and Aging Committees. That report recommended several instructions to the General Managers of the DCA, General Services Department (GSD) and Recreation and Parks (RAP), with the assistance of the City Administrative Officer (CAO) and City Legislative Analyst (CLA), to report back regarding the City's cultural facilities.


Currently, the DCA is pleased to report that we are working with the CAO and the CLA on the information needed to finalize the report. We estimate that the report should be completed and submitted to the Budget and Finance Committee within 30 - 45 days.

Thank you for your consideration.

Cc: Mayor's Office

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

TO: The Budget and Finance Committee

From: Karen Constine, Interim General Manager
Cultural Affairs Department (DCA) 

Re: **HOLDEN PERFORMING ARTS CENTER (PAC)**

Date: May 2, 2007

As requested, DCA is providing information on funds needed to operate the Holden PAC for six months. As noted in our April 23, 2007 memo to the Committee, \$65,148 is needed in contract labor funds to operate the facility for one year. As such, \$32,574 is needed for six months. This figure is based on DCA actual costs to operate the PAC from July 1, 2006 through December 31, 2006.

Through the Department's payroll services contract, DCA is able to recapture rental fees that pay for most of the staff. The payroll service collects rental fees and disperses wages to contracted staff. DCA has created a further efficiency by reassigning one regular staff member from its headquarters to manage the facility during this interim PAC operational period.

At this time pending a possible issuance of an RFP in 07/08, we assume that DCA will continue to operate the facility in the first half of the year. The \$32,574 needs to be appropriated to the Department's contracts account and not placed in the UB. Placement in the UB causes severe cashflow problems in that DCA is asked to advance the funds from other programs and must wait a considerable period before being reimbursed.

After working with the CAO's office on the issue of theater staffing, our analysis shows that the \$32,574 would be needed for box office and house management functions that are not fully captured through renter fees.

Thank you for your consideration.

cc: Mayor's Office
Council District 10

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 183

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **OPERATIONAL AND FISCAL IMPACT OF DEFERRING THE FLEET REPLACEMENT PROGRAM IN THE LOS ANGELES FIRE DEPARTMENT**

Your Committee requested the City Administrative Officer (CAO) to report back on the operational and fiscal impact of deferring the Los Angeles Fire Department (Fire) MICLA financed fleet replacement program (Program) until 2008-09. In addition, your Committee requested specific information relative to the training/command helicopter requested in Fire's April 23, 2007 letter to your Committee (Attachment 1) as well as the five existing helicopters in Fire's Program. Based upon the information below, deferring Fire's \$24.3 million MICLA financed Program in 2007-08 until 2008-09 would not be recommended at this time. However, increasing Fire's MICLA financed Program by \$598,000, from \$24.3 million to \$24.9 million, would be prudent as long as your Committee approved a reduction totaling \$597,997 for Fire Station 36 (\$505,997) and a capital improvement project (\$92,000) identified in Budget Memo No. 25 (Attachment 2).

MICLA Financed Fleet Replacement Program (Program)

Fire's MICLA financed Program was initiated as part of the 2001-02 Adopted Budget and included fleet replacement guidelines for all of its fleet equipment items, including its helicopters. Since the Mayor and City Council approved the 15-year Program in 2001-02, Fire has diligently replaced the oldest and/or non-functioning fleet equipment. Fire has received a total of about \$110.0 million in MICLA funding for the Program over the last six fiscal years (Attachment 3). A policy decision to defer the seventh year of the 15-year Program to 2008-09 and extending the Program by one year to 2017 would have to be made by the Mayor and City Council. Although deferring the Program would reduce the fiscal impact on the General Fund due to the elimination of the debt service payments on the \$24.3 million, the 176 fleet vehicles scheduled for replacement would be delayed until 2008-09 (Attachment 4). In addition, deferring MICLA funding for Fire's Program would prevent Fire from debt financing the requested \$1.7 million training/command helicopter and would require Fire to purchase a fire engine and ambulance for Fire Station 67 (see Attachment 1) within budgeted funds, as these vehicles were not requested nor considered as part of the 2007-08 Proposed Budget.

It should be noted that deferring the Program by one year defers the replacement of fleet equipment for all future fiscal years, 2008-09 through 2016-17, if the Mayor and City Council wish to maintain a level MICLA funded Program at approximately \$25.0 million per year. If the Mayor and City Council wish to maintain the 15-year Program then Fire would require MICLA financing of about \$51.0 to 55.0 million in 2008-09 in order to get back on schedule.

Operationally, deferring Fire's Program may have a major impact on the deliver of its core services, responding to and managing emergency medical and/or fire-related incidents throughout the City. Currently, Fire maintains replacement guidelines on all of its fleet equipment, including its helicopters. Deferring Fire's Program until 2008-09 would have the greatest impact on the following fleet equipment scheduled for replacement:

- Aerial Ladder Apparatus: With a recommended replacement cycle of 15 years, four are scheduled for replacement in 2007-08, of which two have been in operation for about 24 years;
- Triple Combination Apparatus: With a recommended replacement cycle of 15 years, 16 are scheduled for replacement in 2007-08, of which the oldest apparatus have been in operation for about 22 years; and,
- Rescue Ambulances: With a recommended replacement cycle of six years, 36 are scheduled for replacement in 2007-08, of which the oldest ambulances have been in operation for about eight years.

Fire indicates that retaining fleet equipment, especially the three types of fleet equipment identified above, past the normal replacement cycle requires an increasing amount of maintenance services, including replacement parts, that has a negative impact on Fire's salary and expense accounts. Due to the limited resources Fire has relative to fleet maintenance staff and expense funding for fleet maintenance services, maintenance services on older fleet equipment is given a higher priority than basic maintenance services for new vehicles. The systematic deferral of basic maintenance services for newer fleet equipment may have significant operational and fiscal impact in future fiscal years including reduced replacement cycles due to deferred and/or deficient maintenance services. Fire has indicated that an additional \$1.75 million in funding would be required in 2007-08 to continue maintaining the 176 fleet equipment items for an additional year. Specifically, Fire anticipates additional expenses in its Field Equipment Expense account (Account 3090) of about \$750,000 and about \$1.0 million in additional overtime for civilian fleet maintenance staff from its Overtime account (Account 1090).

MICLA Financed Fleet Helicopters and a Training/Command Helicopter

Relative to fleet helicopters, Fire currently has five helicopters (four Bell 412 and one Bell 206L) of varying age that Fire, in compliance with its helicopter replacement guidelines, expects to replace when each helicopter reaches an age of 18 years. As part of the 2005-06 Adopted Budget, the Mayor and City Council authorized Fire to standardize and upgrade its helicopter fleet by replacing its six existing helicopters with five new AW139 helicopters (one non-operational helicopter was salvaged in 2006-07). The first replacement AW139 helicopter is expected to be delivered and placed into operation in December 2007 and will replace the Bell 206L helicopter. The second replacement AW139 helicopter is expected to be delivered and placed into operation in June 2008 and replaces one of the Bell 412 helicopters. The three remaining Bell 412 helicopters have not been scheduled for replacement in 2007-08 or 2008-09. It should be noted that the Risk Manager has indicated

that the City's aircraft liability insurance broker and carrier do not require the City to replace a helicopter within a certain time period as long as the maintenance on the City helicopter is in compliance with Federal Aviation Administration (FAA) standards.

Fire has indicated that the estimated cost of the requested training/command helicopter, a Bell 206L helicopter, will be about \$1.7 million and will improve its training and operational capabilities. Fire has proposed a \$786,114 increase in MICLA funding in exchange for a \$505,997 reduction in funding for Fire Station 36 (FS36) and \$280,117 in additional revenue for 2007-08. The \$505,997 for FS36 was intended to allow Fire to immediately purchase a new fire engine and ambulance for the new facility which is expected to open in July 2007. The \$280,117 is additional revenue for 2007-08 that should not be exchanged for additional MICLA funding in 2007-08. With an ambitious and challenging revenue goal for Fire of almost \$119.0 million already included as part of the Mayor's 2007-08 Proposed Budget, it may not be prudent to increase Fire's revenue goals to provide Fire with additional MICLA funds to spend on fleet equipment in 2007-08. It should be noted that Fire's projected year-end revenues for 2006-07 is expected to be about \$117.2 million, which is approximately \$1.4 million less than budgeted.

Relative to the \$505,997 for FS36, by increasing MICLA funding in 2007-08, the fire engine and ambulance for FS36 can be debt financed rather than purchased directly as equipment expense items. Additionally, this increase would allow Fire to debt finance the training/command helicopter the fire engine and ambulance needed for Fire Station 67 that is expected to open in August 2007. It should be noted that if the increased MICLA funding is approved, then the two fire engines and ambulances should be added to Fire's Program. In addition, by purchasing the two fire engines and ambulances in 2007-08, the purchase of a number of capital equipment items intended to be replaced in the 2007-08 Proposed Budget (see Attachment 4) would be deferred to a future fiscal year.

If the Mayor and City Council wish to pursue the purchase of a training/command helicopter then a policy decision expanding Fire's authorized helicopter fleet from five to six is required. In addition, the costs and staff associated with the expanded Fire helicopter fleet should be determined and considered for funding, subject to funding availability. However, as the City's Air Operations Executive Committee (AOEC) was instructed to report back to the City Council (C.F. 06-0969) with a plan to implement a citywide helicopter fleet standardization plan (Plan), it is recommended that the AOEC examine the request to expand Fire's helicopter fleet, including a determination on whether or not adding the training/command helicopter to the City's helicopter fleet in 2007-08 is appropriate in relation to the Plan. Your Committee should refer these policy issues to the AOEC for review and analysis and have the AOEC include a discussion of these issues within its report back on the Plan to the City Council.

In addition, if the AOEC recommends approval to expand Fire's helicopter fleet from five to six and add the training/command helicopter to the City's helicopter fleet, then Fire should be requested to report back to your Committee with details on any additional costs associated to the operation and/or maintenance of the training/command helicopter. With the assistance of the CAO and the Department of General Services, Fire's report back to your Committee should also include a discussion on the following:

- Staffing requirements (additional helicopter pilots, technicians, mechanics, etc.);
- Staff training costs (initial and recurring costs);
- Maintenance costs, including additional maintenance staff overtime and replacement parts; and,
- Estimated fuel costs.

In addition to the costs identified above, the costs associated with aircraft liability insurance and debt service payments on the training/command helicopter should be included in Fire's report back to your Committee.

It should also be clarified that by adding the training/command helicopter and apparatus for Fire Stations 36 and 67 to Fire's Program, the MICLA financing required to continue the 15-year Program will increase. In addition, by shifting the \$598,000 in cost from the General Fund to MICLA, the fiscal impact on the General Fund would be reduced in 2007-08. However, there would be a long-term negative impact on the General Fund due to the ever-increasing annual cost of Fire's Program as well as the increasing cost to repay the principal and interest for annually debt financing Fire's Program.

RECOMMENDATIONS

That the Budget and Finance Committee:

1. Approve reductions totaling \$597,997 in the Mayor's 2007-08 Proposed Budget relative to the Los Angeles Fire Department (Fire) for Fire Station 36 (\$505,997) and the capital improvement project (\$92,000) identified in Budget Memo No. 25 (Attachment 2);
2. Subject to the approval of the \$92,000 reduction in Recommendation No. 1, provide Fire with one-time MICLA funding in the amount of \$92,000 to purchase eligible capital equipment items for the Coldwater Backup Dispatch Center (See Attachment 2);
3. Subject to the approval of the \$505,997 reduction for Fire Station 36 in Recommendation No. 1, provide Fire with additional MICLA funding in the amount of \$506,000 to purchase two fire engines and two ambulances for Fire Stations 36 and 67 and add these items to Fire's fleet replacement program (Program);
4. Refer to the Air Operations Executive Committee (AOEC) the policy issues on whether or not expanding Fire's authorized helicopter fleet from five to six and adding a training/command helicopter to the City's helicopter fleet in 2007-08 are appropriate in relation to the citywide helicopter fleet standardization plan (Plan);
5. Instruct the AOEC to report back to the City Council with the Plan, including recommendations on the policy issues referred to the AOEC in Recommendation No. 4;

6. Subject to the approval of the \$505,997 reduction in Recommendation No. 1 and a recommendation for approval from the AOEC relative to Recommendation No. 4, authorize Fire to purchase one training/command helicopter in 2007-08 and add this helicopter to Fire's Program;
7. Instruct Fire to report back to the Budget and Finance Committee within one week with a revised MICLA funded Program equipment list for 2007-08 that includes the capital equipment items approved in Recommendation No. 2, 3 and 6; and,
8. Instruct Fire to report back to the Budget and Finance Committee within one week on any associated costs in operating and/or maintaining the training/command helicopter that are not currently funded in the 2007-08 Proposed Budget and may have to be absorbed within Fire's budgeted funds.

KLS:RMK:04070177c

Attachments (4)

BOARD OF FIRE COMMISSIONERS

DALILA T. SOTELO
PRESIDENT

JILL FURILLO
VICE PRESIDENT

ANDREW FRIEDMAN
GENETHIA HUDLEY-HAYES
CASIMIRO URBANO TOLENTINO

BLANCA GOMEZ-REVELLES
EXECUTIVE ASSISTANT II

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

FIRE DEPARTMENT

DOUGLAS L. BARRY
INTERIM FIRE CHIEF

200 NORTH MAIN STREET
LOS ANGELES, CA 90012

(213) 978-3800
FAX: (213) 978-3815

<http://www.lafd.org>

April 23, 2007

Honorable Bernard C. Parks
Chair, Budget and Finance Committee
c/o Lauraine Braithwaite, Legislative Assistant
Office of the City Clerk

Dear Councilmember Parks:

The Mayor's Proposed Budget for Fiscal Year 2007-08 was received and has been reviewed by my staff. As requested, I am addressing four key areas of concern that I would like to bring to your attention. However, I am not requesting the allocation of funds for all of these items at this time. We will actively work throughout the coming fiscal year to mitigate these deficits by seeking to realign existing resources internally or alternative funding sources. The Department will report back via the Monthly Financial Status Reports on the condition of our accounts.

1. Total Account Shortages/Underfunding of \$6.6 million:

Salary Accounts - \$4.6 million

Account 1012, Sworn Salaries - \$1.2 million

Account 1030, Sworn Bonuses: - \$600,000

Account 1092, Sworn Overtime: - \$700,000

Account 1093, Overtime Constant Staffing: - \$1.6 million

Account 1098, Variable Staffing Overtime - \$500,000

These account shortages are based on both historical data and anticipated expenditures in FY 2007-08. Additionally, Sworn MOU salary and bonus negotiated increases are not being fully funded. These are built-in shortages that the Department has to mitigate despite budget requests to fully fund these Accounts. LAFD's sworn salary accounts are very complex and interrelated. The projected deficit of \$4.6 million in salary accounts is difficult to mitigate.

Expense Accounts - \$2 million

Account 3040, Contractual Services - \$1 million

- Additional funding is necessary to meet the revised terms of the Helitanker Lease contract renewal. The Department has determined that due to the ongoing changes in brush season and the increased potential for major brush fires throughout the fiscal year, the period of time that the helitanker is available to the City needs to be extended. (Cost increase of \$700,000).

- The Department has been working on a contract with UCLA to conduct Paramedic Training. The cost to continue to train our Paramedics under this contract is \$300,000 per year.

Account 3090, Field Equipment Expense - \$1 million

- This Account has been underfunded for several years. The projected deficit was due to the need to purchase auto parts to keep all apparatus/vehicles in service and is based on historical usage.
- The average transfer into the Field Equipment Account in FY 2002-03, 2003-04 and 2004-05 was \$800,000. However, in FY 05-06 an additional \$1.2 million was transferred into this Account to keep pace with the increased cost for and number of auto parts.

2. Programs Enhancing our emergency response to increase public safety throughout the City:

Fire Station 67 - \$3.4 million. The Department requests funding (for personnel, expense and equipment) and position authority for three Fire Captain I, three Fire Engineers, three Firefighter III and nine Firefighter Paramedics to staff Fire Station 67 which is scheduled to open in August 2007.

EMS Plan - \$338,040. The Department requests funding for the upgrade of 36 Firefighter III to Firefighter/Paramedics. These 36 new positions will be assigned to 12 fire stations in South Los Angeles. These fire stations will each have a Paramedic Assessment fire company implemented along with the already staffed Paramedic Ambulance. This "doubling" of paramedic resources at the 12 fire stations in South Los Angeles will greatly reduce the Paramedic Response Times to patients with medical emergencies.

OCD Dispatcher Training - \$686,610. The Department requests additional funds to hold a second Dispatcher Training Class. Members have a two or three year commitment for this assignment. In the next two years, the Department anticipates almost a complete turnover for dispatchers. Of the 57 members with 2-year commitments, 19 are in DROP with less than 2 years to retirement and 38 have overextended their commitment by 2 years or more. These positions cannot be kept vacant and each training class is four months, with a maximum of 12 trainees per class. Two Dispatchers training classes per year will be required to train replacements and keep up with the projected turnover.

OCD Workload Relief - \$2,314,714. The Department requests funding and position authority for 9 Dispatchers and three Captain II. The dispatchers work in a very difficult and stressful environment and additional staffing is necessary to provide workload relief, address work environment issues, and allow us to cover absences without forcing people to work excessive overtime.

3. Items/Services Deleted In Blue Book:

Decrease in staffing for Homeland Security Phase II - \$1,279,039. Nine Resolution Authorities (one Captain II and eight Captain I's) have been deleted from the Homeland Security Phase II program. These positions are filled and provide support in planning and training of Homeland Security activities.

Deletion of the CERT Training - \$654,144. Six positions assigned to the Community Emergency Response Teams Unit (one Fire Captain I and six Firefighter III's) provide critical training to the community which is essential in being prepared for major emergencies. The training provided by the CERT Unit is even more critical due to the threats posed by terrorism. Without these resources, the Department will no longer be able to provide dedicated emergency response training.

Deletion of Risk Management Program - \$345,864. Three Fire Captain positions focused on reducing Workers Compensation and IOD costs are deleted. These positions are dedicated to focusing on injury prevention and designing safety programs to mitigate injuries in the work place. They are also responsible for tracking and reporting all Work Comp/IOD and litigation costs.

4. Items/Services requested to be restored based on offsets (see attachment):

The following items are critical to the Department's operations and we have identified sources of funding to offsets the costs of these items.

Restore position authority and funding for two Assistant Fire Chiefs for Homeland Security - \$587,443. Two very well known potential targets for terrorism in the City of Los Angeles are the Los Angeles World Airports (LAWA) and the Port of Los Angeles. Funding and position authorities are requested to be restored. Both LAWA and Harbor have agreed to fully fund these positions as they recognize how critical it is to have Fire Department staff properly plan for and address potential terrorism acts against these two significant targets. Due to the size, location and complexity of both targets, it is necessary to have a dedicated position to work with each agency. These positions are currently filled.

Funding for repairs to the Coldwater OCD Backup Center - \$320,000. Funding is requested to make long overdue repairs and upgrades at the Fire Department's backup dispatch center. This is a critical funding request due to the fact that the Department does not currently have another fully operational backup dispatch facility, which could create the potential for significant liability to the City of Los Angeles. The power demands of the dispatch computer systems currently installed at the Coldwater Dispatch Facility exceed the capacity of the station's electrical system. Heat generated by the computer system exceeds the capacity of the air conditioning which has subjected critical dispatch system components to heat-related failure. A significant number of critical computers are currently running on unprotected circuits because the Uninterruptible Power Supply (UPS) is too small to support the number of computers needed for dispatching. Several critical computers were recently damaged from a power spike, making dispatching from Coldwater impossible until those computers were replaced. The emergency generator lacks sufficient capacity to power both the dispatch systems and the air conditioning.

Training Helicopter. The Department is currently authorized to have five AB 139 Helicopters with no training helicopter (5+0). The Department requests funding and authority to purchase a training helicopter through the MICLA Program to meet training needs of pilots and provide a consistent training program in compliance with settlement stipulations in a previous lawsuit. This additional helicopter would also assist in responding to brush fires.

Honorable Bernard C. Parks

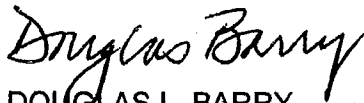
April 23, 2007

Page four

The Department has reviewed and utilized various other alternatives over the past 36 months. However, our training has been inconsistent and does not meet our needs. The lack of a dedicated training helicopter will have long-term negative ramifications in our ability to meet the City's needs for air support and responding to major brush fires. The most effective configuration for the Department's helicopter fleet is five AB 139's and one training helicopter (5+1).

In the attachment, I have highlighted the funding priorities requested to be restored and have also identified savings to offset these priorities. I welcome the opportunity to discuss this further to ensure that the Fire Department can continue to provide the highest level of service and safety to the public and address the Department's ongoing infrastructure needs.

Respectfully submitted,



DOUGLAS L. BARRY
Interim Fire Chief

Attachment

cc: Sally Choi, Deputy Mayor Finance and Performance Management
Karen Sisson, City Administrative Officer

Fire Department - Letter to Budget and Finance Committee for Proposed 07-08 Budget

Addbacks			Recommended Offsets	
Program	Regular Positions	Cost	Program	Total Offsets
Restore two Fire Assistant Chiefs for LAWA and Harbor	2	\$587,443	100% funding from LAWA and Harbor	\$587,443
A&I's				
CIEP for Repairs to Coldwater OCD Backup		\$320,000	A&I Funding for S&M Sunshade	\$320,000
MICLA				
Helicopter Fleet Configuration 5+1 - Includes adding one training helicopter		\$786,114	New and Replacement Fire Facilities - Apparatus for FS 36 (add to MICLA replacement) - Funds in Account 7350 (BB Item No. 14)	\$505,997
			Offset from Measure B Funds	280,117
				\$786,114

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 2, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **FUNDING FOR THE LOS ANGELES FIRE DEPARTMENT COLDWATER BACKUP OPERATIONS CONTROL DISPATCH CENTER (BACKUP CENTER)**

Your Committee has requested the City Administrative Officer (CAO) to report back on the appropriateness of swapping General Fund financing from a project included in the Mayor's 2007-08 Proposed Budget to another higher priority project as determined by the Los Angeles Fire Department (Fire). As indicated in the Fire letter dated April 23, 2007 to your Committee, the project to upgrade the Backup Center is a higher priority project for Fire than the alterations and improvements project for the Supply and Maintenance Division's sunshade adjacent to the vehicle repair shops. Since a variety of projects are annually financed by the General Fund, swapping the \$320,000 in project funds from one project to another is appropriate, subject to the approval of the Mayor and City Council.

However, Fire's request relative to the \$320,000 in project funding includes \$92,000 for various capital equipment identified below that could be purchased using MICLA funds. By using \$92,000 in MICLA funds to purchase the capital equipment, reduced funding of \$228,000 from the General Fund would be required for the remainder of the Backup Center project. Using MICLA financing to purchase the capital equipment would be appropriate and would not have an additional impact to the General Fund in 2007-08. However, using MICLA funds to purchase the capital equipment will have a fiscal impact in future fiscal years due to the repayment of the principal and interest of the \$92,000 in debt financing.

<u>Capital Equipment Item/Description</u>	<u>Estimated Price</u>
Uninterrupted Power Source (UPS) System	\$ 50,000
Commercial Air Conditioning Unit for the UPS	6,000
Diesel Generator	36,000
	<hr/>
	\$ 92,000

Los Angeles Fire Department - MICLA Funds
FY 2001-02 to FY 2006-07

FY	Fund Title	Fleet Replacement	Equipment	Total Funded
07/08	PROPOSED	\$24,250,000	\$0	\$0

FY	Fund Title	Fleet Replacement	Equipment	Total Funded
06/07*	298 MICLA	23,750,478	0	23,750,478
05/06	298 MICLA	22,877,000	2,333,000	25,210,000
04/05	298 MICLA	18,874,000	2,060,000	20,934,000
03/04	293 MICLA	16,793,774	2,206,226	19,000,000
02/03	296 MICLA	14,451,940	0	14,451,940
01/02	289 MICLA	13,219,159	0	13,219,159
Total		\$109,966,351	\$6,599,226	\$116,565,577

* About \$2.3 million was added into various expense accounts to offset the deletion of the Equipment Replacement Program.

Vehicle Classification	Number	Unit Cost	Total Cost
Fire Department			
Ambulance *	36	\$ 145,935	\$ 5,254,000
Apparatus, Aerial Ladder *	4	846,400	3,386,000
Apparatus, Triple Combination *	16	537,109	8,594,000
Brush Patrol*	1	247,797	248,000
Cart, Electric	1	6,398	6,000
Crane, Overhead w/ Hoist	1	125,000	125,000
Dozer Cat*	1	817,693	818,000
Dump Truck, 10-Wheel*	1	187,979	188,000
Dump Truck, Low-Side End*	1	77,616	78,000
Generator, Trailerable	1	39,107	39,000
Sedan, AFV Non-Emergency*	17	26,861	457,000
Sedan, Emergency *	22	30,259	666,000
Sedan, Non-Emergency*	32	16,209	519,000
Suburban, Emergency *	14	172,310	2,412,000
Truck, Pick-Up*	12	45,275	543,000
Truck, Stakebed F-550 w/ Dump*	1	83,414	83,000
Truck, Utility Service*	2	94,189	188,000
Van, Passenger*	6	35,436	213,000
Van, Side Load 8600*	6	29,612	178,000
Water Tender*	1	255,141	255,000
Total Fire Department	176		\$ 24,250,000
Police Department			
Helicopter	1	\$ 2,750,000	\$ 2,750,000
Hybrid, Replacement *	40	33,666	1,347,000
Hybrid, New *	12	39,873	478,000
Miscellaneous (Vans, Trucks, etc.)	28	Various	2,672,000
Plain, Replacement *	210	28,550	5,996,000
Plain, New *	17	31,367	533,000
Undercover, Replacement *	66	28,550	1,884,000
Total Police Department	374		\$ 15,660,000
Public Works/Bureau of Street Services			
Truck, 10 Wheel Alternative Fuel	2	\$ 200,000	\$ 400,000
Truck, Roll-Off	3	270,666	812,000
Total Bureau of Street Services	5		\$ 1,212,000
Public Works/Bureau of Street Lighting			
Truck, Compressor/Dump Replacement	1	\$ 249,000	\$ 249,000
Truck, Derrick Replacement	2	346,000	692,000
Total Bureau of Street Lighting	3		\$ 941,000

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
b7mt*Subject: **PERSONNEL DEPARTMENT – ONE AND THREE PERCENT BUDGET
REDUCTION ANALYSIS**

The Budget and Finance Committee directed departments to identify reductions that equal one percent and three percent of the General Fund budget for that department. Attached is the response from the Personnel Department.

The proposed 2007-08 budget appropriation for the Personnel Department is almost \$63.7 million. The General Fund portion of the budget is almost \$59.1 million. Therefore, one and three percent savings targets are \$591,000 and \$1,773,000, respectively.

To meet the one percent reduction goal, the Department has identified a reduction total of \$575,000 that could be taken from its Contractual Services Account (\$500,000) and Office and Administrative Expense Account (\$75,000). The Contractual Services reduction of \$500,000 comprises approximately two percent of the total \$20.8 million account budget. The Department does not specify which line item would be impacted by this reduction to allow flexibility in making the reduction should it become necessary. The Office and Administrative Expense reduction of \$75,000 would represent approximately four percent of the total \$1.9 million account budget. While this reduction may appear minimal, the Department expressed concern that it may result in pertinent office requirements going unmet.

For the three percent reduction goal, the Personnel Department identified potential reductions totaling about \$1.75 million, which would eliminate the above funds along with mediation and training services provided by three offices within the Department: the Office of Discrimination Complaint Resolution (\$470,000), Workplace Safety (\$380,000), and Employee Development (\$321,000). To achieve this level of savings, a total of 16 positions would also be eliminated. Adverse effects, such as increased litigation, may result from eliminating the Office of Discrimination Complaint Resolution. Workplace safety may potentially be reduced and employee skills and development may be adversely impacted should these reductions be taken at this time.

Recommendation

That the Budget and Finance Committee note and file this communication, including the reductions identified by the Personnel Department, in the attached correspondence.

KLS:AIS:18070102d

Attachment

**BOARD OF CIVIL SERVICE
COMMISSIONERS**

Room 360, PERSONNEL BUILDING

SYLVIA DREW IVIE

PRESIDENT

NANCY P. McCLELLAND

VICE PRESIDENT

JOHN PATRICK PEREZ

MARISSA CASTRO-SALVATI

ANTHONY DE LOS REYES

VICTORIA A. SCHOOLS

COMMISSION EXECUTIVE ASSISTANT

**CITY OF LOS ANGELES
CALIFORNIA**



ANTONIO R. VILLARAIGOSA
MAYOR

PERSONNEL DEPARTMENT

PERSONNEL BUILDING
700 EAST TEMPLE STREET
LOS ANGELES, CA 90012

Margaret Whelan
GENERAL MANAGER

May 4, 2007

Honorable Members of the Budget and Finance Committee
c/o City Administrative Officer
Room 1500, City Hall East

**PERSONNEL DEPARTMENT FISCAL YEAR 2007-08 PROPOSED BUDGET:
BUDGET REDUCTION EXERCISE**

The attached information is provided to the Budget and Finance Committee in response to the Personnel Department's budget hearing on April 30, 2007. As requested, the Department has prepared a budget reduction analysis of 1% and 3%. We would like to note that the Mayor's proposed budget for Fiscal Year 2007-08 currently includes a \$3.1 million (5%) reduction to the Department's budget, including reductions to our Salary and Contractual Services accounts.

In order to meet an additional 1% reduction, the Department would take on general reductions in its Contractual Services and Office & Administrative Expenses accounts. These reductions will be managed through the implementation of additional efficiencies and decreases in expenditures, which may result in the reduction, delay or elimination of some current level services.

The proposals in order to reach an additional 3% reduction are being presented based upon the following criteria and analysis:

- Maintaining service levels in public safety hiring – in support of the Mayor's priorities for Fiscal Year 2007-08; and
- Maintaining service levels in legally mandated, City Charter required programs (worker's compensation; examining and selection; medical services).

The programs included in our 3% budget reduction represent important functions that potentially reduce City liability, promote workplace safety and enhance employees' skills and development. However, these are the areas that must be impacted in order to maintain adequate service levels in the aforementioned mandated & priority programs, taking into consideration the budget reductions already absorbed by the Department.

Should you have any questions or need additional information, please contact me at (213) 847-9746, or Susan Nakafuji of my Administrative Services Division, at (213) 485-0613.



MARGARET WHELAN
General Manager

MM:TC:SN

Attachment

c: Sally Choi, Deputy Mayor Finance and Performance Management
Lynne Ozawa, Office of the Chief Legislative Analyst
Anny Surmenian, Office of the City Administrative Officer

PERSONNEL DEPARTMENT FY 07-08 BUDGET REDUCTION EXERCISE

ADOPTED BUDGET	\$63,676,058
Exclude: Special Funds	(\$4,622,100)
ADJUSTED BUDGET BASE	\$59,053,958

Priority Number	Package Title	Position Authorities	Reduction Amount	
BUDGET REDUCTIONS already included in the 07/08 proposed budget (5%):				
	Transfer cost of Flex Benefits TPA to the Employee Benefits Trust Fund		\$ (1,400,000)	
	Contractual Services: Reduction to police advertising		\$ (1,200,000)	
	Salaries, General reduction		\$ (500,000)	
	SUBTOTAL:		\$ (3,100,000)	-5.2%
ADDITIONAL REDUCTIONS (1%)				
1	Contractual Services: General reduction and efficiencies		\$ (500,000)	
2	Office & Administrative Expense: General reduction & efficiencies		(75,000)	
	SUBTOTAL 1% REDUCTIONS:		\$ (575,000)	-1.0%
ADDITIONAL REDUCTIONS (3%)				
3	Eliminate services: Office of Discrimination Complaint Resolution	(7)	(469,865)	
4	Eliminate services: Workplace Safety	(5)	(383,341)	
5	Eliminate services: Employee Development	(4)	(321,162)	
	SUBTOTAL ADDITIONAL REDUCTIONS:	(16)	\$ (1,174,368)	-2.0%
	GRAND TOTAL 3 % REDUCTIONS:	(16)	\$ (1,749,368)	-3.0%

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS m7*

Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT MONEY SUBJECT TO REVERSION IN THE NEIGHBORHOOD COUNCIL FUNDING PROGRAM**

Your Committee requested this Office to report back on the funds eligible for reversion at the close of the fiscal year and after July 1st in the Neighborhood Council Funding Program.

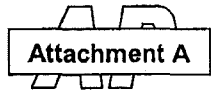
Currently there are 86 certified Neighborhood Councils that receive funding. Under the terms of the Council Policy, relative to Neighborhood Council Funding program, the end of the current fiscal year is the first year any unspent funds are eligible to be swept. At the end of each fiscal year, any funding initially appropriated that is more than three years old and is unspent would be deleted from a neighborhood council's account. As of June 30, 2007, the projected amount to be swept in unspent neighborhood council funds will be approximately \$20,000.

As of July 1st, 2007, there would be approximately \$500,000 eligible for sweeping (funds over \$150,000). Council would need to amend the current policy as to when the sweeping of funds would occur. The current policy states any funds over three years old (\$150,000) would be swept at the end of the fiscal year.

According to Los Angeles Administrative Code Section 22.810(g), the Neighborhood Councils may spend all or a portion of the annual allocation for various neighborhood improvement projects. They may also use the appropriation for functions, operations and duties of a certified neighborhood council, which include and are not limited to meeting and office space, office equipment, computers, supplies and communications, such as the costs associated with newsletters, postage or printing of written materials. A copy of the acceptable purchase categories is attached.

Attachment (1): Acceptable Purchase Categories
Attachment (2): Current NC Funding Appropriation and Expenditures

KLS:DP:08070339c



Neighborhood Council
Funding Program
COMMERCIAL PREPAID CARD SYSTEM
ACCEPTABLE PURCHASE CATEGORIES

The Commercial Prepaid Card System was developed for Neighborhood Councils as an easy and convenient way to obtain items and/or services required for Neighborhood Council operations. The card has been electronically coded to accept a wide variety of purchases and includes valuable information provided to the Department of Neighborhood Empowerment by Neighborhood Councils.

Below is a list of acceptable purchase categories with Neighborhood Council funds, including the card. This list will change as Neighborhood Councils need changes. Certain items require advance approval from the Department. NOTE: Gasoline may be purchased *in reasonable amounts* for Neighborhood Council business by using your petty cash fund. Make sure a receipt is obtained from the gas station. Forward the original receipt to the Department with your other receipts for audit purposes.

If you have any questions regarding any of the items on the list, please contact the Funding Program at (866) LA HELPS.

ACCEPTABLE COMMERCIAL PREPAID CARD PURCHASE CATEGORIES:

BUSINESS SERVICES

- Automobile Parking Lots and Garages
- Employment Agencies, Temporary Help Services**
- Equipment Rental
- Furniture Rental
- Photographic Developing, Photofinishing Laboratories, Studios
- Postal Services
- Quick Copy, Reproduction and Blueprint Services
- Stenographic and Secretarial Support Services**
- Tool Rental

COMMUNICATIONS SERVICES

- Telecommunication Equipment
- Telecommunication Service

FINANCIAL SERVICES

- Automated Cash

PROFESSIONAL SERVICES

- Associations, Civic, Social and Fraternal
- Colleges, Universities, Professional Schools
- Organizations, Charitable and Social Service
- Schools, Elementary and Secondary

REPAIR SERVICES

- Electronic Repair Shops
- Furniture Repair, Refinishing and Reupholstery Shops
- Small Appliance Repair Shops

RETAIL SERVICES

- Books, Periodicals, Newspapers
- Building Materials, Lumber Stores
- Candy, Nut, Confectionery Stores
- Caterers
- Computers, Computer Peripheral Equipment, Computer Software
- Computer Software Stores
- Department Stores
- Discount Stores
- Drug Stores, Pharmacies
- Eating Places, Restaurants
- Electronics Stores
- Fast Food Quick Payment Service Restaurants
- Florist Supplies, Nursery Stock and Flowers
- Glass, Paint, Wallpaper Stores
- Grocery Stores, Supermarkets
- Hardware Stores
- Home Supply Warehouse
- Lawn and Garden Supply Stores
- Music Stores
- Office and Commercial Furniture
- Office, Photographic and Photocopy
- Paints, Varnishes and Supplies
- Record Shops
- Second Hand Stores, Used Merchandise Stores
- Stationery, Office Supplies, Printing
- Variety Stores
- Wholesale Clubs

TRANSPORTATION SERVICES

- Bus Lines
- Courier Services, both Air and Ground
- Freight Forwarders
- Truck and Utility Trailer Rental

****NOTE: Requires approval in advance from the Department of Neighborhood Empowerment.**

NEIGHBORHOOD COUNCIL FUNDING PROGRAM: APPROPRIATION AND EXPENDITURE WORKSHEET

Updated: 5/3/2007

Neighborhood Council	Date Enrolled in Funding Program	Total Approp. To 2006-2007	Expended 2002-03	Expended 2003-04	Expended 2004-05	Expended 2005 06	Expended to May 1 2006-07	Total Expended, all years	Remaining Appropriation May 1, 2007	Estimated Expenditure 2006-07	Estimated Expended, all years	Estimated Remaining Appropriation		As of July 1, 2007	Eligible for Sweeping on July 1, 2007
												June 30, 2007	Count		
Arieta	01/27/04	\$175,000	\$ -	\$9,125	\$560	\$10,855	\$16,353	36,894	\$138,106	\$19,079	\$39,619	\$135,381	1	\$185,381	\$35,381
Arroyo Seco	04/09/04	162,500	-	7,217	20,108	34,246	60,047	121,617	40,883	70,055	131,625	30,875	2	\$80,875	
Atwater Village	11/19/03	187,500	-	6,250	10,171	29,802	49,037	95,259	92,241	57,209	103,432	84,068	3	\$134,068	
Bel Air-Beverly Crest	06/18/03	212,500	6,250	12,848	40,706	41,685	40,195	141,685	70,815	46,894	148,384	64,116	4	\$114,116	
Boyle Heights	07/31/03	200,000	-	10,773	34,185	29,545	41,522	116,025	83,975	48,443	122,945	77,055	5	\$127,055	
CANNDU	12/17/03	187,500	-	8,750	16,758	30,653	25,658	81,819	105,681	29,934	86,095	101,405	6	\$151,405	\$1,405
Canoga Park	04/09/03	212,500	6,250	5,911	30,984	79,195	67,261	189,600	22,900	78,471	200,811	11,689	7	\$61,689	
Central Alameda	05/06/05	112,500	-	-	6,250	27,182	15,033	48,465	64,035	17,538	50,971	61,529	8	\$111,529	
Central Hollywood	04/09/03	212,500	6,250	27,679	15,293	49,147	22,704	121,073	91,427	26,488	124,857	87,643	9	\$137,643	
Central San Pedro	03/24/03	225,000	6,799	38,342	27,096	31,451	22,872	126,560	98,440	26,684	130,372	94,628	10	\$144,628	
Chatsworth	11/19/03	187,500	-	18,140	30,879	29,618	53,943	132,580	54,920	62,933	141,570	45,930	11	\$95,930	
Coastal San Pedro	01/30/03	225,000	9,677	46,341	44,198	54,087	30,369	184,672	40,328	35,430	189,733	35,267	12	\$85,267	
Del Rey	11/13/05	87,500	-	-	-	7,440	10,966	18,406	69,094	12,793	20,233	67,267	13	\$117,267	
Downtown Los Angeles	09/05/03	200,000	-	22,317	18,317	24,099	64,630	129,363	70,637	75,402	140,135	59,865	14	\$109,865	
Eagle Rock	05/29/03	212,500	6,250	23,586	26,802	29,492	30,635	116,766	95,735	35,740	121,871	90,629	15	\$140,629	
Elysian Valley Riverside	01/30/04	175,000	-	11,975	-	-	(1,397)	10,578	164,422	(1,630)	10,345	164,655	16	\$214,655	\$64,655
Empowerment Congress CENTRAL	09/05/03	187,500	-	12,160	11,797	21,860	27,107	72,925	114,575	31,625	77,442	110,058	17	\$160,058	\$10,058
Empowerment Congress NORTH	07/31/03	200,000	-	8,208	28,555	16,438	49,965	103,165	96,835	58,293	111,493	88,507	18	\$138,507	
Empowerment Congress SOUTHEAST	09/03/03	187,500	-	6,250	2,219	32,652	12,870	53,991	133,509	15,015	56,136	131,364	19	\$181,364	\$31,364
Empowerment Congress SOUTHWEST	09/18/03	200,000	-	15,150	14,766	36,991	85,374	152,281	47,719	99,603	166,510	33,490	20	\$83,490	
Empowerment Congress WEST	06/16/04	162,500	-	6,250	5,894	5,812	20,055	38,011	124,489	23,398	41,354	121,146	21	\$171,146	\$21,146
Encino	01/16/04	175,000	-	12,459	30,994	48,017	28,395	119,864	55,136	33,128	124,596	50,404	22	\$100,404	
Foothill Trails District	04/27/05	112,500	-	-	6,250	5,701	15,748	27,699	84,801	18,373	30,324	82,176	23	\$132,176	
Glassell Park	03/06/03	225,000	6,250	11,248	19,075	55,931	62,506	155,009	69,991	72,923	165,427	59,573	24	\$109,573	
Granada Hills North	07/31/03	200,000	-	11,807	42,701	37,822	19,530	111,860	88,140	22,785	115,115	84,885	25	\$134,885	
Granada Hills South	12/19/06	37,500	-	-	-	-	6,550	6,550	30,950	7,642	7,642	29,858	26	\$79,858	
Greater Cypress Park	09/29/05	100,000	-	-	-	16,818	16,970	33,788	66,212	19,798	36,616	63,384	27	\$113,384	
Greater Echo Park Elysian	06/18/03	212,500	6,250	8,982	19,613	41,765	48,602	125,212	87,288	56,703	133,312	79,188	28	\$129,188	
Greater Griffith Park	03/07/03	225,000	6,250	20,851	4,646	33,066	27,851	92,664	132,336	32,493	97,306	127,694	29	\$177,694	\$27,694
Greater Toluca Lake	03/27/03	225,000	6,250	5,696	59,311	47,886	53,168	172,311	52,689	62,030	181,172	43,828	30	\$93,828	
Greater Valley Glen	06/16/04	162,500	-	-	33,406	30,171	12,564	76,141	86,359	14,658	78,235	84,265	31	\$134,265	
Greater Wilshire	11/13/05	87,500	-	-	-	8,910	16,522	25,432	62,068	19,276	28,186	59,314	32	\$109,314	
Harbor City	07/03/03	200,000	-	18,040	73,034	11,787	37,585	140,445	59,555	43,849	146,709	53,291	33	\$103,291	
Harbor Gateway North	03/10/04	175,000	-	12,087	27,438	29,407	11,178	80,109	94,891	13,041	81,972	93,028	34	\$143,028	
Harbor Gateway South	10/15/03	187,500	-	19,108	23,327	47,186	52,950	142,571	44,929	61,775	151,396	36,104	35	\$86,104	
Historic Cultural	07/18/03	200,000	-	10,186	10,009	14,005	13,779	47,979	152,021	16,075	50,275	149,725	36	\$199,725	\$49,725
Historic Highland Park	06/03/03	212,500	6,250	46,679	25,650	31,785	43,476	153,839	58,661	50,722	161,085	51,415	37	\$101,415	
Hollywood Hills West	04/09/03	212,500	6,250	18,257	32,585	22,058	17,834	96,983	115,517	20,806	99,956	112,544	38	\$162,544	\$12,544
Hollywood Studio District	06/29/06	62,500	-	-	-	-	7,000	7,000	55,500	8,167	8,167	54,333	39	\$104,333	
Hollywood United	03/19/03	225,000	7,503	18,325	16,602	35,041	39,430	116,901	108,099	46,001	123,472	101,528	40	\$151,528	\$1,528
LA-32	09/05/03	200,000	-	10,002	39,731	35,049	36,628	121,410	78,590	42,732	127,514	72,486	41	\$122,486	
Lake Balboa	06/02/05	112,500	-	-	6,250	-	14,187	20,437	92,063	16,552	22,802	89,698	42	\$139,698	
Lincoln Heights	07/15/03	200,000	-	6,250	3,707	15,159	47,969	73,084	126,916	55,963	81,079	118,921	43	\$168,921	\$18,921
MacArthur	03/10/04	175,000	-	6,250	36,971	16,356	27,639	87,216	87,784	32,246	91,823	83,177	44	\$133,177	
Mar Vista Community	07/15/03	200,000	-	10,034	31,369	32,655	39,173	113,231	86,769	45,702	119,760	80,240	45	\$130,240	

Neighborhood Council	Date Enrolled in Funding Program	Total Approp. To 2006-2007	Expended 2002-03	Expended 2003-04	Expended 2004-05	Expended 2005-06	Expended to May 1 2006-07	Total Expended, all years	Remaining Appropriation May 1, 2007	Estimated Expenditure 2006-07	Estimated Expended, all years	Estimated Remaining		Count	As of July 1, 2007	Eligible for Sweeping on July 1, 2007
												Appropriation June 30, 2007	Count			
Mid City	04/10/03	212,500	6,250	10,284	7,913	40,354	18,471	83,272	129,228	21,550	86,351	126,149	46	\$176,149	\$26,149	
Mid City West	05/08/03	212,500	12,500	8,512	62,282	36,887	43,470	163,651	48,849	50,715	170,896	41,604	47	\$91,604		
Mid-Town North Hollywood	07/31/03	200,000	-	23,558	52,927	29,593	50,807	156,885	43,115	59,275	165,352	34,648	48	\$84,648		
Mission Hills	02/28/06	75,000	-	-	-	18,287	25,815	44,102	30,898	30,118	48,404	26,596	49	\$76,596		
North Hills West	12/17/03	187,500	-	15,926	16,833	27,649	22,908	83,315	104,185	26,726	87,133	100,367	50	\$150,367	\$367	
North Hollywood Northeast	01/30/04	175,000	-	6,250	-	13,720	19,082	39,051	135,949	22,262	42,232	132,768	51	\$182,768	\$32,768	
Northridge East	08/19/05	100,000	-	-	-	12,607	4,917	17,524	82,476	5,736	18,343	81,657	52	\$131,657		
Northridge West	09/27/05	100,000	-	-	-	13,931	10,580	24,511	75,489	12,343	26,274	73,726	53	\$123,726		
Northwest San Pedro	04/02/03	212,500	6,250	12,028	32,725	56,910	34,369	142,282	70,218	40,097	148,011	64,489	54	\$114,489		
Olympic Park	06/14/05	112,500	-	-	6,250	12,465	11,320	30,036	82,464	13,207	31,922	80,578	55	\$130,578		
P.I.C.O.	03/07/03	225,000	6,250	34,838	44,349	20,138	24,506	130,081	94,919	28,590	134,165	90,835	56	\$140,835		
Pacoima	07/15/03	200,000	-	12,787	24,043	35,884	25,481	98,194	101,806	29,728	102,441	97,559	57	\$147,559		
Palms	09/29/05	100,000	-	-	-	6,280	23,641	29,921	70,080	27,581	33,861	66,139	58	\$116,139		
Park Mesa Heights	07/18/03	200,000	-	7,529	26,029	1,846	48,958	84,362	115,638	57,117	92,521	107,479	59	\$157,479	\$7,479	
Pico Union	07/12/04	150,000	-	-	6,606	16,886	16,039	39,531	110,469	18,713	42,204	107,796	60	\$157,796	\$7,796	
Porter Ranch	01/27/04	175,000	-	7,656	5,261	62,977	36,207	112,101	62,899	42,242	118,136	56,864	61	\$106,864		
Reseda	03/06/03	225,000	8,137	15,151	16,298	49,665	38,891	128,142	96,858	45,372	134,623	90,377	62	\$140,377		
Sherman Oaks	07/31/03	200,000	-	17,917	42,565	6,996	25,540	93,017	106,983	29,797	97,274	102,726	63	\$152,726	\$2,726	
Silver Lake	12/05/03	187,500	-	8,155	44,538	45,781	47,536	146,010	41,490	55,459	153,933	33,567	64	\$83,567		
South Robertson	01/19/05	125,000	-	-	10,370	34,714	32,997	78,082	46,918	38,497	83,581	41,419	65	\$91,419		
Southeast-Central	06/14/04	162,500	-	12,500	(618)	2,480	17,063	31,425	131,075	19,907	34,269	128,231	66	\$178,231	\$28,231	
Studio City	09/18/03	200,000	-	6,669	51,318	33,317	55,277	146,582	53,418	64,490	155,794	44,206	67	\$94,206		
Sun Valley	09/01/04	150,000	-	-	10,824	11,307	27,247	49,378	100,622	31,788	53,919	96,081	68	\$146,081		
Sunland-Tujunga	03/11/04	175,000	-	13,867	52,855	34,971	36,039	137,731	37,269	42,045	143,737	31,263	69	\$81,263		
Sylmar	09/29/04	150,000	-	-	31,689	57,425	30,870	119,984	30,016	36,015	125,129	24,871	70	\$74,871		
Tarzana	09/15/03	200,000	-	24,293	33,193	21,783	44,852	124,122	75,878	52,327	131,597	68,403	71	\$118,403		
United Neighborhoods	04/16/03	212,500	6,250	9,871	26,177	39,799	36,519	118,616	93,884	42,605	124,702	87,798	72	\$137,798		
Valley Village	04/09/04	162,500	-	6,250	11,717	22,548	26,356	66,871	95,629	30,749	71,264	91,236	73	\$141,236		
Van Nuys	07/27/05	100,000	-	-	-	22,597	29,999	52,596	47,404	34,998	57,595	42,405	74	\$92,405		
Venice	01/22/04	175,000	-	15,519	7,032	17,918	31,869	72,337	102,663	37,180	77,649	97,351	75	\$147,351		
Vermont Harbor - Decertified	07/19/04	15,555	-	-	15,487	68	-	15,555	-	-	-	-	-	-	-	
Vernon/Main	12/17/03	187,500	-	8,417	6,347	25,896	22,089	62,749	124,751	25,771	66,431	121,069	76	\$171,069	\$21,069	
Watts	12/17/03	187,500	-	12,497	48,506	48,093	20,596	129,692	57,808	24,029	133,125	54,375	77	\$104,375		
West Adams	11/19/03	187,500	-	6,981	5,759	18,694	19,238	50,671	136,829	22,444	53,878	133,622	78	\$183,622	\$33,622	
West Hills	03/19/03	225,000	6,250	43,564	44,611	28,367	35,516	158,308	66,692	41,435	164,228	60,772	79	\$110,772		
West Los Angeles	02/25/05	125,000	-	-	6,250	8,793	29,100	44,143	80,857	33,950	48,993	76,007	80	\$126,007		
Westchester/Playa Del Rey	02/10/03	225,000	9,927	24,928	19,932	60,872	21,489	137,148	87,852	25,070	140,729	84,271	81	\$134,271		
Westside	06/16/03	212,500	6,250	1,441	19,139	16,594	20,420	63,843	148,657	23,823	67,246	145,254	82	\$195,254	\$45,254	
Wilmington	03/25/03	225,000	6,250	14,238	59,919	33,177	35,685	149,269	75,731	41,633	155,217	69,783	83	\$119,783		
Wilshire Center/Koreatown	03/24/05	125,000	-	-	15,217	23,473	19,903	58,593	66,407	23,220	61,911	63,089	84	\$113,089		
Winnetka	07/12/04	150,000	-	-	20,061	15,545	13,872	49,478	100,522	16,185	51,790	98,210	85	\$148,210		
Woodland Hills - Warner Center	03/25/03	225,000	6,450	5,737	20,575	36,782	28,879	98,424	126,576	33,693	103,237	121,763	86	\$171,763	\$21,763	
Total		\$15,190,555	\$167,244	\$930,889	\$1,833,188	\$2,362,894	\$2,606,841	\$7,901,056	\$7,289,499	\$3,041,315	\$8,319,975	\$6,855,025		\$6,905,025	\$501,645	

NOTES:

All data in this table is based on information maintained by the Department of Neighborhood Empowerment.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.186

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **LOS ANGELES FIRE DEPARTMENT: COST ANALYSIS OF LEASING OR PURCHASING A TYPE I HELITANKER AIRCRAFT**

Your Committee requested the City Administrative Officer (CAO) to report back with a cost analysis on continuing to lease versus purchasing a new or used Type I helitanker aircraft (Helitanker) for the Los Angeles Fire Department (Fire) in 2007-08. Below are the findings relative to the two options identified by your Committee. Based upon the information contained below, contracting for Helitanker services in 2007-08 continues to be the most feasible option at this time. If funding is available in 2007-08, providing Fire with additional one-time funding of \$700,000 in its contractual services account for Helitanker Services would be appropriate.

Contracting for Helitanker Services:

For fiscal year 2006-07, in compliance with the terms of the third year of a three year agreement with the City, Erickson Air-Crane Incorporated (Erickson) provided Fire with contracted Helitanker services at a cost of about \$1.65 million. Subsequently, as a result of a Request for Proposals (RFP) process for Helitanker services that was conducted by Fire and completed in February 2007, Erickson was selected to continue providing Helitanker services in 2007-08. However, due to an expanded service period (as determined by Fire) and increasing costs associated with the operations and maintenance of the Helitanker, Erickson notified Fire that the cost for Helitanker services in 2007-08 would be about \$2.35 million. The \$2.35 million for contracted Helitanker services in 2007-08 would include a maximum number of flight hours, pilots and maintenance staff for the Helitanker, fuel and other associated expenses, and insurance coverage.

As identified in the Fire letter dated April 23, 2007 that was submitted to your Committee, an additional \$700,000 in funding for contractual services (for a total of \$2.35 million) would be required to retain Helitanker services in 2007-08 with the expanded service period. Fire may be able to negotiate a reduced cost for Helitanker services in 2007-08 by reducing the service period of the Helitanker to match the proposed funding for this service in 2007-08 (\$1.65 million). However, Fire has determined that the upcoming fiscal year has the potential for a greater number of brush fires than in previous years and anticipates requiring Helitanker services over an extended period of time in 2007-08.

Purchasing a New/Used Helitanker:

With the assistance of Fire staff, and after contacting Erickson, it was determined that a new Helitanker could not be purchased by Fire or the City for 2007-08. Erickson, the

largest owner/operator of Type I helitankers in the world, has indicated that there are no Type I helitankers currently in production by known manufacturers. Other types of helicopters and aircraft, including Fire's existing helicopter fleet, have the capability of providing a service similar to that of the Helitanker. However, the Erickson Helitanker, also known as the S-64 Aircrane Helitanker, can carry up to 2,650 gallons of water or fire retardant mixture while other smaller types of helicopters and aircraft may be able to carry from 300 gallons up to 1,000 gallons of water or fire retardant mixture. It should be noted that Erickson is currently developing a new Type I helitanker, with a comparable payload capacity of 2,650 gallons, which may begin production in 2010-11. The new Helitankers may also be available for purchase in 2010-11 at an estimated cost of about \$35 to \$40 million.

If the Mayor and City Council wish to pursue the purchase of a 30 to 40 year old refurbished Helitanker for \$23 to \$25 million then a policy decision should be made on the purchase of the refurbished Helitanker. Since the City's Air Operations Executive Committee (AOEC) was instructed to report back to the City Council with a plan to implement a citywide helicopter fleet standardization plan (Plan), it may be appropriate to have the AOEC examine the Helitanker issue (C.F. 06-0969). The Mayor and City Council should instruct the AOEC to determine whether or not adding a used Helitanker to the City's helicopter fleet would be appropriate with respect to the broader Plan.

However, Fire has indicated that purchasing the refurbished Helitanker would not be in compliance with Department policy that recommends an 18-year helicopter replacement cycle. Within an outside investigator's report that examined the 1998 crash of a Fire helicopter was a recommendation that the City formulate a replacement policy of about 18 to 20 years for helicopters operated by the City. Fire's MICLA fleet replacement program initiated as part of the 2001-02 Adopted Budget included fleet replacement guidelines for all of its fleet equipment items, including an 18-year replacement guideline for its helicopters. The development of Fire's guidelines in 2001-02 may have been partially due to the efforts focused on developing policies on helicopter safety and replacement cycles. The Adopted Budgets for each fiscal year since 2001-02 approved Fire's fleet replacement program based on these guidelines. The guideline used by Fire for its helicopters from 2001-02 through 2006-07 has been 18 years. It should be noted that the Risk Manager has indicated that the City's aircraft liability insurance broker and carrier do not require the City to replace a helicopter within a certain time period as long as the maintenance on the City helicopter is in compliance with Federal Aviation Administration (FAA) standards.

If a policy decision is made by the Mayor and City Council to purchase a refurbished Helitanker, then Fire, with the assistance of the CAO and the Department of General Services, should report back to the City Council with an analysis of all other costs associated with the Helitanker including the cost items listed below.

- Staffing requirements (Helitanker pilots, technicians, mechanics, etc.);
- Staff training costs (initial and recurring costs);
- Maintenance costs and replacement parts; and,
- Estimated fuel costs (depending on estimated annual Helitanker usage).

In addition to the costs identified above, the costs associated with aircraft liability insurance and debt service payments on the Helitanker would also need to be included in Fire's report back to the City Council. It should be noted that with the assistance of various Fire staff, a preliminary cost estimate of about \$3.5 million was calculated but did not include the cost of aircraft liability insurance and the annual debt service payments.

RECOMMENDATIONS

That the Budget and Finance Committee:

1. Refer to the Air Operations Executive Committee (AOEC) the policy issue of whether or not adding a refurbished S-64 Airplane Helitanker (Helitanker) to the City's helicopter fleet in 2007-08 is appropriate in relation to the citywide helicopter fleet standardization plan (Plan);
2. Instruct the AOEC to include in its report back to the City Council a discussion on the Helitanker relative to the Plan and a recommended position and/or guidelines on helicopter replacement;
3. Instruct the Los Angeles Fire Department (Fire), upon Mayor and City Council approval to add the Helitanker to the City's helicopter fleet, report back to the Public Safety and Budget and Finance Committees with a cost estimate on the purchase, operation and maintenance of the refurbished Helitanker; and,
4. If funding is available in 2007-08, provide Fire with additional one-time funding of \$700,000 in its contractual services account for Helitanker Services.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.187

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **LAST 10 YEARS OF MUNICIPAL IMPROVEMENT CORPORATION OF LOS ANGELES (MICLA) NEW MONEY ISSUANCES**

The Budget and Finance Committee requested that the City Administrative Officer provide a list of the last 10 years of MICLA new money issuances. Attached is that list.

KLS:MV:09070160.doc

Attachment

Last Ten Years MICLA Issuances

Calendar Year	Issue Name		Amount Issued Per Calendar Year	Maximum Annual Debt Service	Fiscal Year Maturity Date
2006	MICLA Lease Revenue Bonds, Series 2006-A (Police Headquarters Facility/Public Works Building)		\$ 448,595,000	\$ 28,836,675	2037
2005	Refunding of Several MICLA Financings, Program AY (Certificates of Participation, 2005)		\$ 46,395,000	\$ 9,202,170	2015
2004	Equipment and Real Property Acquisition, Program AX (Certificates of Participation, 2004)	64,170,000		\$ 10,921,250	2014
	Real Property Acquisition, Program AR2 (Certificates of Participation, 2004)	<u>16,875,000</u>	\$ 81,045,000	\$ 1,268,979	2024
2003	Real Property Acquisition, Program AW (Certificates of Participation, 2003)		\$ 36,220,000	\$ 2,229,750	2033
2002	Piper Technical Center Project, Program T3 (Certificates of Participation, 2002)	42,410,000		\$ 3,063,000	2027
	Real Property Acquisition, Program AR (Certificates of Participation, 2002)	62,105,000		\$ 4,390,730	2027
	Equipment and Real Property Acquisition, Program AU (Certificates of Participation, 2002)	70,700,000		\$ 12,435,605	2028
	North Valley Police Station, Program AQ (Certificates of Participation, 2002)	28,130,000		\$ 1,920,895	2032
	Equipment Acquisition, Program AN (Certificates of Participation, 2002)	<u>53,880,000</u>	\$ 257,225,000	\$ 9,859,150	2012
2000	Equipment Acquisition, Program AM (Certificates of Participation, 2000)		\$ 56,085,000	\$ 8,970,711	2011

Last Ten Years ICLA Issuances

Document

Calendar Year	Issue Name	Amount Issued Per Calendar Year	Maximum Annual Debt Service	Fiscal Year Maturity Date
1999	Equipment and Real Property Acquisition, Program AL (Certificates of Participation, 1999)	72,600,000	\$ 10,735,751	2016
	Hollywood & Highland Theatre Project, Program AK (Taxable Certificates of Participation, 1999)	<u>43,210,000</u>	\$ 3,612,703	2029
		\$ 115,810,000		
1998	Equipment and Real Property Acquisition, Program AE (Certificates of Participation, 1998)	\$ 74,555,000	\$ 10,999,994	2015
1997	Real Property Acquisition, Program H3 (Certificates of Participation, 1997)	2,420,000	\$ 219,393	2005
	Equipment and Real Property Acquisition, Program AA (Certificates of Participation, 1997)	88,770,000	\$ 14,671,600	2005
	Equipment and Real Property Acquisition, Program AC (Certificates of Participation, 1997)	<u>83,240,000</u>	\$ 12,689,121	2015
		\$ 174,430,000		
1996	Real Property Acquisition, Program H2 (Certificates of Participation, 1996)	3,755,000	\$ 361,258	2005
	Piper Technical Center Project, Program T2 (Certificates of Participation, 1996)	5,990,000	\$ 1,300,500	2006
	Equipment and Real Property Acquisition, Program W (Certificates of Participation, 1996)	65,470,000	\$ 12,235,578	2005
	Equipment Acquisition and Sanitation Yard Improvements Program X (Lease Revenue Bonds, 1996)	<u>24,625,000</u>	\$ 3,142,765	2006
		\$ 99,840,000		
TOTAL AMOUNT ISSUED ALL YEARS		\$ 1,390,200,000		

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.188

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **REPORT BACK MONEY SPENT OR BUDGETED OF TECHNOLOGY - RELATED ASSETS AND HISTORY ON THE LIFESPAN FOR IT-RELATED ASSETS**

The Budget and Finance Committee requested a report from the Office of the City Administrative Officer concerning how much money the City has spent or budgeted for technology-related assets together with a history of the lifespan of information technology related assets.

The City finances technology-related assets centrally in the Information Technology Agency (ITA) budget and in the budgets of individual departments. The financing of technology-related assets is further subdivided into financing for ongoing technology-related items provided in the "base budget" of ITA and individual City departments. Determining the technology-related assets of the ITA and individual department base budgets is a manual process which will require a review of the detail supporting individual line items in each department's base budget. This could require researching multiple line items in multiple accounts for as many as forty City departments and bureaus. In addition, the City has hundreds of software systems maintained by ITA and other departments which must be surveyed to determine the age and life expectancy of the systems.

To do a complete historical review of the entire base budget and Blue Book of each City agency going back several years, as well as providing lifespan information on various technology projects and software, this Office requests additional time to report back. We also plan to work with ITA this summer to develop an IT capital budget plan which includes at least five years of future projected needs which can be used for budget planning purposes. This would be consistent with an update to the "Information Technology Strategic Plan" developed by Gartner Consulting in April 2001.

RECOMMENDATION

That the Council instruct the Office of the City Administrative Officer to report back within 90 days regarding how much money the City has spent or budgeted for technology-related assets together with a history of the lifespan of information technology-related assets.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.189

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mt*

Subject: **AIRPORTS DEPARTMENT REPORT BACK REQUESTS**

The Committee requested the Airports Department to directly report back on questions raised during budget hearings on May 3, 2007 [system ID numbers: 469 through 476 and 478 through 482]. Discussion with Airports staff indicates that they are researching the answers and anticipate submitting responses to the Committee by May 14, 2007.

KLS:AVM:10070191

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
amt*

Subject: **1% AND 3% CUT TO MAYOR'S 2007-08 PROPOSED BUDGET - CITY ATTORNEY**

The Committee requested all departments to submit a one percent and three percent cut to the Mayor's 2007-08 Proposed Budget.

The 2007-08 Proposed Budget for City Attorney is \$96,445,659; of this amount \$94,466,767 is funded from the General Fund (GF).

General Fund Reduction

1% Reduction =	\$944,668
3% Reduction =	\$2,834,003

On April 27, 2007, our office requested the City Attorney to provide additional detail on where the reductions would be taken and the impacts of the reductions. At this time, we are waiting for their response.

KLS:JL

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
mmt*

Subject: **INCREASING SALARY SAVINGS RATE BY 1% - CITY ATTORNEY**

The Committee requested all departments to report back through the CAO on increasing their salary savings rate by an additional one percent.

Currently the City Attorney's salary savings rate is four percent, valued at \$2,810,377. Based on the Wages and Count, increasing the salary savings rate to five percent would total \$3,512,972, a net increase of \$702,595. Please note that this amount excludes salaries that are reimbursed by grants and the proprietary departments.

Also take note that this increase would be in addition to a \$1 million salary reduction and 13 unfunded positions (\$1.4 million) included in the proposed budget for the City Attorney.

On May 3, 2007, our office requested the City Attorney to provide additional detail on the impacts of the reduction. At this time, we are waiting for their response.

KLS:JL

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.192

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
ph mt***Subject: CAO RESPONSE REGARDING CULTURAL AFFAIRS LETTER DATED APRIL 23, 2007 RELATIVE TO THE 2007-08 MAYOR'S PROPOSED BUDGET**

The Department of Cultural Affairs (Cultural Affairs) submitted a letter to the Budget and Finance Committee dated April 23, 2007 outlining requests and concerns related to the Mayor's 2007-08 Proposed Budget.

Shortfalls

Charles Mingus Junior Art Center: The Department reports that the Charles Mingus Junior Art Center (Mingus Center) is scheduled to open on October, 2007. The Mingus Center will operate several feet from the Watts Towers Art Center, the existing community center, and the historic Simon Rodia Watts Towers. The proposed budget includes the Department's proposal to convert the existing Watts Towers Art Center into gallery and office space, while moving art and cultural services to the Mingus Center. The current estimate to operate the existing Watts Towers Art Center is \$176,500. The proposed budget allocates these monies for the Mingus Center to provide the same level of service and to add an additional \$17,500 to pay for equipment purchases.

The Proposed Budget includes an additional \$48,250 for gallery and office programming services, which will be allocated to the existing Watts Towers Art Center. The proposed budget also includes two additional position authorities for the gallery and office at a no cost adjustment.

A total of \$65,750 has been allocated for the staff and programming at both the Mingus Center and the Watts Towers Art Center. The Department is requesting an additional \$87,250 for operating the Mingus Center but has been unable to provide reasonable projections of the increased usage of the facility.

Recommendation: The Department will have sufficient funds in its 2007-08 budget to absorb \$87,250, therefore the CAO recommends no additional funds at this time. It is also recommended that the Department revisit and re-evaluate funding needs after the facility has been operating for a year.

New Items

Nate Holden Performing Arts Center: It was the Department's intent to hire a contractor to operate the Nate Holden Performing Arts Center by the end of the current fiscal year. The Department continues to work with CD 10 in crafting the Request for Proposal. As a result, the Department will need additional funds to continue caretaker services at the facility. The Year End Financial Status report will re-appropriate \$18,861 to the Unappropriated Balance (UB).

Recommendation: It is recommended that \$32,574 be added to the Department's operating budget, *Contractual Services Account*, 3040 and an additional \$13,713 be added in the 2007-08 UB for this purpose. Therefore, the 2007-08 Budget would include \$32,574 in the Department's operating budget and \$32,574 in the UB for a total amount of \$65,148.

General Concerns

Theatre Technicians (2) & Maintenance and Construction Helper (1): The Department is requesting to add one Theatre Technician position for the Barnsdall Gallery Theatre and replace the Arts Associate position included in the Mayor's Proposed Budget with a Theatre Technician to be located at the Warner Grand Theatre. The Department has been working with the Personnel Department in creating a classification for a Theatre Technician position since it currently exists as an exempt position. The Personnel Department intends to submit the Department's request to the Commission for approval by May.

The Department is also requesting to add a Maintenance and Construction Helper position for the Watts Towers at a no cost adjustment. The 2006-07 Budget added two position authorities for Maintenance and Construction Helper. The Proposed Budget did not include the third position since until recently, one of the positions was still vacant. The Department has now filled the position through an emergency appointment.

One-time Funding Amount of \$20,285: Cultural Affairs Trust Fund 844 receives donations for the Department.

Recommendation: It is recommended that the Department provide supporting documentation to demonstrate the appropriateness of spending the \$20,285 for as-needed purposes.

KLS: DM: 08070342d

Attachment

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

To: The Budget and Finance Committee

From: Karen Constine, Interim General Manager
Department of Cultural Affairs (DCA)

Re: 07-08 BUDGET

Date: April 23, 2007

DCA understands the current fiscal constraint within the City budget. With this in mind, DCA requests that the operations of two of its newer facilities be readdressed due to both a reduced request and new information.

SUMMARY:

- ✓ \$87,250 in operating funds for the Charles Mingus Youth Art Center (YAC) and Watts-area DCA facilities in CD 15; and
- ✓ \$65,148 in operating funds for the Holden Performing Arts Center (PAC) in CD 10; and
- ✓ Two positions are requested to be "regularized" from "as needed" status to fulltime status from existing funds in CD's 13 and 15; and
- ✓ Add \$20,285 from existing trust accounts and add it as a source of funds to the DCA's as needed salaries account for Barnsdall Park in CD 13.

NEW FACILITY:

Charles Mingus YAC and Watts-area DCA facilities in CD 15: DCA had requested \$157,000 in operating funds for new and existing DCA facilities in CD 15 and the Mayor's budget proposes \$49,500 in operating funds. In view of a more firm opening date for the YAC facility, DCA is asking for reconsideration of this item related to October 1, 2007 operational date. Since the Mayor's budget proposes two positions for the DCA's Watts Tower area art facilities, \$87,250 is needed for operating funds to manage DCA's Watts facilities.

EXISTING FACILITY:

Holden Performing Arts Center (CD 10): As requested by CD 10, DCA has not issued an RFP for a private operator to manage the facility. CD 10 continues to work on several issues that need to be addressed before the RFP's release. DCA did not request funds for this facility in its November request, but did advise the Mayor's Office that should the Department continue to operate the facility, \$65,148 will be needed in contract labor funds.

STAFFING:

The Mayor's proposed budget continues the significant progress we made this year relative to our staffing situation, particularly in the area of as needed staffing. With the assistance of the CAO, the Department has managed its as needed staff in 06-07. To continue this momentum, the Department requests:

- A. Theater Technician for the Barnsdall Gallery Theater (CD 13): The CAO continues to address remaining issues with the Personnel Department for this new classification. DCA requests to transfer \$52,000 from its as needed salaries account to its regular salary account to effectuate the position's "regularization" to put DCA on more solid operating footing next year.
- B. Maintenance & Construction Helper for the Watts Towers (CD 15): DCA has filled the second position it was provided in the 06-07 budget and requests to proceed with the third position (and final position) to provide the optimal crew size that the Department's Historic Site Curator advises is most efficient and safe. DCA proposes to transfer \$34,077 from as needed salaries to its regular salary account to complete the Watts Towers team and ensure the highest level of safety and operations.
- C. Theater Technician for the Warner Grand Theater (CD 15): DCA requests to exchange one new Arts Associate position for a Theater Technician at no additional cost.
- D. As Needed Salaries for Barnsdall Park (CD 13): DCA requests that a total of \$20,285 be added as a source of funds to the as needed salaries account from the following existing Cultural Affairs Trust Fund No. 844 accounts: \$5,132 from the Barnsdall Art Center account 002R and \$15,153 from the Junior Art Center account 001K. This was not requested in DCA's November submission. This request is based on increased demand for classes in the Winter 06 and Spring 07. This transfer is needed to solidify DCA's as needed staffing position in 07-08.

MISCELLANEOUS:

DCA has brought various changes affecting grantee names and other administrative items to the attention of the CAO.

CC: Mayor's Office
CAO
Council Offices

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.193

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT 2007-08 PROPOSED BUDGET 1% AND 3% REDUCTION**

Your Committee instructed the Department of Neighborhood Empowerment (Department) to report on a 1% and 3% reduction to the Mayor's proposed budget (copy attached for your reference). The Department proposes a 1% and 3% reduction from the 3040 Contractual Services account. This would impact the Material Distribution Services for neighborhood council elections and the Temporary Personnel Services.

Recommendation: Based on the current level of funding, there are no reductions recommended at this time.

Attachment (1)

KLS:DP:08070350c

System ID: 15
System ID: 200

2007-08 PROPOSED BUDGET -- 1%, 3% GENERAL FUND REDUCTIONS

PART I -- GENERAL FUND BASE

Department	Neighborhood Empowerment	Contact Person	Mike Vitkiewicz	Ext.	51822	Date	4/30/2007
A.	2007-08 Proposed Budget			\$	4,196,399		
B.	Less Grant Funded*			\$	-		
C.	Less Fee Supported*			\$	-		
D.	Less Special Fund Supported*			\$	-		
	(*Provide detail below. Special Funds that are General Fund subsidized should not be included in Line D).						
E.	Less Exempted sworn and civilian security related programs*						
F.	Subtotal of Lines B through E			\$	-		
G.	Total General Fund Financed Base (Line A - Line E)			\$	4,196,399		
H.	1% of Line G			\$	41,964		
	3% of Line G				125,891.97		
*	Grant Funded						
	_____			\$	-		
	_____			\$	-		
	_____			\$	-		
*	Fee Supported						
	_____			\$	-		
	_____			\$	-		
	_____			\$	-		
*	Special Fund Supported						
	_____			\$	-		
	_____			\$	-		
	_____			\$	-		
*	Security-related						
	_____			\$	-		
	_____			\$	-		
	_____			\$	-		

2007-08 PROPOSED BUDGET -- 1, 3% GENERAL FUND REDUCTIONS

PART II-- SUMMARY OF REDUCTION PACKAGES

Department Neighborhood Empowerment

Priority Number	Package Title	Position	Net Reduction
		Authorities	
	<u>Reduction Source Account: 3040, Contractual Services</u>		\$ -
	IMPACTED PROGRAM: NC ELECTIONS		
	Material Distribution Services, reduce by 4.7 %		4,614
	Independent Election Administrator fees, reduce by 21.9%		15,350
	IMPACTED PROGRAM: ALL		
	Temporary Personnel Services, reduce by 100%		22,000
	Subtotal 1% reduction		41,964
	<u>Reduction Source Account: 3040, Contractual Services</u>		
	IMPACTED PROGRAM: NC ELECTIONS		
	Material Distribution Services, reduce by 34.6%		33,892
	Independent Election Administrator fees, reduce by 100%		70,000
	IMPACTED PROGRAM: ALL		
	Temporary Personnel Services, reduce by 100%		22,000
	Subtotal 3% reduction		125,892
	Expense reductions listed above would be deducted from total proposed budget appropriation. Note: Dollars have been rounded.		
REV043007			
	Total 3% reduction		\$ 125,892

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.194

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
by mtfSubject: **RESPONSE FROM THE DEPARTMENT OF CULTURAL AFFAIRS
CONCERNING GRANT ELIGIBILITY**

The Department of Cultural Affairs submitted the attached memo dated May 2 2007 concerning the grant application guidelines regarding applicant eligibility in response to request from the Budget and Finance Committee. The Department indicates that the following are the current guidelines which ensure that artists receiving grants provide art and programming for the benefit of the City of Los Angeles:

- Quality services are proposed by artists residing in Los Angeles County to provide specific projects that are presented within the City of L.A. for the benefit of L.A. City residents and/or tourists.
- The selected artists have a history of providing goods and services to the City of Los Angeles
- All DCA grantees are required to register their work with a City of L.A. Business Tax Registration Certificate (BTRC) before receiving City funds.

The Department indicates that it can strengthen the grant eligibility criteria to ensure that the artwork will be developed and benefit the City of Los Angeles.

KLS:MTS: 08070351

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

To: The Budget and Finance Committee

From: Karen Constine, Interim General Manager
Cultural Affairs Department (DCA)

Re: Budget and Finance Question #339 -- regarding grant guideline eligibility for individual artists that work within the City of Los Angeles

Date: May 2, 2007

As requested, DCA is providing information on its grant application guidelines regarding artist applicant eligibility.

DCA's Cultural Grant Program [artist applicant] **currently serves the City's needs in three ways:**

- 1) Quality services are proposed by artists residing in Los Angeles County to provide specific projects that are presented within the City of L.A. for the benefit of L.A. City residents and/or tourists.** In this way, the process draws practitioners from the region to tour or operate (and in some instances relocate) within the City of L.A. Projects are compared across districts and communities so that, as in other City bidding programs, the best projects are secured.
- 2) The selected artists have a history of providing goods and services to the City of Los Angeles.** All demonstrate by their resume that they have worked in the City providing creative experiences and products for theaters, clubs, stores, galleries or museums.
- 3) All DCA grantees are required to register their work with a City of L.A. Business Tax Registration Certificate (BTRC) before receiving City funds.**

If there is a desire to strengthen DCA's grant eligibility language for artists to state eligibility for applicants "residing in L.A. County with a history of working in L.A. City" the staff will institute this change in FY08-09 and move forward reviewing only candidates that demonstrate a history of presenting within or a day-job in the City of L.A. according to the following logic. Creative artists are nomadic and multi-source wage earners. Most musicians, actors, dancers, painters and independent filmmaker are engaged in art-making as a secondary source of income, being hired as service providers. They are not themselves registered business sites. Approximately 80% of all artists make their primary income working at non-art day-jobs. Therefore, as grant applicants, they can demonstrate via their resume that they work in the City as producers of creative experiences or products for theaters, clubs, galleries, or stores or have a day-job in the City. Very few artists own and operate their own studio/venue; and this class of commercial artists does not traditionally apply for grants.

Thank you for your consideration.

cc: CAO
Mayor's Office
Council District 12

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.194

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
by mtfSubject: **RESPONSE FROM THE DEPARTMENT OF CULTURAL AFFAIRS
CONCERNING GRANT ELIGIBILITY**

The Department of Cultural Affairs submitted the attached memo dated May 2 2007 concerning the grant application guidelines regarding applicant eligibility in response to request from the Budget and Finance Committee. The Department indicates that the following are the current guidelines which ensure that artists receiving grants provide art and programming for the benefit of the City of Los Angeles:

- Quality services are proposed by artists residing in Los Angeles County to provide specific projects that are presented within the City of L.A. for the benefit of L.A. City residents and/or tourists.
- The selected artists have a history of providing goods and services to the City of Los Angeles
- All DCA grantees are required to register their work with a City of L.A. Business Tax Registration Certificate (BTRC) before receiving City funds.

The Department indicates that it can strengthen the grant eligibility criteria to ensure that the artwork will be developed and benefit the City of Los Angeles.

KLS:MTS: 08070351

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

To: The Budget and Finance Committee

From: Karen Constine, Interim General Manager
Cultural Affairs Department (DCA)

Re: Budget and Finance Question #339 -- regarding grant guideline eligibility for individual artists that work within the City of Los Angeles

Date: May 2, 2007

As requested, DCA is providing information on its grant application guidelines regarding artist applicant eligibility.

DCA's Cultural Grant Program [artist applicant] **currently serves the City's needs in three ways:**

- 1) Quality services are proposed by artists residing in Los Angeles County to provide specific projects that are presented within the City of L.A. for the benefit of L.A. City residents and/or tourists.** In this way, the process draws practitioners from the region to tour or operate (and in some instances relocate) within the City of L.A. Projects are compared across districts and communities so that, as in other City bidding programs, the best projects are secured.
- 2) The selected artists have a history of providing goods and services to the City of Los Angeles.** All demonstrate by their resume that they have worked in the City providing creative experiences and products for theaters, clubs, stores, galleries or museums.
- 3) All DCA grantees are required to register their work with a City of L.A. Business Tax Registration Certificate (BTRC) before receiving City funds.**

If there is a desire to strengthen DCA's grant eligibility language for artists to state eligibility for applicants "residing in L.A. County with a history of working in L.A. City" the staff will institute this change in FY08-09 and move forward reviewing only candidates that demonstrate a history of presenting within or a day-job in the City of L.A. according to the following logic. Creative artists are nomadic and multi-source wage earners. Most musicians, actors, dancers, painters and independent filmmaker are engaged in art-making as a secondary source of income, being hired as service providers. They are not themselves registered business sites. Approximately 80% of all artists make their primary income working at non-art day-jobs. Therefore, as grant applicants, they can demonstrate via their resume that they work in the City as producers of creative experiences or products for theaters, clubs, galleries, or stores or have a day-job in the City. Very few artists own and operate their own studio/venue; and this class of commercial artists does not traditionally apply for grants.

Thank you for your consideration.

cc: CAO
Mayor's Office
Council District 12

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **REPORT BACK ON SHARED ADMINISTRATIVE SERVICES BETWEEN THE COMMISSION ON THE STATUS OF WOMEN (CSW), COMMISSION ON CHILDREN, YOUTH AND THEIR FAMILIES (CCYF), AND HUMAN RELATIONS COMMISSION (HRC)**

The Budget and Finance Committee requested a report back on the shared administrative services initiative between CSW, CCYF and HRC.

The 2006-07 Mayor's Budget proposed that HRC, CCYF and CSW share common administrative services to enable more efficient and cost effective operations among the Commissions. Seven common administrative functions were identified and discussed in detail in a letter dated September 19, 2006:

- Budget preparation and administration;
- Accounting functions;
- Administrative support for Boards of Commissioners;
- Contract monitoring;
- Grant applications and administration;
- Personnel functions; and,
- Purchasing.

In a memo dated October 5, 2006, the three Commissions promised to provide quarterly reports for Mayor consideration beginning January 2007. This Office is not aware of any quarterly reports submitted for Mayor or CAO consideration to date; however, according to HRC, a number of meetings were held to make progress on this matter.

The following table presents a status check on major components of the shared services initiative. It is based on conversations between this Office and HRC in February and confirmed by subsequent conversations with CCYF and CSW:

<u>Function</u>	<u>Status</u>
Centralized purchasing	Not initiated
Contract monitoring	Not initiated
Accounting functions	Payroll functions have been finalized

Budget preparation	HRC has assisted CCYF on budget development and CSW on financial status reports
Commission meetings	HRC prepares minutes for commission meetings
Administrative support for Boards of Commissioners	Not initiated
Personnel functions	Not initiated
Grant applications	Not initiated

Recommendation

We recommend that CCYF, HRC and CSW report back to the Council within 60 days on the progress of the shared administrative services initiative and identify obstacles to the full and complete implementation of this initiative.

KLS:ND:02070237

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.196

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
5/7/07*Subject: **LOS ANGELES FIRE DEPARTMENT**

The attached letter from the Los Angeles Fire Department (Fire) responds to the following requests made by your Committee:

- A one to three percent budget reduction exercise;
- An evaluation of the protocols of how and when an ambulance is dispatched;
- A report back on what Fire is doing to improve ambulance collection rates; and,
- A report back on bilingual/multilingual training by Community Emergency Response Team (CERT) staff.

KLS:RMK:04070178c

Attachment

BOARD OF FIRE COMMISSIONERS

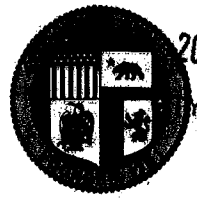
DALILA T. SOTELO
PRESIDENT

JILL FURILLO
VICE PRESIDENT

ANDREW FRIEDMAN
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CASIMIRO URBANO TOLENTINO

BLANCA GOMEZ-REVELLES
EXECUTIVE ASSISTANT II

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

FIRE DEPARTMENT

DOUGLAS L. BARRY
INTERIM FIRE CHIEF

200 NORTH MAIN STREET
LOS ANGELES, CA 90012

(213) 978-3800
FAX: (213) 978-3815

<http://www.lafd.org>

2007 MAY -7 PM 12:43
CITY ADMINISTRATIVE OFFICER

May 7, 2007

Honorable Bernard C. Parks
Chair, Budget and Finance Committee
City Hall, Room 395
Los Angeles, CA 90012

Attn: Karen Sisson, City Administrative Officer
Office of the City Administrative Officer

Dear Councilmember Parks:

This is in response to the following information requested from the Fire Department by members of the Budget and Finance Committee at the Budget Hearing held on April 26, 2007:

- *Submit Reduction Packages (1% and 3%)*

A one percent (1%) reduction in the Fire Department's FY 07-08 Budget equals \$5.3 million and a three percent (3%) reduction equals \$16.0 million. The one percent reduction is equivalent to about 39 sworn positions and the three percent equates to about 118 sworn positions. Such a decrease in the Department's budget would have a significant negative impact on Department operations and the services provided in the City.

Ninety-six percent (\$509 million) of the Department's budget is designated for salaries and four percent (\$24 million) is allocated for expense accounts. Expense account funding pays for critical operating expenses such as auto parts, brush clearance contracts, helitanker lease, uniforms, office supplies and operating expenses for 103 fire stations. Several of our expense accounts have been consistently under funded; and over the past several years we have experienced significant account deficits.

The Department's 3,584 uniformed personnel and 346 civilian support staff address multiple aspects of life safety, including fire prevention, firefighting, emergency medical care, technical rescue, hazardous materials mitigation, disaster response, public education and community service protecting the approximately 4 million people who live and work in America's second largest City.

While the Department is cognizant of the financial difficulties facing the City's budget, there are very few alternatives for reductions that will not cause an impact to the community.

- *Evaluate the protocols of how and when a routine ambulance is dispatched on 911 calls.*

The Fire Department is currently analyzing its practices and available data relating to ambulance dispatch. Due to the complexity of this process the Department estimates it will take approximately 90 days to complete the evaluation.

- *Report back on what LAFD is doing about improving the ambulance collection rate.*

The Department is currently working on a Request for Proposal (RFP) for a field data collection system that would accurately capture patient and insurance information obtained on the scene by using a handheld device that allows scanning or swipe-card functions, which will eliminate or minimize undeliverable billing statements. The system would also track patient care records.

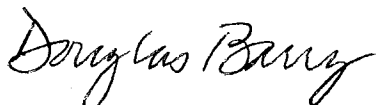
The Department has made several administrative adjustments to facilitate the billing process by assigning a staff to collect completed emergency medical report forms from fire stations instead of relying on City mail. This is to ensure that the forms are received by the Emergency Medical Services Billing (EMS) Unit on a timely manner for billing purposes.

Additional overtime hours and sub-authority positions have been authorized in the EMS Unit to address the shortage of staff due to vacancies to ensure continuous billing operations.

- *Are there multi-lingual trainers available for CERT training? What languages? Bilingual or trilingual to train personnel?*

The Department currently provides Community Emergency Response Team (CERT) training in English and Spanish. The CERT Unit has three assigned bi-lingual (English/Spanish) instructors. The CERT training can also be taught in any other language with the use of a translator provided by the sponsoring organization or by the LAUSD Translation Unit, if the sponsoring organization cannot provide a translator.

Respectfully submitted,



DOUGLAS L. BARRY
Interim Fire Chief

DLB:SO:edb

EQUIVALENT SWORN POSITIONS FOR THE REDUCTION PACKAGE CALCULATION

FY 07-08 Sworn Salaries	No. of Regular Sworn Positions	Ave. Sworn Salary	Proposed Reduction	Equivalent Sworn Positions
\$486,467,921	3,584	\$135,733	\$5,300,000	39.04717902
			\$16,000,000	117.8782763

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject: **PERSONNEL DEPARTMENT VARIOUS REPORTS BACK TO BUDGET AND FINANCE COMMITTEE REGARDING PROPOSED 2007-08 BUDGET**

Attached are six memos with information from the Personnel Department regarding the Mayor's Proposed 2007-08 Budget. The Department was asked to report back as follows:

1. With a breakdown of the projected monthly hiring goals for law enforcement positions at LAWA, Harbor, LAPD, and GSD;
2. With a survey of recruitment methods for LAPD hires;
3. On whether there have been changes in medical and physical abilities standards in the police officer selection process;
4. On steps taken to monitor and tighten controls over background staff and investigation results, including auditing processes and procedures and ratio of the number audited against the total number of background checks performed;
5. On the cost of re-establishing the employee wellness program; and
6. Working with the City Attorney, on ways to improve the sworn side of workers' compensation case management, similar to the LAWA model;

The Department indicated that the report on strategies used by other cities to recruit and hire more women in sworn positions is pending.

KLS: AIS:18070100d

**BOARD OF CIVIL SERVICE
COMMISSIONERS**

Room 360, PERSONNEL BUILDING

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PRESIDENT

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CALIFORNIA**



ANTONIO R. VILLARAIGOSA
MAYOR

PERSONNEL DEPARTMENT

PERSONNEL BUILDING
700 EAST TEMPLE STREET
LOS ANGELES, CA 90012

Margaret M. Whelan
GENERAL MANAGER

May 5, 2007

Honorable Members of the Budget and Finance Committee
c/o City Administrative Officer
Room 1500, City Hall East

**PERSONNEL DEPARTMENT: FISCAL YEAR 2007-08 PROPOSED BUDGET
FOLLOW-UP ITEMS FROM APRIL 30, 2007 BUDGET HEARING**

The attached additional information is provided to the Budget and Finance Committee in response to the Personnel Department's budget hearing on April 30, 2007.

Should you have any questions or need additional information, please contact myself at (213) 847-9746, or Susan Nakafuji of my Administrative Services Division, at (213) 485-0613.

MARGARET WHELAN
General Manager

MW:TC:SN

Attachment

c: Sally Choi, Deputy Mayor of Finance and Performance Management
Lynne Ozawa, Office of the Chief Legislative Analyst
Anny Surmenian, Office of the Chief Administrative Officer

Personnel Department

System ID: 292

Report back with a breakdown of the projected monthly hiring goals for law enforcement positions a LAWA, Harbor, LAPD and GSD.

Information as conveyed to the Personnel Department from General Services, LAWA, and Port:

PUBLIC SAFETY OFFICER PROCESSING			
VACANCIES	GSD	AIRPORT	PORT
Current Vacancy (as of 05.01.07)	8	5*	25
Projected Vacancy for FY 2007-08	10	47-60	25
Projected total Hires for FY 2007-08	18	65	41
Hires per class/month**	2-3	10	10

* Airport Police anticipates 10 new positions during the current fiscal year (FY07/08) for Palmdale when United Airlines begins service.

** Number of hires per month until all projected hires for 07/08 are filled.

Additional Info: GSD and Airport Police attend the LAPD Academy. Classes are every four-week deployment period for 13 classes in a calendar year. Port Police continues to the LASO Academy.

LAPD Academy Class Date	GSD	AIRPORT	LAPD
DP 7 - 06/25/07	3	10	60
DP 8 - 07/23/07	3	10	60
DP 9 - 08/20/07	3	10	60
DP 10 - 09/17/07	3	10	60
DP 11 - 10/15/07	3	10	60
DP 12 -11/13/07	3	10	60
DP 13 - 12/10/07	---	5	60
DP 1, 2008 - LAPD	---	---	60
DP 2 - LAPD	---	---	60
DP 3 - LAPD	---	---	60
DP 4 - LAPD	---	---	60
DP 5 - LAPD	---	---	60
DP 6 - LAPD	---	---	60
FY 2007/2008 projected hires	18	65	780

LASO Academy Class Date	PORT
07/25/07	10
08/15/07	10
10/03/07	10
11/07/07	6
12/05/07	5
Jan 2008	--
Feb 2008	--
Mar 2008	--
Apr 2008	--
May 2008	--
Jun 2008	--
FY 2007/2008 projected hires	41



Personnel Department

System ID: 293

Report back with a survey of recruitment methods for LAPD hires.


For the Period July 1, 2004 - December 31, 2006 the percentages are:

Direct advertising (billboards, print, radio, television, college and military media, movie screens, etc.) = 22.1% of candidates cited a form of direct advertising

Internet = 30.2%. It should be noted that all of our advertising is designed to drive potential candidates to the JoinLAPD.com website. Thus, many candidates who cite the internet may have seen or heard the website address on one of our ads.

LAPD/Personnel Department Recruitment Activities = 20.1%. This includes special events put on by the departments; job fairs, events, and other venues attended by LAPD recruiters; distribution of flyers and brochures; etc. The special events are always supported by direct advertising and LAPD attendance at job fairs, etc. are often supported by direct advertising.

Police Officer friend or relative = 27.4%



Personnel Department

System ID: 297

Report back on whether there have been changes in medical and physical abilities standards in the police officer selection process.

Physical Abilities Standards

The Physical Abilities Test is conducted in two parts. The first part consists of three events. A sidestep exercise measures coordination and agility. A cable pull measures upper body strength. A leg ergometer (stationary bicycle) measures muscular endurance. This portion of the PAT has been used since 1994. The second part of the PAT, administered at the same time as the medical examination, is a treadmill. Candidates are required to remain on the treadmill for 10 minutes, 20 seconds. The speed and elevation of the treadmill are set so that the candidate is required to expend the same amount of energy as running 1 1/2 miles in 14 minutes. **All candidates who entered the selection process after October 1, 2005 have been required to take and pass the PAT 2.** As of April 25, 2007, the scores of all candidates who entered the selection process prior to October 1, 2005 have expired, so all candidates in classes starting with the May 29, 2007 class will have been required to pass the PAT 2.

On the third Thursday of each month is held a meeting of the Police Coordinating Committee, which consists of representatives of those units within both the Personnel and Police Departments responsible for recruitment, hiring, and training of new officers. LAPD Training Division is a standing member of the committee. And while they state that candidates could certainly be in better shape, they have not said that the physical condition of recruits is significantly worse than in past years. In fact, we have been receiving a weekly list of all LAPD separations since April 29, 2006 and the reason for a recruit resigning from the academy rarely is lack of physical condition or a related reason (i.e., double failing self defense). A caveat should be added that many recruits resign for "personal reasons" and these reasons may include an inability to meet the physical demands of the academy, but we are not aware that this is a significant contributing factor. Additionally, we have not received any information indicating that there is an increase in injuries. Finally, according to Training Division, attrition in the training academy is lower than it has been in a number of years.

Candidates for Airport Police Officer, Port Police Officer, and Special Officer have been subject to the same PAT (except the treadmill) since 2001. Candidates for these departments who have entered the selection process since November 9, 2006 are subject to the treadmill. We have not received any concerns from these departments about the fitness of their candidates.

Changes in the Police Officer Medical Standards Since July 2005:

1. Body Fat cut-off for Police Candidate – for LAPD applicants only, changed to Male 24% and Female 32%. Previous requirement was male 22 %, female 30%. Effective July 19, 2005.
2. Bradycardia (slow heart rate) protocol) – requirements for additional medical tests were removed for those applicants with slow heart rates that could be accounted for on the basis of conditioning due to participation in high intensity cardiovascular activities (e.g., marathon runners, triathletes, etc). The change expedited the process for these candidates and removed the requirement for testing that was deemed to be unnecessary. Effective February 7, 2006.
3. Hearing Loss: H.I.N.T. – guidelines established for making the decision regarding which candidates with hearing loss would be offered the option for a repeat H.I.N.T. evaluation. The change resulted in giving applicants with a hearing loss a second opportunity to qualify rather than being disqualified. Effective January 4, 2006.
4. Hearing Aids - Police candidates could qualify by using hearing aids if they could pass the specialized hearing tests administered at the House Ear Clinic, as required by POST. Effective October 5, 2006.
5. Body Fat – reinstatement of the prior body fat requirement: males = 22%, females = 30%. Effective April 26, 2007.

Personnel Department

System ID: 296

Report back, in a confidential memo, on steps taken to monitor and tighten controls over background staff and investigation results. Include auditing processes and procedures and ratio of the number audited against the total number of background checks performed.

Background Investigation Audits

Audits are performed on 100% of completed background investigation case submitted by every Background Investigator. Using the attached Audit Form as a guide, the Team Leader (Background Investigator II) conducts a page-by-page review of the submitted investigation. The Audit Form was created to mirror those areas, which are audited by the Commission on Peace Officer Standards and Training (POST). In addition to the documents contained in the investigation, the Team Leader reviews the investigation to confirm that the information obtained from the collected records are corroborated by the field investigation conducted by the Background Investigator and to insure that issues of concern were sufficiently addressed. This initial audit also serves as an opportunity to provide Background Investigators with feedback and direction in maximizing the efficiency of resources and time.

In addition to the Investigation Audits, an Analyst from the Review and Evaluation Section of the Background Investigation Division also reviews every completed case. The Analyst reviews the completed investigation for thoroughness and whether the information contained in the package supports the Investigative Section recommendation. Completed background packages are also reviewed by the Medical Services Division (psychologist) and LAPD staff for hiring or disqualifying consideration.

Quality Assurance Survey

In addition to the Background Investigation Audit, Personnel Department has instituted the use of a Quality Assurance Survey (QAS). The attached form is used to conduct a random check on field contacts on a minimum of 10% of all completed packages. In addition to moving forward with the QAS effective this last quarter of the fiscal year, Personnel is also conducting a random check on field contacts using the QAS form on a minimum of 10% of backgrounds completed on candidates hired in the current fiscal year.

Background investigation field contacts fall into four basic categories; reference, residence, employer, and agency checks (law enforcement agencies where the candidate applied or had contact). These checks are conducted based on both information provided by the candidate and information developed during the course of the investigation. Telephonic contacts are primarily made to establish the availability and relevance of information at the point of contact. For example, if the initial contact with a previous employer establishes that there are no personnel records maintained nor employees currently employed who recall the candidate from several years ago, an

investigator will not make an in-person check. However, if initial contact reveals that there are files that require in-person review or persons who may have relevant information to provide, the investigator will make necessary arrangements to make the in-person field contact. This efficient practice eliminates wastes associated with "cold" field contacts, is utilized by major law enforcement agencies, and is an accepted practice by the Commission on Peace Officer Standards and Training.

Audit Form

Candidate:		Sex		Ethnic:		Oral	
Department		S.S. #:					
U.S. Citizen:	Yes	BI		Supervisor:			
Item	In File	Req	Item	In File	Req.		
PERSONAL HISTORY FORM / CIVIL SERVICE APP.			RECORDS/SPECIAL INVESTIGATIONS (Cont'd)				
Personal History Form			PD Checks				
Civil Service Application			Campus Police Checks				
PRELIMINARY BACKGROUND QUEST/INTERVIEW			Other Dept Applications				
Clarification Interview			REFERENCES				
PBQ			Spousal/Sig Other/ Ex's				
PIQ			Co Hab/Roommates				
TRANS UNION			Initial References				
Trans Union			Developed References				
Other Financial Records			ADMINISTRATIVE / MISCELLANEOUS				
Bankruptcy Documents			CPAT Test Results				
EMPLOYMENT / RESIDENCE			EMT Certificate				
Employment Checks			Paramedic License				
Residence Checks							
RECORDS/SPECIAL INVESTIGATIONS			Polygraph Examination				
Firearms Certification			Medical Affidavit				
CII			Urinalysis / Psych				
FBI			Driver License				
NECS			Social Security				
NIN			Birth Certificate				
GANGS			Naturalization Certificate				
ATD			Marriage License				
Selective Service			Divorce Documents				
DD-214			HS Diploma/Transcripts/GED				
Military Records			College Diplomas/Transcripts				
Military Police			Tattoo Photos				
Out of State DMV			Vehicle Insurance				
Out of State DOJ Check			I-9 Form				
Out of State COP Checks			Miscellaneous & LAPD Docs.				
			WAIVERS				
Interpol Checks			Notarized Waivers				

EMPLOYMENT

RESIDENCE

REFERENCE

AGENCY

QUALITY ASSURANCE SURVEY

Person Contacted: _____ **Date of Contact:** _____ (Use separate survey for each contact)

Assigned Investigator: _____

Candidate: _____ **SSN: XXX-XX-** _____

"I am conducting a random survey on one of our investigators to determine the effectiveness/demeanor of our personnel."

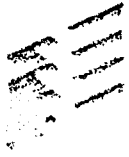
1. Was the interview conducted in person or telephonic? _____
2. Was the investigator professional in her/his questioning regarding the candidate? Yes-No (Explain no answer in comments section)
3. Did the investigator ask appropriate questions to determine the candidate's ability to perform the duties of a public safety officer? Yes-No (Explain no answer in comments section)
4. Is there anything about the interview that you feel should have been handled differently? Yes-No
5. Do you recommend the candidate for hire? Yes-No (Explain no answer in comments section)

COMMENTS:

(Place additional comments on page two.)

INVESTIGATOR RATING: Outstanding (4) ___ Above Average (3) ___
Acceptable (2) ___ Improvement Needed (1) ___

TEAM LEADER: _____ **Date:** _____
(Print Name and Initial)



Los Angeles World Airports

May 3, 2007

The Honorable Bernard C. Parks
Chair, Budget & Finance Committee
City of Los Angeles
Room 460, City Hall
200 North Spring Street
Los Angeles, CA 90012

Dear Councilmember Parks:

LAX
Ontario
Van Nuys
Palmdale
City of Los Angeles

Antonio R. Villaraigosa
Mayor

Board of Airport
Commissioners

J. I. Rothenberg
President

Valeria C. Velasco
Vice President

Joseph A. Aredas
Michael A. Lawson
Sylvia Patsaouras
Fernando M. Torres-Gil
Walter Zifkin

Samson Mengistu
Acting Executive Director

It was good to see you this afternoon. I want to amplify my comments thanking the Personnel Department and, in particular, Margaret Whelan, for the department's superlative efforts on behalf of the Airport Police in staffing our agency. On April 9th, 2007, I met with Martha Garcia and other members of Ms. Whelan's staff to discuss on-going recruitment issues related to the Airport Police Division at Los Angeles International Airport. The meeting was extremely productive and reflective of the great partnership between the APD and the Los Angeles City Personnel Department that has evolved under her leadership.

To recap, working together, we have placed 57 candidates into the police academy in fiscal year '06-'07, an unprecedented accomplishment in the history of the Airport Police Division. More importantly, the selection and background processes conducted and overseen by the Personnel Department have yielded top tier candidates for our agency. In fact, two of our recruits are President and Vice-President of their classes. It is particularly noteworthy that of all the candidates placed into the Los Angeles Police Academy to date, not a single one has been disqualified for failures during academy training.

We anticipate continued hiring to cover attrition, new position hires and supervisory vacancies in '07-'08. I again want to thank Ms. Whelan and her dedicated staff for assisting us in recruiting, back grounding and hiring the airport police officers of the future.

Sincerely,

James T. Butts, Jr.
Deputy Executive Director
Airport Law Enforcement & Protection Services

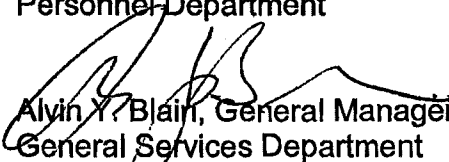
JTB:jko

cc: Honorable Members of Budget & Finance Committee
Margaret M. Whelan, General Manager, Personnel Department

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: May 3, 2007

TO: Maggie Whelan, General Manager
Personnel Department

FROM: 
Alvin Y. Blair, General Manager
General Services Department

SUBJECT: HIRING PROCESS FOR PUBLIC SAFETY OFFICERS

I would like to take this opportunity to thank you for your Departments assistance and dedication in the area of Public Safety Officer hiring. The Personnel Departments consolidated testing program has been a success as it relates to processing General Services Department Police Officer (Special Officer) candidates. This fiscal year, we have hired 31 officers to date and hiring is expected to surpass previous year numbers by the end of the fiscal year.

The quality of candidates we hire and send to the Los Angeles Police Academy are excellent. After graduation, those recruit officers have grown to become effective and professional law enforcement officers of this City.

Chief Gary Newton would especially like to recognize the hard work of Phyllis Lynes, Raul Lemus, Scott DeYoung and Olivia Flores of your staff. Each one of these employees has gone above and beyond the call of duty to ensure that candidates from all four City police organizations receive fair opportunity to evaluate and select quality candidates.

I look forward to continuing this cooperative relationship in the coming years and am confident that our remaining existing and new vacancies can be filled in the same expeditious manner that you have demonstrated in the past.

AYB/gn

Personnel Department

System ID: 300

Report back on the cost of reestablishing the employee wellness program.

City of Los Angeles Flex

Wellness Program

In an effort to control the costs of health insurance to maintain a healthier workforce, the Budget and Finance Committee requested costing information for implementation of an Employee Wellness Program for civilian employees. The Employee Benefits Division of the Personnel Department is requesting \$427,000 to provide us with the financial resources to provide an all-encompassing program.

Our proposed Wellness Program would include:

- **Website** - Mercer Human Resources Consulting has recently expanded its services into the realm of wellness by creating a personalized "benefits portal" website for its clients. The website will serve as a one-stop shop for employees and dependents to become more informed and involved with their health care. Web page links will guide employees through their FLEX Benefits, Medicare Information, and Value Options Employee Assistance Program Services. They will also be able to read and print health plan documents and forms. In addition, employees will also be able to log-in to access a secure site in order to make changes to their benefits. Finally, through the partnership of the City and its insurance providers, the site will also allow employees and dependents to easily link to Blue Cross & Kaiser Permanente websites, special programs, and member discounts. The approximated cost to the City for Mercer to build and maintain such a website would be: \$130,000 one time fee and an ongoing fee of \$41,000.
- **Wellness / Benefits Fairs** - Wellness Fairs combined with Open Enrollment Fairs including Health Screenings by Blue Cross & Kaiser Permanente staff. The approximated cost to the City for Blue Cross and Kaiser to coordinate and supply staff for these events would be: \$25,000
- **Worksite Wellness events** - Blue Cross and Kaiser Permanente are constantly producing new materials, services and programs to aid its members in creating healthy lifestyles. The insurance providers will provide therapeutic chair massages, health screenings, health risk assessments, influenza vaccines, and health education seminars. The approximated cost to the City for Blue Cross and Kaiser to coordinate and supply staff for these events would be: \$50,000
- **Rewards Programs & Incentives** - With funding, the Wellness Program could provide an online Rewards Program hosted by Blue Cross or Kaiser Permanente. The rewards website

would offer an online *Health Risk Assessment Questionnaire* in addition to incentives for active participation in healthy behaviors. The approximated cost to the City for Blue Cross and Kaiser to supply incentives to participating employees would be: \$100,000

- **Gym Discounts** – In addition to the product and service discounts already offered by our insurance providers, the City would be able to offer discounts to employees for gym memberships (i.e. 24 hour Fitness or LA Fitness) not discounted by Blue Cross or Kaiser Permanente. The gym would also participate in our Open Enrollment and Wellness/Benefits Fairs. The approximated cost to the City for gym membership premiums for participating employees would be: \$29,000
- **Newsletters & Resources Library** - Brochures, pamphlets, and information sheets about Disease Management (Asthma, Diabetes, Coronary Artery Disease, Heart Failure, Chronic Obstructive Pulmonary Disease, Cancer, etc.), pregnancy, smoking cessation, weight loss, and nutrition. The library would also include EAP brochures. The approximated cost to the City for providing such resources would be: \$52,000

Personnel Department

System ID 294

With the assistance of the City Attorney report back with suggestions for reducing workers compensation cost for both sworn and civilian. Report should include information from San Francisco, San Diego and Minneapolis regarding their successes in reducing workers compensation costs. See additional question on recruitment of females for sworn positions.

Preliminary data indicates that Los Angeles World Airport's (LAWA) expenditures, claims, and salary continuation (IOD) are overall less than the civilian population in general. The LAWA model is substantially different than the civilian and sworn model; for example, LAWA has two dedicated attorneys with reduced caseloads, and nursing and safety staff.

Both the recent Controller's audit of the City workers' compensation claims program and comments made by the Budget and Finance Committee on April 30, 2007, agree that reduced caseloads for the City Attorney and Personnel Department workers' compensation claims staff will result in reduced expenditures.

It is therefore recommended that the Personnel Department and City Attorney's Office together with the City Administrative Office be directed to report back to the Budget and Finance Committee with a comprehensive analysis and suggestions on reducing the City's sworn and civilian worker's compensation claims costs, including program design modifications, staffing models, and related cost-benefit analyses.

Personnel Department

System ID None

Councilmember Rosendahl requested a report back from the department on strategies used by other cities to recruit and hire more women in sworn positions. Personnel Department General Manager Maggie Whelan responded that some of the cities discussed (San Diego, San Francisco and Minneapolis) were under consent decrees, but the department would respond back for the cities not under a consent decree on methods used to hire more women.

Report pending.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.198

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **DEPARTMENT OF RECREATION AND PARKS – SWIMMING POOL OPERATIONS**

Your Committee requested the Department of Recreation and Parks (Department) to report back on whether the funding provided in the 2007-08 Proposed Budget is sufficient for the operations of the 59 swimming pools. Your Committee also requested the Department to report back on the hours of operation for each of swimming pools and how much it would cost to operate the 59 swimming pools year round. Attached is the Department's response dated May 7, 2007.

The Department reports that 17 of the 59 swimming pools operate on a year-round basis. Thirty-five swimming pools operate on a seasonal basis. Swimming pool season typically starts in late June and lasts until Labor Day of each year. The remaining seven swimming pools, some of which are located at camping sites, are either closed for renovation or open and operational during camping season. Attachment A of the Department's response provides a list of the swimming pools that are currently open and operational, including location by Council District and hours of operations.

The Department reports that more than 67% of the swimming pools are over 40 years old and their infrastructure are in failing condition. The Department further reports that over \$300 million would be required to refurbish or replace the failing swimming pools.

At this time, the Department is unable to provide cost estimates to operate the seasonal swimming pools on a year-round basis. The Department reports that staff is currently working on a comprehensive analysis of the swimming pool infrastructure issues needed to formulate operational cost estimates.

This memorandum is informational only. There is no fiscal impact.

KLS:VES:08070325c

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PARK COMMISSIONERS**

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**DEPARTMENT OF
RECREATION AND PARKS**

1200 WEST SEVENTH STREET
7TH FLOOR, SUITE 748
LOS ANGELES, CA 90017

(213) 928-9033
FAX - (213) 928-9031

JON KIRK MUKRI
GENERAL MANAGER

May 7, 2007

Honorable Councilmember Bernard C. Parks, Chair
Budget and Finance Committee
c/o City Clerk, City Hall Room 395
Los Angeles, California 90012

ATTENTION: Lauraine Braithwaite, Legislative Assistant

Dear Councilmember Parks:

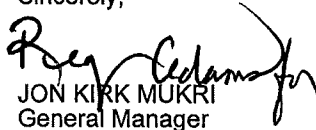
This is in response to your Committee's request to report back on the amount of funding that would be sufficient to pay for the operations of all of the Department of Recreation and Parks swimming pools on a year-round basis. Currently, we operate 17 pools year-round and an additional 35 pools on a seasonal basis.

Although we appreciate the inquiry on this item, it would be premature for us to provide just operational costs to this Committee as our pools have much deeper infrastructural issues. As detailed in our 2006 Pool Assessment Report, over 67% of the City of Los Angeles pools are over 40 years old, and their infrastructures are in failing condition. We have estimated that over \$300 million is required to refurbish or replace these swimming pools.

In Attachment A, we have provided a list of the 17 year-round pools and 35 seasonal pools. This list excludes the seven pools at our lakes and camps.

If you have any questions or need additional information, please contact Michael Shull, Planning and Construction Superintendent, at 213-928-9195; or Debby Rolland, West Region Superintendent, at 310-202-2803.

Sincerely,


JON KIRK MUKRI
General Manager

JKM:RA:am

Attachment

cc: Karen L. Sisson, City Administrative Officer
Veronica Salumbides, City Administrative Office

Recreation and Parks List of Year Round and Seasonal Pools

Year Round Pools	Address	Council District #	Hours of Operation * (Monday - Friday)
1. ECHO DEEP (INDOOR)	1419 COLTON AVE. LOS ANGELES 90026	1	7:00 a.m. - 9:00 p.m.
2. VAN NUYS/SHERMAN OAKS	14201 HUSTON ST., VAN NUYS 91423	2	6:00 a.m. - 9:00 p.m.
3. CLEVELAND H.S. (INDOOR)	8120 VANALDEN AVE., RESEDA 91335	3	5:30 a.m. - 9:00 p.m.
4. WESTWOOD (INDOOR)	1350 SEPULVEDA BLVD., LOS ANGELES 90025	5	6:00 a.m. - 9:00 p.m.
5. HANSEN DAM SWIM LAKE	11798 FOOTHILL BLVD., LAKE VIEW TERRACE 91342	7	11:00 a.m. - 9:00 p.m.
6. HUBERT HUMPHREY	12560 FILMORE ST., PACOIMA 91331	7	10:00 a.m. - 8:00 p.m.
7. JOHN C. ARGUE SWIM STADIUM	3980 S. MENLO AVE., LOS ANGELES 90037	8	7:30 a.m. - 9:00 p.m.
8. FREMONT H.S. (INDOOR)	7630 TOWNE AVE., LOS ANGELES 90003	9	5:30 a.m. - 9:00 p.m.
9. CELES KING III (INDOOR)	5001 RODEO RD., LOS ANGELES 90016	10	6:30 a.m. - 7:00 p.m.
10. E.G. ROBERTS (INDOOR)	4526 PICO BLVD., LOS ANGELES 90019	10	7:00 a.m. - 9:00 p.m.
11. LACES	5931 W. 18th ST., LOS ANGELES, CA 90035	10	5:30 a.m. - 9:00 p.m.
12. VENICE H.S. (INDOOR)	2490 WALGROVE AVE., LOS ANGELES 90066	11	5:30 a.m. - 9:00 p.m.
13. GLASSELL	3704 VERDUGO RD., LOS ANGELES 90065	13	7:00 a.m. - 9:00 p.m.
14. RICHARD ALATORRE (INDOOR)	4721 KLAMATH ST., LOS ANGELES 90032	14	11:00 a.m. - 9:00 p.m.
15. ROOSEVELT H.S.	456 S. MATHEWS ST. LOS ANGELES 90033	14	5:30 a.m. - 9:00 p.m.
16. BANNING H.S.	1450 N. AVALON BLVD., WILMINGTON 90744	15	5:30 a.m. - 9:00 p.m.
17. PECK PARK	560 N. WESTERN AVE., SAN PEDRO 90732	15	8:00 a.m. - 8:00 p.m.

Seasonal Pools	Address	Council District #	Hours of Operation * (Monday - Friday)
1. HIGHLAND	6150 PIEDMONT AVE., LOS ANGELES 90042	1	10:00 a.m. - 6:00 p.m.
2. LINCOLN	3501 VALLEY BLVD., LOS ANGELES 90031	1	10:00 a.m. - 6:00 p.m.
3. VALLEY PLAZA	6715 LAURELGROVE AVE., N. HOLLYWOOD 91606	2	10:00 a.m. - 6:00 p.m.
4. VERDUGO HILLS	10654 IRMA AVE., TUJUNGA 91042	2	10:00 a.m. - 6:00 p.m.
5. LANARK	21817 STRATHERN, CANOGA PARK 91304	3	10:00 a.m. - 6:00 p.m.
6. RESEDA	18411 VICTORY BLVD., RESEDA 91355	3	10:00 a.m. - 6:00 p.m.
7. WOODLAND HILLS	5858 SHOUP AVE., WOODLAND HILLS 91367	3	10:00 a.m. - 6:00 p.m.
8. GRIFFITH	3401 RIVERSIDE DR., LOS ANGELES 90027	4	10:00 a.m. - 6:00 p.m.

**Recreation and Parks
List of Year Round and Seasonal Pools**

9. NORTH HOLLYWOOD	5301 TUJUNGA AVE., NORTH HOLLYWOOD 91601	4	10:00 a.m. - 6:00 p.m.
10. PAN PACIFIC	141 S. GARDNER ST., LOS ANGELES 90036	4	10:00 a.m. - 6:00 p.m.
11. CHEVIOT HILLS	2693 MOTOR AVE., LOS ANGELES 90064	5	10:00 a.m. - 6:00 p.m.
12. FERNANGELES	8851 LAUREL CANYON BLVD., SUN VALLEY 91352	6	10:00 a.m. - 6:00 p.m.
13. SUN VALLEY	8123 VINELAND AVE., SUN VALLEY 91352	6	10:00 a.m. - 6:00 p.m.
14. RITCHIE VALENS	10731 LAUREL CANYON BLVD., PACOIMA 90032	7	10:00 a.m. - 6:00 p.m.
15. SEPULVEDA	8737 KESTER AVE., PANORAMA CITY 91402	7	10:00 a.m. - 6:00 p.m.
16. SYLMAR	13109 BORDEN AVE., SYLMAR 91342	7	10:00 a.m. - 6:00 p.m.
17. ALGIN SUTTON	8800 S. HOOVER ST., LOS ANGELES 90044	8	10:00 a.m. - 6:00 p.m.
18. VAN NESS	5720 2nd AVE., LOS ANGELES 90043	8	10:00 a.m. - 6:00 p.m.
19. CENTRAL	1357 E. 22nd ST., LOS ANGELES 90011	9	10:00 a.m. - 6:00 p.m.
20. GREEN MEADOWS	431 E. 89th ST., LOS ANGELES 90003	9	10:00 a.m. - 6:00 p.m.
21. ROSS SNYDER	1501 E. 41st ST., LOS ANGELES 90011	9	10:00 a.m. - 6:00 p.m.
22. SOUTH PARK	345 E. 51st ST., LOS ANGELES 90011	9	10:00 a.m. - 6:00 p.m.
23. MAR VISTA	11655 PALMS BLVD., LOS ANGELES 90066	11	10:00 a.m. - 6:00 p.m.
24. RUSTIC CANYON	601 LATIMER RD., PACIFIC PALISADES 90402	11	10:00 a.m. - 6:00 p.m.
25. STONER	1831 STONER AVE., LOS ANGELES 90025	11	10:00 a.m. - 6:00 p.m.
26. WESTCHESTER	9100 LINCOLN BLVD., LOS ANGELES 90045	11	10:00 a.m. - 6:00 p.m.
27. GRANADA HILLS	16730 CHATSWORTH ST., GRANADA HILLS 91344	12	10:00 a.m. - 6:00 p.m.
28. NORTHRIDGE	10088 RESEDA BLVD, NORTHRIDGE 91324	12	10:00 a.m. - 6:00 p.m.
29. ECHO (SHALLOW)	1632 BELLEVUE AVE., LOS ANGELES 90026	13	10:00 a.m. - 6:00 p.m.
30. HOLLYWOOD	1122 COLE AVE., LOS ANGELES 90038	13	10:00 a.m. - 6:00 p.m.
31. COSTELLO	3121 E. OLYMPIC BLVD., LOS ANGELES 90023	14	10:00 a.m. - 6:00 p.m.
32. PECAN	120 S. GLESS ST., LOS ANGELES 90033	14	10:00 a.m. - 6:00 p.m.
33. YOSEMITE	1840 YOSEMITE DR., LOS ANGELES 90041	14	10:00 a.m. - 6:00 p.m.
34. 109 TH ST.	1500 E. 109 TH ST LOS ANGELES 90059	15	10:00 a.m. - 6:00 p.m.
35. HARBOR	1221 N. FIGUEROA ST., WILMINGTON 90744	15	10:00 a.m. - 6:00 p.m.

* Hours of operation vary on Saturdays and Sundays.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No.199

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
hmt*Subject: **COMMISSION ON THE STATUS OF WOMEN MEMO REGARDING THE
MAYOR'S PROPOSED BUDGET**

The attached letter from the Commission on the Status of Women (CSW) proposes changes to the Mayor's Proposed Budget.

CSW is requesting three new positions and reinstatement of two discontinued resolution authorities in the Mayor's proposed budget. In its request for three new positions (Senior Project Coordinator, Community Program Assistant and Clerk Typist) for the Convention on the Elimination of Discrimination Against Women (CEDAW) program, CSW did not provide adequate justification, position descriptions, or adequate cost data. Moreover, CSW did not submit this request to the Mayor's Office for consideration in the proposed 2007-08 budget.

It should be noted that CSW suggested continuation of a position for the Human Trafficking program within its memo that addressed full implementation of the CEDAW program. The CEDAW program and the Human Trafficking program are separate and distinct programs. CSW requests that two resolution positions be reinstated, but did not indicate that one of these positions is a Senior Project Coordinator (SPC) with the Human Trafficking program. The other position is a Management Analyst I (MAI) who works exclusively on the CEDAW program. The MAI position (resolution authority) is not recommended for continuation in the Mayor's proposed budget because all functions of the MAI position have already been transferred to a MAII position (regular authority). We recommend that the Commission absorb the Human Trafficking functions of the SPC by relying on the Project Coordinator (regular authority).

Recommendation

We do not recommend the addition of three new positions for the CEDAW program because this request was not submitted to the Mayor's Office as a priority for consideration in the proposed budget in addition to the following reasons:

- 1) There is existing capacity within CSW to entirely absorb the functions of the CEDAW program;
- 2) Positions are not critical; and,
- 3) Justification is not provided.

We further recommend that Council request a report back from CSW and our Office to evaluate CSW's Five-Year Plan, as presented, because certain aspects of this plan are inconsistent with the Charter defined functions of the Commission. This collaborative approach will allow us to assist the Commission in strategically developing core strengths and functions, while addressing the City's financial constraints through a more efficient deployment of resources.

KLS:ND:02070229

CITY OF LOS ANGELES
CALIFORNIA

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COMMISSION ON THE
STATUS OF WOMEN

CITY HALL, ROOM 2111
200 N. SPRING STREET
LOS ANGELES, CA 90012
(213) 978-0300


Fax: (213) 978-0309
E-mail: csw.webmaster@lacity.org

PAULA PETROTTA
EXECUTIVE DIRECTOR

ANTONIO R. VILLARAIGOSA
MAYOR

Date: May 1, 2007

To: Honorable Members, Budget and Finance Committee

From: Paula Petrotta, Executive Director 
Commission on the Status of Women

Subject: **Budget Request to Fully Implement the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)**

BACKGROUND

CEDAW is an international treaty adopted by the United Nations General Assembly and described as the international bill of rights for women and girls. It provides a universal definition of discrimination against women and a range of human rights guarantees for women and girls. The principles of CEDAW include: promoting economic development for women, the elimination of discrimination and violence, equal access to quality health care and housing for women of all ages, equal access to all levels of education and employment.

Public hearings resulted in the creation of a Los Angeles CEDAW Task Force. On December 19, 2003 the City Council enacted a City ordinance implementing the principles of CEDAW and designated the Commission on the Status of Women as the implementing and monitoring agency of CEDAW in the City of Los Angeles.

In an effort to take an internal glimpse at City government, the Council directed the Commission on the Status of Women to conduct a gender analysis survey to determine City department compliance to policies and procedures designed to provide educational opportunities, health care programs and address safety concerns for women in the community and workforce.

Commission's Accomplishments

- Developed and disseminated a Gender Analysis Survey
- Established the Los Angeles City CEDAW Advisory Implementation Committee
- Developed a human rights training program for all City agencies
- Provided technical assistance to City agencies in CEDAW compliance
- Prepared, analyzed and submitted recommendations on results of 2005-2006 sexual harassment/gender discrimination survey
- Developed a Status of Domestic Violence in Los Angeles Report
- Produced a report on the incidents of domestic violence within City government
- Submitted an annual work plan and report to Mayor and City Council
- Shared best practices to eliminate human trafficking in South Korea, Tel Aviv, Kyrgystan, Siberia
- Presented City's accomplishments at the United Nations General Assembly
- Created a human trafficking program and procured \$600,000 for the City
- Recommended recruitment and retention strategies for LAFD for female fire fighters

FIVE-YEAR PLAN

1. Inventory City departments on a bi-annual basis to insure equality in department services, programs and employment
2. Create a City-wide database for CEDAW compliance
3. Conduct public hearings in every Council District women and girls needs
4. Insure City Managers are trained in utilizing a gender perspective in developing public policy
5. Review composition of all City Boards and Commissions for gender equality
6. Partner with community based organizations and City agencies to ensure the City is CEDAW principles are being addressed
7. Assess and implement programs to meet the needs of senior women
8. Create a Women's Initiative on Economic Development
9. Initiate and complete a needs assessment to evaluate funding allocations to create a seamless system-wide response to domestic violence
10. Collaborate with health care organizations to address the health care needs of women and girls
11. Insure appropriate evaluation tools are used to measure outcomes

STATEMENT OF THE PROBLEM

While the City of Los Angeles has made great strides to increase opportunities for women and to address public policy concerns, much still needs to be done.

WOMEN IN CITY GOVERNMENT ¹ FY 2005-2006	Percent	WOMEN IN THE COMMUNITY ² FY 2005-2006	Number	Percent
Women employees	28.7 %	Reported Rapes	2,008	
Women in skilled crafts Unchanged in 30 years.	1.35 %	Domestic violence reported	14,173	
Administrative support Positions	79.85%	Senior intimate partner abuse (Age 65 and above)	1 in 4	
Protective services	16.4%	Unmarried women over 65 living below poverty level		28 %
		Homeless Women	30,441	
		Women owned businesses	535,000	40.1%
		City Contracts awarded to women		3.6 %
		Women Living With AIDS	2,162	

CEDAW will Root out Discriminatory Practices And Seek To Reduce The City's Liability

SEXUAL HARASSMENT/GENDER DISCRIMINATION SURVEY RESULTS ³ FY 2005-2006	Number	Percent
Total number of female employees surveyed	12,793	
Total number of respondents	4,630	36%
Total Number of Incidents not reported	1,461	
Reasons:	994	34%
Fear of retaliation	657	45%
Would not make a difference		
Attempted Rape	4	
LITIGATION COSTS FY 2005-2006 ⁴	Number	Cost to City
Adjudicated	10	\$3,568,299
Total cases pending	70	

¹ Workforce Analysis Report No. 7 as of 06/24/06

² City Departments

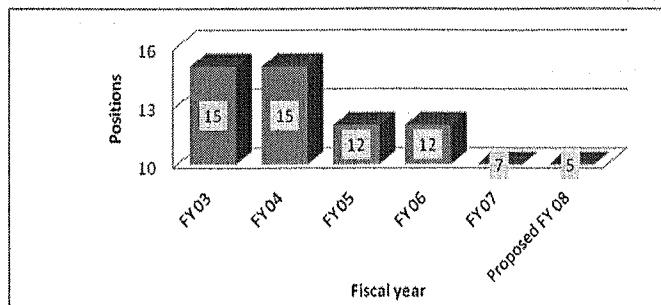
³ Commission on the Status of Women

⁴ City Attorney, Personnel Department

BUDGET ISSUES AND DETAILS

Los Angeles and San Francisco serve as models for the United States in creating ordinances that implement the tenets of CEDAW in public policy. Oversight has been designated to the respective Commissions on the Status of Women; however, San Francisco has been provided with the resources necessary to ensure success.

Commission on the Status of Women Five Year Staffing History ⁵



Comparison of City of Los Angeles and San Francisco Budget Allocation for CEDAW

FY 2007-08	City of Los Angeles	San Francisco
Total Budget	\$6.6 billion	\$5 billion
CEDAW	0	\$689,369

Summary and Recommendations

Over the past three budget cycles, the Commission staff has been reduced by 61%, adversely impacting the implementation of CEDAW. The statement of the problem reveals the need for CEDAW principles to be enforced to ensure parity and a quality of life for women and girls. Litigation cost to the City in discrimination and sexual harassment claims contributes to the City’s budgetary shortfalls each year. Surveying City agencies for discriminatory practices and monitoring CEDAW compliance would achieve reduction in claims and costs as well as measure gender equity of services, employment practices, and budget allocation. It provides a comprehension blueprint for making Los Angeles an A+ city for women and holds stakeholders accountable for implementing this blueprint.

Therefore, the Commission is respectfully requesting the full support and resources necessary to implement CEDAW:

- | | |
|---|------------------|
| 1. Reinstate two positions slated for elimination | \$150,000 |
| 2. Fund CEDAW for full implementation | \$253,532 |
| Senior Project Coordinator | |
| Community Program Assistant | |
| Clerk Typist | |
| TOTAL | \$403,532 |

⁵ Overview of 2006-07 Adopted Budget

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
5/7/07*

Subject: **EL PUEBLO DE LOS ANGELES 2007-08 PROPOSED BUDGET –
DEPARTMENT LETTER TO BUDGET AND FINANCE COMMITTEE**

Your Committee requested this Office to report on the attached letter dated May 1, 2007 submitted by the General Manager of El Pueblo (Department) relative to the 2007-08 Proposed Budget. The Department is committed to manage within its current resources.

The Department letter expressed concern that the projected revenue for the 2007-08 proposed budget overestimates department receipts by approximately \$700,000. The Department indicates the projected receipts will total \$2.9 million, which includes the projected increases in parking and filming rates.

The proposed budget currently includes revenue figures of \$3.6 million. It has been determined that the estimated General Fund contribution to El Pueblo was included as part of the departmental receipts. As a result, an adjustment of \$728,331 is required to reduce the revenue amount and increase the General Fund contribution to El Pueblo.

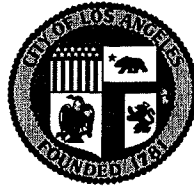
Parking and filming receipts continue to increase. The CAO will monitor El Pueblo revenues closely during the 2007-08 fiscal year to determine if the General Fund support of the Department can be reduced at year end.

Recommendation: It is recommended to increase the General Fund contribution by \$728,331 for a total appropriation of \$944,848 to provide sufficient funding for El Pueblo in 2007-08.

Attachment (1)

KLS: DP:08070349c

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

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JONQUIL I. BIBEE-STEPHENS
COMMISSION EXECUTIVE ASSISTANT

125 PASEO DE LA PLAZA, SUITE 400
LOS ANGELES, CA 90012

TEL: (213) 485-6855
TDD: (213) 473-5535
FAX: (213) 485-8238

May 1, 2007

Budget and Finance Committee
c/o Lauraine Braithwaite
City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Subject: **El Pueblo Communication Regarding the Mayor's 2007-08 Proposed Budget**

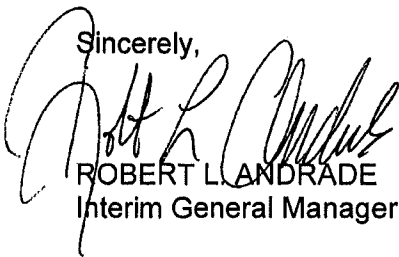
This communication provides information regarding the Mayor's Proposed 2007-08 Budget for the El Pueblo de Los Angeles Historical Monument Department (El Pueblo).

The Mayor's Proposed 2007-08 budget reflects approximately a one percent increase for the Department. We remain committed to ensuring that we manage within our allotted resources. However, should there be any available funds in the future; we would urge your support for El Pueblo's needs.

El Pueblo believes projected receipts for El Pueblo operations could be overstated by approximately \$720,000 (25%). Our forecast of receipts from El Pueblo operations in 2007-08 is \$2,947,000. The Mayor's budget projects revenue to be \$3,675,331. El Pueblo does not believe that the \$3.6 Million can be realized. The Department has already maximized its revenue potential through increased parking rates and Monument lease (filming) rates. Both were evaluated and increased in the prior fiscal year and are included in the Department's FY2007-08 revenue projections.

Thank you very much for your consideration in these matters. If you have any questions, please contact me at (213) 485-6855.

Sincerely,



ROBERT L. ANDRADE
Interim General Manager

cc: Honorable Jose Huizar, Councilmember, 14th City Council District
El Pueblo de Los Angeles Historical Monument Authority Commission

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 201

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mp*Subject: **REPORT FROM THE DEPARTMENT OF CULTURAL AFFAIRS CONCERNING
THE MUSIC LA PROGRAM**

The Department of Cultural Affairs has submitted the attached response concerning the \$30,000 allocation for Music LA in the proposed budget. The Department indicates that the funds will be used to fund the program in three Neighborhood Arts and Cultural Centers during the summer of 2007. The proposed allocation of \$30,000 represents a 20% share of the total budget for Music LA which is approximately \$156,000. The Department further indicates that the \$30,000 allocation will permit the leveraging of existing funds to attract additional private support for the Music LA program.

A summary of the Music LA program in 2005 and 2006 is also included for your review.

KLS:MTS: 08070352

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

Date: May 3, 2007

To: The Budget and Finance Committee

From: Karen Constine, Interim General Manager
Department of Cultural Affairs (DCA)

Re: **Mayor's Budget Allocation of \$30,000 for Music LA**

As requested, the Department of Cultural Affairs (DCA) is providing information about Music LA: A Citywide Music Education Initiative and its \$30,000 allocation in the Mayor's Budget.

Summary

The Department of Cultural Affairs **Music LA** program is a citywide music education initiative that coordinates resources to provide high quality music education programming in areas of the City where few or no arts education programs exist. DCA's unique model is to partner with nonprofit arts organizations to connect young people with music education, while also creating a strong base of support for Los Angeles' vital community of musicians, music education organizations, teaching artists, and young musicians of tomorrow. Music LA provides young people with sequential, quality music training in a challenging and creative environment where discipline, focus, and learning are cultivated. Students receive instruction in instrumental and vocal technique and participate in culminating recitals to perform for their local community. The Music LA experience also assists advanced music students in the process of preparing to audition for academic and professional opportunities in music, musical theater productions, orchestras, and bands.

FY2007/08 Mayor's Budget Allocation for Music LA

The Mayor's Budget allocates \$30,000 in FY2007/08 for the Music LA Program to provide music education classes in three DCA Neighborhood Arts and Cultural Centers during the Summer of 2007. These funds will pay for instructors, instrument maintenance, and class materials.

Due to the past success of the Music LA program, DCA recently received a grant for \$18,000 from the California Arts Council which will be matched with private funds raised by DCA. This \$36,000 in funding will be used to program an additional three sites for Music LA's 2007 Summer Program. The total \$66,000 in funding will be used to program Music LA at six DCA Neighborhood Arts and Cultural Centers and partners' sites located in Council Districts 2, 6, 10, 12, 14, and 15.

The Mayor's \$30,000 budget allocation for the 2007 Music LA Summer Program represents 20% of the total Music LA Program budget (\$156,000) for FY 2007/08. This support from the City will help DCA serve approximately 180 young people out of the 1,000 total expected to participate in Music LA throughout the year. DCA will focus Music LA services primarily at its Neighborhood Arts and Cultural Centers to: 1) increase service levels at our centers during the summer months; 2) improve utilization and productivity of existing resources by providing music education programming in underserved communities; and 3) offer music education programming at DCA's new facility, the Sun Valley Youth Arts Center, opened to the public on November 18, 2006.

Music LA has served over 1,500 students to date with the previous two summer programs and this fiscal year's Heritage Month Music LA programs. For FY2007/08, DCA is negotiating with the Walt Disney Company to raise an additional \$90,000 to support another nine programs through the year in the remaining nine Council Districts and fulfill DCA's goal of providing Music LA in each council district. The Walt Disney Company donated \$60,000 to Music LA last year as part of its Heritage Month Celebrations Title Sponsorship, and would like to see a commitment from the City in funding before agreeing to fund Music LA once again at an increased amount of \$90,000.

Conclusion

The Mayor's Budget allocation for Music LA will increase Music LA's level of service and leverage support from additional donors in the public, private, corporate, and foundation sectors. Securing \$30,000 in City funds will generate additional support for DCA to offer Music LA in at least fifteen sites throughout the City in each council district during FY2007/08.

The social benefits of Music LA reach far beyond the musical achievements of the youth who participate in the program. Educational research based on the long-term effects of young people engaged in music indicate many positive effects, including artistic, academic, and personal achievement, in addition to improved states of mind. Entire communities, the music industry, and society as a whole will benefit from music education initiatives like Music LA.

Previous Council Authority

The City authorized Music LA as an approved City program for FY06/07. The adopted budget authorized DCA to implement Music LA at sites using non-City funding. [See Council File 06-0600-S34(3) FY07 (Budget Motion #47) for reference.]

Music LA Background and History

Music LA is DCA's initiative to address the critical issue reported in *The Sound of Silence: The Unprecedented Decline of Music Education in California Public Schools*, that "...the percentage of all California public school students involved in music education courses declined by 50% between 1999 and 2004."

The Music LA program partners with nonprofit arts organizations to support local musicians as working artists by employing them as Music LA instructors, providing young music apprentices with a real connection to the Los Angeles music industry. This model permits the City to highlight local musicians and arts organizations as music providers, and also create new points of access between the City's young people, community audiences, and local government. The City of Los Angeles is the first local government to lead such an important initiative, bringing quality music instruction to the streets, neighborhoods, and communities where young people live and play during the long summer months.

The unique Music LA model is designed to connect young people to hands-on training in music, while also creating a foundation of support for Los Angeles' vital music industry. Music LA's structure nurtures a dynamic partnership between DCA, music program providers, and youth and their families to ensure young peoples' access to master musicians and quality music education.

Summer 2005 Program

In response to the lack of music education programming for youth at the local, state, and national levels, DCA took a major step forward when it launched the Music LA Summer 2005 Program. In its pilot year, the Music LA Program served over 600 students. Music LA was the first music education experience for 69% of these students. The Music LA Program allowed DCA Neighborhood Arts and Cultural Centers to partner and collaborate with 17 professional music providers, including:

- Plaza de la Raza (CD 1)
- McGroarty Arts Center (CD 2)
- San Fernando Valley Youth Chorus (Canoga Park Youth Arts Center), (CD 3)
- Sound Art (Lankershim Arts Center), (CD 4)
- Zimmer Children's Museum (CD 5)
- The Knights of Music Foundation (CD 6)
- Tia Chucha's Centro Cultural (CD 7)
- American Youth Symphony (Angeles Mesa Elementary School), (CD 8)
- Henry Mancini Institute (Los Angeles Theater Center), (CD 9)
- Heart of Los Angeles Youth (HOLA), (CD 10)
- William Grant Still Arts Center (CD 10)
- American Youth Symphony (Grandview Middle School), (CD 11)
- CSUN Youth Orchestras (CD 12)
- Barnsdall Gallery Theater (CD 13)
- Neighborhood Music School (CD 14)
- Art in the Park/Lalo Guerrero School of Music (CD 14)
- Henry Mancini Institute (Croatian Cultural Center of Greater Los Angeles), (CD 15)

Two assessment tools (*Music LA Teaching Artist Evaluation* and *Music LA Administrator Evaluation*) were used to evaluate performance measures validating the delivery and success of the Music LA Program. Findings included:

- 69% of students had no previous experience in music education;
- A total of 565 class sessions, totaling over 1,400 hours of music instruction, were offered in 8 weeks;

- 80% of participating Music LA teaching artists strongly agreed that their students learned valuable musical skills over the duration of the program;
- Over 60 local, professional teaching artists/musicians were hired to provide music instruction;
- Over 1,500 family, friends and community members attending culminating recitals.

Summer 2006 Program

In the Summer 2006 Music LA Program, DCA distributed musical instruments and provided marketing and outreach support to program partners. DCA served 773 students, a 20% increase over the Music LA Summer 2005 Pilot Program. The 18 Music LA Summer 2006 Program sites were:

- Plaza de la Raza (CD 1)
- McGroarty Arts Center (CD 2)
- San Fernando Valley Youth Chorus (Canoga Park Youth Arts Center), (CD 3)
- Zimmer Museum (CD 5)
- David Crawford with The Knights of Music Foundation (CD 6)
- Tia Chucha's Centro Cultural (CD 7)
- Henry Mancini Institute (Dunbar Hotel), (CD 9)
- Heart of Los Angeles Youth (HOLA), (CD 10)
- William Grant Still Arts Center (CD 10)
- American Youth Symphony (Grandview Middle School), (CD 11)
- CSUN Youth Orchestras (CD 12)
- Sound Art (Park Parthenia Community Family Center), (CD 12)
- The Knights of Music Foundation (Patrick Henry Middle School), (CD 12)
- American Youth Symphony (Tulsa Elementary School/YMCA Childcare Site), (CD 12)
- Silverlake Conservatory of Music (Barnsdall Gallery Theater), (CD 13)
- Neighborhood Music School (CD 14)
- Art in the Park/Lalo Guerrero School of Music (CD 14)
- Henry Mancini Institute (Croatian Cultural Center of Greater Los Angeles), (CD 15)

FY2006/07 Heritage Month Programs

The FY2006/07 Title Sponsor of the City's Heritage Month Celebrations specifically requested that \$60,000 in funds from its donation be allocated to fund the City's Music LA Heritage Month classes. Of this amount, \$20,000 was spent during each Heritage Month Celebration to support culturally specific music instruction at different sites around the city during the school year as follows:

Latino Heritage Month (September/October)

1. Plaza de la Raza, Council District 1
2. Maestro's Fine Arts, Council District 8

African-American Heritage Month (February)

- 3. Sun Valley Youth Arts Center, Council District 6
- 4. Tia Chucha's Centro Cultural, Council District 7

Asian and Pacific Islander American Heritage Month (May)

- 5. Neighborhood Music School, Council District 14
- 6. Eagle Rock Cultural Center, Council District 14

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

MEMORANDUM No.

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
Wymf*

Subject: **CULTURAL AFFAIRS – 1% AND 3% REDUCTION EXERCISE**

Attached is the Department's proposal for a 1% (\$98,919) and a 3% (\$296,758) reduction.

Recommendation: Given the Department's reliance on savings for the Charles Mingus Center and as-needed expenditures, we recommend no further adjustments to the Department's budget.

KLS: DM: 08070348d

Attachment

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE (DRAFT)**

TO: Diana Mangioglu, Office of the CAO

From: Karen Constine, Interim General Manager – Dept. of Cultural Affairs

Re: **1%/3% REDUCTIONS TO MAYOR'S BUDGET**

Date: May 4, 2007

As requested, the Department offers the following reduction scenario. DCA wishes to convey that various budget reductions over the years have become increasingly difficult to perform core services. As such, DCA provides a statement of impact on each reduction.

3% REDUCTION - \$296,758:

1. \$6,000 – Office & Administration (Account 6010): This item represents a 37% reduction affecting DCA's Administration Division and pays for such items as parking for commissioners, photocopy paper/office supplies and the GM's cellphone.
2. \$6,000 – Public Art Contractual Services (Account 3040): This reduction would eliminate **Citywide** support for the conservation and maintenance of the City Art Collection. In the current year, examples of projects include paying for artistic framing and assessment services for wall paintings in the Children's Literature Room and Main Rotunda of the Central Library. Expenses were also paid for the cost of an exhibition curated and sponsored by DCA at the California African American Museum.
3. \$10,000 – Cultural Treasures (Account 9492): The Mayor's budget proposes a reduction from \$20,000 to \$10,000 in 07-08. In 06-07, it funded the Red Nation Celebration and Bolero Festival in **CD 9**. In 07-08, the remaining \$10,000 would be used for the Sister Cities Program/Festival.
4. \$40,000 - Sony Pictures Media Arts Program (Account 9819): These funds are currently used for equipment, supplies and as needed staffing to support the program in CD's **1, 7, 14 and 15**. Sony Pictures Entertainment provides state-of-the-art equipment (hardware) for the program, and DCA provides the necessary software (including upgrades), supplies and as-needed staff to support the program. This reduction would not allow DCA to uphold its role in this important partnership.
5. \$29,500 - LA Cultural Tourism and Promotion (Account 9494): This reduction would eliminate the **Citywide** program that promotes visitors to Los Angeles. While the proposed cut represents initial savings, the long-term effect could impact cultural tourism (e.g. fewer visitors to the City) and the commensurate hotel tax revenue associated with that. Further, the arts and cultural community strongly desires DCA to develop and create cultural tourism programming that benefits nonprofits and artists throughout Los Angeles.
6. \$25,684 - Community Art Partners (Account 9698): This item is currently budgeted at \$120,000. The proposed reduction affects a \$30,000 obligation to pay for as needed staff for the Croatian Cultural Center and Bannings Landing Community Center in **CD 15**. Due to organizational changes at the respective nonprofits that operate the facilities, DCA was not asked to provide the funds in 06-07. This is not expected to be the case in 07-08. This year, the funds were used to sustain as needed staffing at the Barnsdall Gallery Theater in CD 13. This level of reduction virtually eliminates the ability to pay the obligation.

7. \$179,574 – Salaries General (Account 1010): This reduction represents all of DCA's vacancies and includes two vacant Clerk Typist positions and one Arts Associate position including related costs. The clerical positions are assigned to the new Sun Valley Youth Art Center in **CD 6** and the Harbor Art Centers in **CD 15**. This reduction affects the safety of other employees since on many work days, there is only one staff person or in some cases, no other staff to operate the facilities. If filled, the Arts Associate position is likely to be assigned to the Barnsdall Gallery Theater in **CD 13** and would negatively impact operations and DCA's ability to reduce its as needed staffing by two part time positions. Eliminating these positions reverses the course of DCA's efforts to reduce its reliance on as needed staff and improve operational efficiency for ongoing core DCA programs.

1% REDUCTION - \$98,919: DCA's reduction would be comprised of items 1-5 above, balanced by a reduction of \$7,419 to item 6.

c: Mayor's Office
Council Offices

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
5/7*

Subject: **CPI ADJUSTMENT FOR THIRD PARTY ADMINISTRATOR**

The Budget and Finance Committee requested an explanation for Item 31 on Page 96 of the Proposed Detail of Department Programs, (the "Bluebook"), titled Consumer Price Index Adjustment for the Third Party Administrator (TPA). The TPA reviews and processes workers' compensation claims for sworn employees.

The term of the existing TPA contract with Cambridge Integrated Services is scheduled to end on June 4, 2007. At the time the 2007-08 budget request was prepared, the Personnel Department did not know if a new TPA contract would be in place by the end of the current contract term or whether the existing contract would be extended to continue the necessary services. Consequently, the Proposed Budget assumes that the existing TPA contract would be continued through Fiscal Year 2007-08. Since the contract provides for an increase in compensation tied to the CPI, additional funding of \$435,896 was requested, and is now proposed for fiscal year 2007-08. The CPI increase was estimated at five percent.

According to the Personnel Department, its report on the award of a new contract for TPA services should be released by Friday May 18, 2007. In the report, the Department expects to request authority to extend the current contract on a month-to-month basis (up to December 2007) until the new contract is approved and executed. The Department expects to use existing contractual service savings to cover the cost of TPA services during the month of June, 2007. For fiscal year 2007-08, amount of funding needed will depend, ultimately on the contractor selected to provide the TPA services. The additional funds included in the Proposed Budget are likely to represent the minimum amount needed to finance both the continuation of the existing contract and a new contract during fiscal year 2007-08.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject: **LIABILITY CLAIMS**

The Committee requested information on the 2006-07 projected balance of the Liability Claims account, which could potentially be used to fund other programs in 2007-08.

The City Attorney estimates a projected balance of \$4.75 million in the Liability Claims account.

<u>LIABILITY CLAIMS</u>	<u>\$ in millions</u>
2006-07 Adopted Budget	\$42.00
Transfers*	(\$3.71)
Projected 2006-07 Expenditure	(\$33.54)
Year End Balance	\$4.75

*Transfers include one pending request to transfer \$0.11 million to outside counsel.

The City Attorney's Office requests to re-appropriate \$3 million from the Liability Claims Account surplus to fund positions that are currently unfunded in the 2007-08 Proposed Budget for the City Attorney's Office.

The 2007-08 Proposed Budget includes an estimated surplus of \$800,000 in the 2006-07 Liability Claims Account. This amount was re-programmed into existing programs and is not available to re-appropriate for 2007-08.

We have recently learned that two outstanding lawsuits could potentially cost the City \$3.4 million in 2007-08.

Recommendation:

Given the large reduction to the Liability Claims Account in the Proposed Budget, we recommend that \$3,157,366 of the estimated 2006-07 surplus be re-appropriated to the 2007-08 Liability Claims Account.

If it is determined that additional funds are available, we recommend the restoration of the following items to the City Attorney Budget:

- School Safety Prosecutor Program \$423,256
- Neighborhood Council Support \$270,797
- Family Violence Prevention \$ 98,581

Attached is the City Attorney's memo submitted to the Committee on May 4, 2007, detailing the projected balance in the 2006-07 Liability Claims account.

 KLS:JL





2007 MAY -4 PM 5:49

OFFICE OF THE CITY ATTORNEY

ROCKARD J. DELGADILLO

CITY ATTORNEY

CITY ADMINISTRATIVE OFFICER

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney *Rockard J. Delgadillo*

SUBJECT: **Budget Follow-up**
Liability Claims - \$4.75 million available

Over the past 6 years, this Office has worked hard to reduce liability payouts by aggressively defending the City in civil litigation. Since 2001, we have reduced payouts by over 60 percent, freeing significant funds for public safety.

This year, we expect to once again come in within budget. Of the \$42 million budgeted at the beginning of the fiscal year, we project \$33.54 million will be required for Liability Claims payouts this fiscal year. An additional \$3.71 million has previously been transferred from the account for outside counsel funding. Therefore, we anticipate a surplus in this account of **\$4.75 million**. These funds have not been allocated for any purpose to date.

We urge your Council allocate a portion of these funds to the City Attorney's 2007-08 budget to restore critical public safety cuts totaling \$3 million. These cuts include:

7 Gang Prosecutors and 2 support staff	\$1,293,316
3 School Safety Prosecutors and 1 support staff	\$ 583,346
1 Domestic Violence Prosecutor	\$ 136,392
Salary Cut = 9 Criminal Prosecutors	<u>\$1,000,000</u>
TOTAL	\$3,013,054

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
hmt*

Subject: **LETTER FROM THE TREASURY TO THE BUDGET AND FINANCE COMMITTEE REGARDING THE 2007-08 PROPOSED BUDGET**

The Treasury submitted a letter dated April 20, 2007, to the Budget and Finance Committee addressing the following issues.

- The Treasurer requested that the Ergonomic Analyst in the Personnel Department complete a departmental review of ergonomic and regulatory issues related to its office configuration. Our office is working closely with the Treasurer to address these issues. The Treasurer has used a portion of current year savings (\$14,400) to purchase some ergonomic supplies and furniture. The Treasurer also requests a transfer of approximately \$10,000 in the Year-End Financial Status Report for this purpose.
- The Treasurer's Office has identified approximately \$160,000 of unclaimed funds escheated to the State Controller's Office that are due to the City. The Treasurer expects to receive the funds in the second quarter of 2007-08.
- The Treasurer requested several new positions and position upgrades to accomplish a reorganization plan:
 - Senior Management Analyst I:
This new position request was not recommended.
 - Accounting Clerk II:
This new position request was not recommended.
 - Upgrades of three Treasury Accountants Is to Treasury Accountant IIs:
The CAO's Employee Relations Division approved one upgrade, which is included in the Proposed Budget.
 - Reallocation of one Sr. Personnel Analyst I to Personnel Director I:
The Personnel Department did not approve this request.
 - Reallocation of one Management Assistant to Personnel Analyst I: This reallocation request was not recommended.
- The Treasurer proposed to purchase BondEdge software at a cost of \$138,600 to allow investment officers to simulate various market environments, to forecast performance results and identify investment opportunities that will enhance returns against a variety of benchmark indices. Annual maintenance cost for the software is \$126,000. The software will permit the Treasurer's staff to conduct investment analysis on all investment grade securities, including mortgage-backed securities.

The Treasurer states that the software will allow the City to generate over \$10 million per year additional return on the entire portfolio. The General Fund portion is approximately 15-17% of the total portfolio. Therefore, the annual estimated additional General Fund interest income would be between \$1.5 to \$1.7 million.

The Treasurer also indicated in the budget hearing that they are looking into another possible vendor (Bloomberg) that offers similar software at a lesser cost. In prior discussions, the Treasurer indicated that additional revenue could be gained by performing investment services for City departments and other public entities, which we believe is a policy decision.

Recommendation:

Instruct the Treasurer to report back to the Council after research has been completed on the different investment analysis software packages that are available, the costs of the software including ongoing maintenance costs, estimated additional revenue and if investment services will be provided to other entities for a fee. Based upon a review of the Treasurer's report, the CAO will provide funding recommendations at that time.

KLS:CMC:01070061c

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 206

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **2007-08 CAPITAL PROJECTS BOND RESERVES FUND**

The 2007-08 Proposed Budget includes funds for the Capital Improvement Expenditure Program (CIEP) of \$7 million from the Convention Center Revenue Fund (Schedule 16) as a source of funds. These funds were made available from the replacement of the 1993 Los Angeles Convention Center Bond Reserve Fund with a surety policy, making approximately \$10 million in bond proceeds available. The City's Bond Counsel opined that \$3.1 million can be expended on the debt service for the 1993 bonds and the remaining funds must be spent on General Fund Capital Projects within the City. Due to the tax-exempt nature of these bonds, bond proceeds cannot be spent on the Convention Center.

The City Attorney indicates that the remaining \$7 million to be used on capital projects should be deposited into a separate special fund entitled 'Capital Projects Bond Reserves Fund' for arbitrage tracking purposes rather than through the Convention Center Revenue Fund. The following changes are required to make this change effective.

RECOMMENDATION

That the Council amend the 2007-08 Proposed Budget as follows:

1. Convention Center Revenue Fund (Schedule 16) page 218

Delete Receipts:

Bond Reserves \$7,000,000

Delete Appropriations:

Capital Improvement Expenditure Program \$7,000,000

2. Exhibit H page 22

Ordinance Changes: Instruct the City Attorney to prepare and present an ordinance to create a Special Fund entitled 'Capital Projects Bond Reserves' to accept the \$7,000,000 in surplus bond reserves and to be a source of funds for the CIEP for Capital Projects. The CAO will review this fund on an annual basis to determine when the Capital Projects Bond Reserves Fund can be closed and any excess earnings can go to the 1993 Los Angeles Convention Center debt service fund.

3. Allocations from Other Governmental Agencies and Other Sources (Schedule 29)
page 233

Add Receipts:

Capital Project Bond Reserves \$7,000,000

Add Appropriations:

Capital Improvement Expenditure Program Municipal Facilities \$7,000,000

4. Capital Improvement Expenditure Program page 165

Source of Funds:

Delete: Convention Center Revenue Fund (Schedule 16) \$7,000,000

Add: Capital Projects Bond Reserves Fund (Schedule 29) \$7,000,000

KLS:DMT:09070170

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 207

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
10/11/07

Subject: **REPORT BACK ON THE COLLABORATIONS BETWEEN THE COMMISSION ON CHILDREN, YOUTH AND THEIR FAMILIES (CCYF) AND THE CITY ATTORNEY'S OFFICE**

The attached letter from CCYF reports back on a request from Budget and Finance Committee on the coordination of activities between the CCYF and the City Attorney's Office regarding the Operation Bright Future program.

Recommendation

We recommend a 30-day report back on the balance of Budget and Finance Committee questions not addressed by this memo, namely:

1. Activities CCYF will perform for the Kid Watch and No Secrets Programs; and,
2. Discussion of budget changes in cost and position authorities from Fiscal Year 2006-07 to 2007-08.

KLS:ND:02070248

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2007

TO: Karen Sisson, City Administrative Officer

FROM: Rafael López, Interim Executive Director

SUBJECT: Role Clarification between the Commission for Children, Youth and Their Families and the City Attorney's Office in relation to Operation Bright Future Program

As directed by the City Council Committee on Budget and Finance at its meeting on May 2, 2007, I am submitting the Commission for Children, Youth and Their Families (CCYF) response regarding the need for additional role clarification between CCYF and the City Attorney's Office in relation to the future implementation of the Operation Bright Future Program (OBF).

The current program does not include CCYF as a partner in the process of preventing children and youth from truancy. CCYF can assume a more active partnership role that involves increased work in prevention and intervention prior to any prosecution efforts by the City Attorney's Office.

Overview of Operation Bright Future

Approximately 50,000 (20,000 elementary school and 30,000 secondary school students) of our City's children and youth are absent each day from the Los Angeles Unified School District. Many of these children and youth are truant and never submit an official reason for their unexcused absence. Nationally, experts have shown that truancy is one of several elements responsible for those children and youth who drop out of school.

Currently, OBF operates in 30 Los Angeles public middle schools. The foundation of the program includes the following core competencies:

1. Ability to build strong relationships with the school's leaders, counselors and staff;
2. Ability to build strong relationships with community organizations;
3. Ability to distribute letters, brochures and other informative and educational material for parents of truant children and youth,
4. Ability to organize, convene and lead school based general assemblies to educate parents about the importance of sending their children and youth to school;
5. Ability to refer parents to additional community resources for support that can range from counseling to parenting classes; and
6. Ability to prosecute, as an absolute last resort, those parents who refuse to cooperate.

CCYF has the ability to perform the above functions and can play a lead partnership role in all but one of the aforementioned steps: the prosecution of parents. The currently stated goal of the program is to keep children and youth in school, not to prosecute parents. In fact, prosecution is only used as a last resort when multiple efforts to educate and assist the family have failed.

Overview of Proposed Action Steps for Implementation of Operation Bright Future

The following are the steps that CCYF will take to ensure that each child receives a fair chance in turning around their truant behavior before their case is formally referred to the City Attorney's Office. Further, the following notes where and when the City Attorney's Office would play a more appropriate lead role rather than CCYF.

Action Steps	Agencies Involved
<p>Step 1: CCYF and participating OBF schools will send out a letter to the parents stressing the importance of education and how we must work together to ensure that children attend school daily.</p>	<p>Step 1: CCYF involvement with LAUSD.</p>
<p>Step 2: LAUSD monitors all truant students. When a student has more than 5 trancies, the school determines whether or not the parent is failing to send their child to school.</p>	<p>Step 2: This step only involves the school principal, assistant principal, and school nurse. At this point, CCYF can take an active role in thinking of "next steps" for the child and parent.</p>
<p>Step 3: CCYF will send a letter out informing the parent of their responsibility to insure their child attends school. CCYF will also direct the parent to attend a general assembly that will be conducted by CCYF in partnership with the school.</p>	<p>Step 3: Letter will be sent out by CCYF and include school Principal.</p>
<p>Step 4: General Assembly (GA) is held twice a year (with CCYF taking the lead, this could increase to 4 times a year). At the GA, CCYF will explain that there are community resources available to help parents and families.</p> <p>The City Attorney's office will explain the legal ramifications for a parent whose child is excessively truant from school.</p> <p>CCYF will then take the lead in directing parents and families to resources that may help address the truancy problem and educate parents on the importance of school attendance. CCYF will take an active role in the child's truancy problem so as to avoid prosecution.</p>	<p>Step 4: This step involves a regular partnership between CCYF and the City Attorney's Office. A specially designated prosecutor from the City Attorney's Office will present the portion of the General Assembly that discusses legal ramifications.</p>
<p>Step 5: If the student is truant for more than three days after the GA, then CCYF and the school will evaluate the matter and determine if valid reasons exist. If a valid excuse does not exist, then CCYF will send a letter inviting the parent to attend a hearing that will include CCYF and a school representative.</p>	<p>Step 5: CCYF will have a close relationship with the schools to make sure that the students who are truant will get the services and attention to which they are entitled.</p>
<p>Step 6: The hearing will be held at the CCYF office. The CCYF program lead will conduct the hearing and explore with the family if there are any other means to help the child attend school and reverse their truant behavior. Also present will be any other person that is deemed necessary for the child and parent to succeed. The parent will then be required to sign a contract to attend an 8-week parenting class. The parent is then warned by the program lead, that failure to comply will result in a School Attendance Review Board (SARB) hearing that will involve the City Attorney's office and may</p>	<p>Step 6: CCYF takes the lead role and invites community partners to demonstrate support to the parent and families. Partners could include a community based organization or mental health worker or County services representative who may have identified greater family concerns for which truancy is the indicator.</p>

end in prosecution.	
<p>Step 7: If the parent fails to comply with the parenting classes, or the students remain truant, after the hearing, then the parent and student are sent to the SARB.</p> <p>The SARB hearing will include representatives from the County's Probation Department, welfare department, the LAUSD, City Attorney's Office, and CCYF. The SARB is conducted in the format of the court, and gives the student and parent a "reality check" before prosecution. At the hearing, the SARB panel will determine if there is a way to remedy the problem.</p>	<p>Step 7: This is the step that where greater involvement may be required from the City Attorney's Office, particularly as a case is reviewed that may, in fact, lead to prosecution.</p>
<p>Step 8: If student and/or parent fail to comply with specific SARB instructions, then the SARB committee will file a case with the City Attorney's office to prosecute the parent under Education Code s. 48291 and Penal Code s. 272.</p>	<p>Step 8: SARB and City Attorney's office will take the lead if case reaches this step. CCYF will continue to monitor the case as a potential exists within the family that additional resources are required to assist the family.</p>
<p>Step 9: The City Attorney's Office will review the file submitted for prosecution and work with the assigned counselors and CCYF program lead to review all pertinent files.</p>	<p>Step 9: City Attorney's office will take the lead in this step. CCYF will be available to review case files as necessary.</p>

Throughout the whole process, CCYF will take an active role in connecting the family to resources. The goal is to keep children in school, not to prosecute the parents. Strong partnerships between the City Attorney's Office and LAUSD schools will be necessary to make this program successful.

Next Steps

The Commission for Children, Youth and Their Families looks forward to a strong partnership with the City Attorney's Office, the LAUSD and other community stakeholders interested in supporting parents and families in their educational success. Together, we can continue the work of reducing truancy and avoid the devastating impact that such behavior often has in destroying lives. To date, only 14 cases have been filed for prosecution of parents within the City Attorney's Office as a result of Operation Bright Future. It is our aim to ensure that as few cases as is possible are referred to the City Attorney's Office for prosecution.

- c: Deputy Mayor Ray Cortines
- Elizabeth Diaz, Policy Analyst
- Nancy Duong, CAO Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject: **IN-HOUSE ATTORNEYS VS. OUTSIDE COUNSEL**

The Committee requested information on the cost of hiring in-house attorneys versus the use of outside counsel.

In the City Attorney's proposed 2007-08 budget, two packages were submitted requesting staff for Workers' Compensation and Fair Labor Standards Act (FLSA) cases. Each package stated that the requested positions would result in a reduction in outside counsel expenditure.

WORKERS' COMPENSATION

The City Attorney proposed to increase staffing to handle cases associated with Workers' Compensation. The intention was to utilize in-house staff for future Workers' Compensation cases rather than outside counsel and close out cases currently handled by outside counsel.

The following was reported in the City Attorney's 2007-08 proposed budget request:

- Approximately 300 new sworn Workers' Compensation cases are referred to outside counsel per year at a fixed rate (excluding complexity bonuses) of \$5,000 per case.
 - It would require three litigation teams composed of nine positions in order to handle new workers' compensation cases in-house.

Please see attached Outside Counsel Reduction Table for a cost-comparison summary.

- 300 new cases would cost approximately \$1.5 million under outside counsel.
- The bulk of outside counsel costs result from cases handled under an hourly fee structure.
 - In 2005-06, the City Attorney expended \$4.8 million under the hourly fee structure for outside counsel cases associated with workers' compensation.
 - We have confirmed with the City Attorney's Office that the fee structure for outside counsel handling workers' compensation claims was changed from hourly to a fixed cost of \$5,000 per case, or \$10,000 for complex cases in 2005-06. Therefore the excessive cost, based on the hourly fee structure mentioned in the City Attorney's budget request, has been addressed for future years.

- It would require a team composed of three positions in order to encourage outside counsel to actively move toward closing as many cases as possible.
- This additional team is expected to close out existing cases that would yield \$0.5 million in savings for 2007-08.

Please see attached Outside Counsel Case Closeout Team Table for a cost-comparison summary.

Based on this information, including related costs, these requests would yield a net savings of \$0.6 million.

Items to consider:

- If the City Attorney's request for additional Workers' Compensation staffing is approved, the City Attorney should report back to the Committee on the status of reducing the use of outside counsel for Workers' Compensation cases.
- The City Attorney also requested 12 positions at a cost of \$1.3 million to reduce existing workload related to Workers' Compensation cases from 230 cases to 125 cases per attorney.

FLSA LITIGATION

The City Attorney proposed to increase staffing to handle FLSA cases rather than outside counsel.

The following was reported in the City Attorney's 2007-08 proposed budget request:

- Due to limited staffing and expertise, FLSA cases have been referred to outside counsel.
- To bring these cases in-house, expertise in FLSA and California wage and hour laws is required.
- There are eight FLSA-related class action lawsuits pending against the City.
 - Four additional cases were recently filed in 2006-07 (estimated cost for outside counsel = \$0.7 million).
- FLSA lawsuits historically consisted of approximately 100 or more plaintiffs, as plaintiffs may "opt in" to an FLSA lawsuit already filed.
- Existing City Attorney staff (ten attorneys), in the Employment Litigation Section handle over 40 cases.
- Due to the extensive work involved for each FLSA case, existing staff cannot absorb the workload.
- To reduce the usage of outside counsel, the City Attorney requested 11 positions.

Please see attached FLSA Litigation Defense Table for a cost-comparison summary.

- The City Attorney's Office states that outside counsel costs would total approximately \$2.4 million in 2007-08.

Based on this information, including related costs, this package would yield a net savings of \$0.9 million.

Items to consider:

- According to the City Attorney's Office, there are currently 26 cases handled by outside counsel:
 - Ten are related to labor and employment (38%)
 - Nine related to FLSA (35%)
 - Seven for other cases (e.g. Telephone Users' Tax) (27%)
- If the City Attorney's request for additional FLSA staffing is approved, the City Attorney should report back to the Committee on the status of reducing the use of outside counsel for FLSA cases.
- With the expertise required for these types of cases, the transition from outside counsel to in-house attorneys may not occur on July 1. A recruitment and transition period may be necessary, which may require the continued use of outside counsel for some time.

Recommendation

Our recommendation is to consolidate the Outside Counsel Reduction for new cases and the Outside Counsel Case Closeout Team into one package as detailed below. New positions for FLSA cases are not recommended at this time.

1. If it is determined that additional funds and space are available, recommend to add funding (\$939,993 + \$322,653 in Related Costs) and Resolution Authority positions with related expense and equipment for Workers' Compensation cases as follows:
 - a. Four Deputy City Attorney III
 - b. Two Legal Assistant
 - c. Two Legal Secretary II
 - d. Three Legal Clerk
 - e. Expense and Equipment = \$89,232
 - f. Related Costs = \$322,653
2. City Attorney to report back to the Committee on the status of reducing the use of outside counsel for Workers' Compensation cases on a quarterly basis.
3. CAO to coordinate with the City Attorney's Office in developing a strategy to transition FLSA cases from Outside Counsel to the City Attorney.

Attached are copies of the City Attorney's 2007-08 budget requests related to reductions in Outside Counsel.

KLS:JL
Attachments

**CITY ATTORNEY 2007-08 PROPOSED BUDGET REQUEST
(REDUCTION TO OUTSIDE COUNSEL)**

OUTSIDE COUNSEL REDUCTION (Workers' Compensation)		
DESCRIPTION	UNIT COST	AMOUNT
3 Deputy City Attorney III	\$122,337	\$367,011
1.5 Legal Assistant	\$59,933	\$89,900
1.5 Legal Secretary II	\$56,620	\$84,930
3 Legal Clerk II	\$42,769	\$128,307
Expense/Equipment		\$73,008
	Subtotal	\$743,156
Related Costs	Retirement (25.36%)	\$188,464
	Benefits	
	(\$7,661/position)	\$68,949
9 Positions	Total	\$1,000,569
Estimated 2007-08 Outside Counsel Expense*		\$1,500,000
Net Savings		\$499,431

*Per the City Attorney's Office, actual savings will be realized over the next two years.

OUTSIDE COUNSEL CASE CLOSOUT TEAM (Workers' Compensation)		
DESCRIPTION	UNIT COST	AMOUNT
1 Deputy City Attorney III	\$122,337	\$122,337
1 Legal Assistant	\$59,933	\$59,933
1 Legal Secretary II	\$56,620	\$56,620
Expense/Equipment		\$24,336
	Subtotal	\$263,226
Related Costs	Retirement (25.36%)	\$66,754
	Benefits	
	(\$7,661/position)	\$22,983
3 Positions	Total	\$352,963
Estimated 2007-08 Savings for Case Closeout*		\$500,000
Net Savings		\$147,037

*Savings will be realized in Personnel Department's Human Resource Benefits Account.

FLSA LITIGATION DEFENSE		
DESCRIPTION	UNIT COST	AMOUNT
6 Deputy City Attorney III	\$122,337	\$734,022
3 Legal Secretary II	\$56,620	\$169,860
2 Paralegal II	\$73,881	\$147,762
Expense/Equipment		\$78,327
	Subtotal	\$1,129,971
Related Costs	Retirement (25.36%)	\$286,561
	Benefits	
	(\$7,661/position)	\$84,271
11 Positions	Total	\$1,500,803
Estimated 2007-08 FLSA Outside Counsel Expense		\$2,400,000
Net Savings		\$899,197

Workers' Compensation – Outside Counsel Reduction

Office of the City Attorney – Budget Request 2007-08

SAVINGS: Caseload Reduction – Significant Long Term Savings
Outside Counsel Reduction (new cases) - \$800,000
Outside Counsel Case Close Out Team - \$500,000

Summary

The Office of the City Attorney is seeking to eliminate the City's reliance on outside counsel used to litigate workers' compensation cases by adding staff to the office's Workers' Compensation Division. In addition, providing supplemental resources to handle existing caseloads will close cases more quickly, improving service to employees and reducing costs:

Caseload Reduction (Existing Cases) - 4 Litigation Teams

4 Deputy City Attorney III (0552)
2 Legal Assistant (0565)
2 Legal Secretary II (0581)
4 Legal Clerk II (0586)
Working space and equipment for each approved position

Outside Counsel Reduction (New Cases) - 3 Litigation Teams

3 Deputy City Attorney III (0552)
1.5 Legal Assistant (0565)
1.5 Legal Secretary II (0581)
3 Legal Clerk II (0586)
Working space and equipment for each approved position

Outside Counsel Case Closeout Team

1 Deputy City Attorney III (0552)
1 Legal Assistant (0565)
1 Legal Secretary II (0581)
Working space and equipment for each approved position

Background & rationale

Overall Goals

1. Reduce current caseloads for in-house attorneys to the same level as that handled by outside counsel to improve performance
2. Close out cases currently being handled by outside counsel to reduce costs
3. Use in-house staff for all future workers' compensation cases, instead of outside counsel
4. Support the City's overall goal of reducing self-insured workers' compensation pay-outs

Workers' Compensation – Outside Counsel Reduction

Office of the City Attorney – Budget Request 2007-08

Current Structure

- The City refers approximately 300 new cases to outside counsel annually, at a fixed cost of \$5,000 per case (excluding complexity bonuses), or approximately \$1.5 each fiscal year.
- There are currently 2700 active cases being handled by outside counsel under a previous arrangement under which outside attorneys are being paid hourly fees for their legal services. During the 2005-2006 fiscal year, the City paid \$4.8 million in hourly fees to outside counsels for their legal representation in workers' compensation cases.
- Attorneys in the office are carrying a substantially higher caseload than that of outside counsel -- approximately 230 per deputy city attorney as compared to 125 for outside counsel.

Optimal Litigation Organizational Structure

Based on extensive experience litigating cases, the preferred approach is to establish in-house teams to handle cases consisting of one full-time deputy city attorney, and the following support staff: legal assistant (0.5 FTE), legal secretary (0.5 FTE), and legal clerk (1.0 FTE).

Caseload Reduction

To effectively reduce existing caseloads to approximate those handled by outside counsel, four additional litigation teams should be added to the existing 11 teams. This will improve both productivity and morale and will ultimately result in the more timely handling of cases and a long term reduction of costs.

In 2004-2005, even with very heavy caseloads, the Workers' Compensation Division reduced litigated workers' compensation pay-outs by almost \$19 million. In 2005-2006, also with heavy caseloads, this savings exceeded \$15 million. This savings was achieved partly as a result of internal re-organization within the City Attorney's Office. A significant portion of this savings was, however, achieved through the addition of two new attorneys and three new legal assistants, which measurably lowered the caseload per attorney by 14%. The office is optimistic that reduced caseloads and proper staffing levels will enable the office to achieve even greater results.

Outside Counsel Case Close Out Team

Currently, the bulk of outside counsel costs (\$4.8 million annually) are associated with those cases being handled by outside counsel under an hourly fee structure. It would be beneficial to encourage outside counsel to actively move toward closing as many cases as possible. This would significantly reduce outside counsel costs. In the first

Workers' Compensation – Outside Counsel Reduction

Office of the City Attorney – Budget Request 2007-08

year alone, we expect the Outside Counsel Closeout Team could close enough cases to save the City \$500,000 in this area.

Outside Counsel Reduction

To handle in-house all new sworn cases, which are currently referred out at a rate of approximately 300 new cases per year, three new litigation teams are required. The cost of these cases is approximately \$1.5 million if referred to outside counsel. Three new in-house litigation teams could handle these new cases at an annual cost of approximately \$700,000, less than half the cost. The savings to the City would be significant.

Background

This division is currently handling in excess of 2,400 active civilian cases generated by all the City's departments except for the Departments of Water and Power and Airports. It also provides supervision to outside counsel for over 3,000 sworn and civilian cases handled by outside law firms. The division's attorneys are expected to meet regularly with the client departments and the Personnel Department's analysts to discuss pending cases. The attorneys also provide advice to the various City departments, provide workers' compensation related training to City employees, and work on special projects as needed.

The division currently has 11 trial attorneys, 11 legal clerks, seven legal secretaries, five legal assistants and five investigators, in addition to the managing attorney and the support staff supervisor. (Figures exclude attorneys funded by and serving proprietary departments as well as the fraud unit.)

This division has a very busy civil legal practice. It receives over 1,000 documents every week, including court pleadings, medical reports, correspondence, etc. The division receives 40-50 new applications (the equivalent of complaints in Superior Court) per month.

In addition, to all of the basic administrative requirements associated with handling each case, staff also handles Petitions to Reopen; prepares case files for upcoming court hearings dealing with lien claimants and resolving lien issues; closes files after an award is made; prepares closed files for records retention; processes awards; transcribes dictation; prepares settlement requests for the Claims Board and City Council; schedules depositions; prepares stipulated award documents; schedules the attorneys' mandatory monthly meetings with client departments; prepares various pleadings.

With over 2,400 active cases (a figure which includes Harbor department cases), over 1,000 pieces of mail arriving every week, some 40-50 new cases being opened every month, and over 3,000 outside counsel cases to monitor, this division's attorneys and staff members are extremely busy. With proper staffing, this division can provide a level of service to the City which would exceed the service provided by outside counsel.

BUDGET REQUEST/REDUCTION PACKAGE

CAO 696B (Rev. 09-06)

1. DEPARTMENT: City Attorney	1A. BUREAU	2. DIVISION/SECTION Civil Liability	3. PACKAGE TITLE Worker's Compensation Outside Counsel Reduction
4. PROGRAM TITLE AND NUMBER: Civil Representation		5. SERVICE TITLE AND NUMBER: Worker's Compensation	
7. DESCRIPTION OF WORK OUTPUT AND OBJECTIVE: See attached.			6. PROVIDES SERVICES TO YOUTH AND CHILDREN <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7A. ADDRESSES MAYOR'S BUDGET GOALS: Fiscal Responsibility			8. Priority Current New 32 Reduction FY 2007-2008
9. RESOURCES REQUIRED NEXT FISCAL YEAR			
POSITIONS			FUNDS
No.	Class Title	Class Code	Total Salary
8	Deputy City Attorney III	0552	\$978,696
4.5	Legal Assistants	0565	\$269,699
4.5	Legal Secretary II	0581	\$254,790
7	Legal Clerk II	0586	\$299,383
			1010 Salaries \$ 1,802,668
			1020 Salaries Grant reimbursed \$ -
			1080 Salaries Proprietary \$ -
			1090 Overtime \$ -
			2060 State Bar Dues \$ 3,760
			2120 Printing & Binding \$ 4,800
			2130 Travel \$ -
			3040 Contract Services \$ -
			3310 Transportation \$ -
			8010 Office & Admin Exp \$ 96,128
			7300 Equipment \$ 90,000
			\$ -
			Subtotal \$ 1,997,266
			Department Total \$ 1,997,266
			Related costs:
			Retirement (25.36%) \$ 457,131
			Benefits (\$7,661/position) \$ 183,864
			Total Cost \$ 2,638,261
24		Totals	\$ 1,802,567.50
10. LEGAL BASIS			
11. LAYOFFS. Projected number if package is not funded. <u>0</u>			
12. SOURCE OF FUNDS: List all proposed funding sources and basis for use of special purpose funds. If more than one source of funds is proposed for this package, complete the attachment.			
<u>Fund Title</u>		<u>Amount</u>	
General Fund		\$ 2,638,261	
13. REVENUE: State the revenue impact of funding or not funding this package and any required ordinance changes.			
14. IMPACT: Detail quantifiable and non-quantifiable benefits of funding this package, including the impact on service levels. consequences of not funding it. See Attached			
Preparer's Name: Michiko M. Reyes		Title: CA Budget Director	Telephone: 978-7020

City Attorney
 Worker's Compensation
 Outside Counsel Reduction
 7. RESOURCES REQUIRED

SALARIES - GENERAL (1010)					Recurring	Non Recurring
No.	Class Title	Class Code	Salary	Total Salary		
8	Deputy City Attorney III	0552	122,337	\$978,696	\$978,696	
4.5	Legal Assistants	0565	58,933	\$269,699	\$269,699	
4.5	Legal Secretary II	0581	56,020	\$254,790	\$254,790	
7	Legal Clerk II	0586	42,768	\$289,383	\$289,383	
24	SUBTOTAL SALARIES - GENERAL			\$1,802,568		

SALARIES - GRANT (1020)						
No.	Class Title	Class Code	Salary	Total Salary		
0	SUBTOTAL SALARIES - GRANT			\$0	\$0	

SALARIES - PROPRIETARY (1080)						
No.	Class Title	Class Code	Salary	Total Salary		
0	SUBTOTAL SALARIES - PROPRIETARY			\$0	\$0	

SALARIES - OVERTIME (1090)					Amount	Amount
No.	Class Title					
0	Non-salaried employees			\$0	\$0	
0	SUBTOTAL SALARIES - OVERTIME			\$0	\$0	

STATE BAR DUES (2000)					Amount	Amount
No.	Class Title					
8	State & County Bar Dues	470		\$3,760	\$3,760	
8	SUBTOTAL - STATE BAR DUES			\$3,760		

PRINTING AND BINDING (2120)					Amount	Amount
No.	Item Description					
-24		200		\$4,800	\$4,800	
	SUBTOTAL PRINTING AND BINDING			\$4,800		

TRAVEL (2130)					Amount	Amount
No.	Item Description					
	Legislative and governmental meetings	0		\$0	\$0	
	SUBTOTAL TRAVEL			\$0	\$0	

CONTRACTUAL SERVICES (3040)					Amount	Amount
No.	Item Description					
				\$0	\$0	
				\$0	\$0	
	SUBTOTAL CONTRACTUAL SERVICES			\$0	\$0	

TRANSPORTATION (3310)					Amount	Amount
No.	Item Description					
	Mileage	400		\$0	\$0	
	SUBTOTAL TRANSPORTATION			\$0	\$0	

OFFICE AND ADMINISTRATIVE EXPENSE (6010)					Amount	Amount
No.	Item Description					
24	Office Supplies (S.M.S. Library Materials, Training, Fingerprinting)	1,200		\$28,800	\$28,800	
24	Standard Software Package	526		\$12,600		\$12,600
24	Standard Desktop PC	1,300		\$31,200		\$31,200
	Standard Laser Printer	324		\$0		\$0
4	Workgroup Laser Printer	2,314		\$9,256		\$9,256
8	Office Desk with Hutch	550		\$4,400		\$4,400
8	Cradenza	350		\$2,800		\$2,800
18	Chair, Office	300		\$4,800		\$4,800
16	Chair, Guest	142		\$2,272		\$2,272
				\$0		\$0
				\$0		\$0
				\$0		\$0
				\$0		\$0
	SUBTOTAL OFFICE AND ADMINISTRATIVE EXPENSE			\$96,128		

EQUIPMENT & OFFICE FURNITURE (7300)					Amount	Amount
No.	Item Description					
11	Modular furniture set up 8 x 6	5,000		\$56,000		\$56,000
5	Modular furniture set up 8 x 12	7,000		\$36,000		\$36,000
				\$0		\$0
				\$0		\$0
	SUBTOTAL EQUIPMENT & OFFICE FURNITURE			\$90,000		

TOTAL FUNDING NEEDS - BY ACCOUNT TITLE		Amount		
	ACCOUNT TITLE			
	Salaries - General (1010)	\$1,802,568		
	Salaries - Grant (1020)	\$0		
	Salaries - Proprietary (1080)	\$0		
	Salaries - Overtime (1090)	\$0		
	State Bar Dues (2000)	\$3,760		
	Printing and Binding Expense (2120)	\$4,800		
	Travel (2130)	\$0		
	Transportation (3310)	\$0		
	Contractual Services (3040)	\$0		
	Office and Administrative Expense (6010)	\$96,128		
	Equipment & Office Furniture (7300)	\$90,000		
	TOTAL	\$1,997,256	\$1,839,628	\$157,628

Fair Labor Standards Act (FLSA) Litigation Defense: Outside Counsel Reduction

Office of the City Attorney – Budget Request 2007-08

SAVINGS: \$1.35 million

Summary

Over the last decade, the City has faced several large FLSA lawsuits, most notably involving allegations of unpaid wages by the Los Angeles Fire Department and the Los Angeles Police Department. By definition, these cases are class action lawsuits and each carries substantial exposure. By way of example, the Kimpel v. City lawsuit cost the City \$40 million. More recently, the Brehm v. City case settled for \$7 million.

Currently, there are eight FLSA-related class action lawsuits pending against the City, four of which have been filed in the last 6 months. The City Attorney anticipates the filing of more FLSA lawsuits against the City, as well as increases in the number of plaintiffs in the lawsuits currently pending.

Generally, because of limitations on staffing and expertise, the City has been forced to hire outside counsel for these cases. In one case alone (Jones v. City), the City paid over \$5 million for outside counsel representation. This office has in the past proposed the establishment of an in-house FLSA unit to handle these cases. We believe this would be more efficient than hiring outside counsel. In fact, for FY 2007-08, roughly 80 percent (\$2.4 million) of our outside counsel request is dedicated to FLSA cases. In order to handle these cases in-house, we require the following resources:

- 6 Deputy City Attorney III (0552)
- 3 Legal Secretary II (0581)
- 2 Paralegal II (0577)

Background & Rationale

Typically, FLSA overtime lawsuits seek back pay, liquidated damages, post-judgment interest and attorney fees. These matters require extensive document review, cause substantial monetary exposure, portend profound operational changes, and almost always involve hundreds of plaintiffs. As a result, these matters require large amounts of attorney time and resources. Currently, the City Attorney has neither the staffing nor the broad expertise necessary to handle such lawsuits.

In order to competently conduct the defense of the above actions, counsel must possess an expertise in FLSA and California wage and hour laws, as well as sufficient staff to handle a mass-plaintiff action. By way of example, presently, there are 241 plaintiffs in a single case (*Achan*). However, under the FLSA, plaintiffs can "opt in." Therefore, the actual number of class members could increase significantly in the future. In any case, based upon past experience, we expect that the plaintiff group will often consist of over 100 members.

Fair Labor Standards Act (FLSA) Litigation Defense: Outside Counsel Reduction

Office of the City Attorney – Budget Request 2007-08

Each of these plaintiffs must be deposed, and his or her individual claims may ultimately be the subject of time-consuming Motions for Summary Judgment. Additionally, given the nature of the plaintiffs' claims, counsel must review and analyze voluminous amounts of time and payroll records. Therefore, counsel must have the resources necessary to handle a tremendous amount of paperwork.

As a practical matter, our Office's Employment Litigation Section does not have the resources to handle these cases. The ten attorneys in our Office's Employment Litigation Section are currently handling over 40 cases, and there is simply no way that these attorneys could handle additional cases without adversely affecting the quality of representation in other cases.

The hiring of additional in-house City Attorney staff in the form of an FLSA Unit would reduce reliance on outside counsel and develop essential in-house expertise. Approximately \$2.4 million of the FY 2007-08 outside counsel request is dedicated to FLSA cases. In house staff would cost approximately \$1.05 million, resulting in a savings for next year alone of \$1.35 million. Accordingly, we believe that establishing an FLSA Unit would be more cost-effective for the City and recommend resources be provided for this purpose.

City Attorney
Labor Relations/FLSA Advice

7. RESOURCES REQUIRED

SALARIES - GENERAL (1010)					Recurring	Non Recurring
No.	Class Title	Class Code	Salary	Total Salary		
8	Deputy City Attorney III	0652	122,937	\$734,022	\$734,022	
2	Paralegal II	0577	73,861	\$147,762	\$147,762	
3	Legal Secretary II	0591	69,820	\$169,860	\$169,860	
				\$0	\$0	
11	SUBTOTAL SALARIES - GENERAL			\$1,051,644		
SALARIES - GRANT (1020)						
No.	Class Title	Class Code	Salary	Total Salary		
0	SUBTOTAL SALARIES - GRANT			\$0	\$0	
SALARIES - PROPRIETARY (1080)						
No.	Class Title	Class Code	Salary	Total Salary		
0	SUBTOTAL SALARIES - PROPRIETARY			\$0	\$0	
SALARIES - OVERTIME (1090)					Amount	Amount
No.	Class Title			Amount	Amount	
0	Non-salaried employees			\$0	\$0	
0	SUBTOTAL SALARIES - OVERTIME			\$0	\$0	
STATE BAR DUES (2060)					Amount	Amount
No.	Class Title			Amount	Amount	
6	State & County Bar Dues	470		\$2,820	\$2,820	
0	SUBTOTAL - STATE BAR DUES			\$2,820		
PRINTING AND BINDING (2120)					Amount	Amount
No.	Item Description			Amount	Amount	
11		200		\$2,200	\$2,200	
	SUBTOTAL PRINTING AND BINDING			\$2,200		
TRAVEL (2130)					Amount	Amount
No.	Item Description			Amount	Amount	
	Legislative and governmental meetings	0		\$0	\$0	
	SUBTOTAL TRAVEL			\$0		
CONTRACTUAL SERVICES (3040)					Amount	Amount
No.	Item Description			Amount	Amount	
				\$0	\$0	
				\$0	\$0	
	SUBTOTAL CONTRACTUAL SERVICES			\$0		
TRANSPORTATION (3310)					Amount	Amount
No.	Item Description			Amount	Amount	
	Mileage	400		\$0	\$0	
	SUBTOTAL TRANSPORTATION			\$0		
OFFICE AND ADMINISTRATIVE EXPENSE (6010)					Amount	Amount
No.	Item Description			Amount	Amount	
11	Office Supplies (SMS, Library Materials, Training, Fingerprinting)	1,200		\$13,200	\$13,200	
11	Standard Software Package	525		\$5,775	\$5,775	
11	Standard Desktop PC	1,300		\$14,300	\$14,300	
	Standard Laser Printer	324		\$0	\$0	
2	Workgroup Laser Printer	2,314		\$4,628	\$4,628	
6	Office Desk with Hutch	550		\$3,300	\$3,300	
6	Credenza	350		\$2,100	\$2,100	
11	Chair, Office	300		\$3,300	\$3,300	
12	Chair, Guest	142		\$1,704	\$1,704	
				\$0	\$0	
				\$0	\$0	
				\$0	\$0	
				\$0	\$0	
	SUBTOTAL OFFICE AND ADMINISTRATIVE EXPENSE			\$48,307		
EQUIPMENT & OFFICE FURNITURE (7300)					Amount	Amount
No.	Item Description			Amount	Amount	
5	Modular furniture set up 8 x 8	5,000		\$25,000	\$25,000	
	Modular furniture set up 8 x 12	7,000		\$0	\$0	
				\$0	\$0	
				\$0	\$0	
	SUBTOTAL EQUIPMENT & OFFICE FURNITURE			\$25,000		
TOTAL FUNDING NEEDS - BY ACCOUNT TITLE					Amount	Amount
ACCOUNT TITLE				Amount	Amount	
Salaries - General (1010)				\$1,051,644		
Salaries - Grant (1020)				\$0		
Salaries - Proprietary (1080)				\$0		
Salaries - Overtime (1090)				\$0		
State Bar Dues (2060)				\$2,820		
Printing and Binding Expense (2120)				\$2,200		
Travel (2130)				\$0		
Transportation (3310)				\$0		
Contractual Services (3040)				\$0		
Office and Administrative Expense (6010)				\$48,307		
Equipment & Office Furniture (7300)				\$25,000		
TOTAL				\$1,129,971	\$1,089,864	\$40,107

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 209

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by m/f*

Subject: **EL PUEBLO DE LOS ANGELES REPORT ON STEPS NECESSARY TO ESTABLISH EL PUEBLO FOUNDATION**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on the steps necessary to establish an El Pueblo Foundation. The Department reports a need of \$700 for incorporation fees to establish a non-profit tax exempt foundation. The Department will jointly work with the City Attorney to draft the articles of incorporation and the bylaws for the foundation. The Department will also develop a list of potential board members and identify the staff needed for support. The Department identifies the need for employing the services of a consultant whose expertise is on establishing foundations. The estimated cost for a contract, with the consultant, would be \$85,000.

Attachment (1)

KLS:DP:08070353c

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT

ROBERT L. ANDRADE
GENERAL MANAGER

COMMISSION EXECUTIVE ASSISTANT
VACANT

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May 7, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: REPORT BACK ON STEPS NECESSARY TO ESTABLISH EL PUEBLO
FOUNDATION**

On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report on the steps necessary to establish a foundation for the El Pueblo. The basic administrative steps needed to establish a foundation (The El Pueblo Foundation) include;

- File incorporation papers to establish of non-profit tax exempt foundation, incorporation fees expenditure estimated at \$700.
- Instruct the Department and the City Attorney to jointly draft the articles of incorporation and the bylaws for the foundation.
- Develop a list of potential board members.
- Identify needed staff support for foundation

Establishing the El Pueblo Foundation will not only provide additional streams of revenue but will reduce our department's reliance on City resources, promote the achievement of a self-sustaining operation and ensure the longevity of this State Historic Landmark.

El Pueblo lacks the in-house expertise and staff dedicated to establish the foundation. That said, employing the services of a consultant; one who is an expert on establishing foundations. The consultant will: conduct relevant legal research; file the appropriate documentation; develop marketing, management and solicitation strategies; and develop a plan to attract private foundation funds and new resources. This consultant would be hired through a contract with an estimated cost of \$85,000.

Sincerely,


Robert L. Andrade
General Manager

RLA:JF:qg



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS by [signature]

Subject: **OPERATION BRIGHT FUTURE AND KIDWATCH**

The Committee requested the rationale for transferring Operation Bright Future and Kidwatch from the City Attorney to the Commission for Children, Youth and Their Families (CCYF).

Operation Bright Future - Background

Operation Bright Future is an anti-truancy program administered by the City Attorney's Office. This program is structured where unexcused absences are reported by LAUSD to the Office of the City Attorney. Letters from the City Attorney are then delivered to parents informing them of their legal responsibility to send their children to school. Staff from the City Attorney coordinate with LAUSD to refer parents to tutoring, mentoring or counseling programs. Meanwhile, the City Attorney conducts parent hearings or files misdemeanor charges against parents in extreme cases.

- Educating, counseling and referring truants and their parents before the need for prosecution are not prosecutorial tasks.
- CCYF has indicated an ability to provide these same services for less than the cost of lawyers.
- CCYF has an established relationship with LAUSD and can therefore perform parent outreach for which the City Attorney has been responsible.
- In the event that an extreme case requires the legal expertise of the City Attorney, the case will be referred to his Office.
- Three of nine cases reviewed for prosecution in 2002-03 and 2003-04 (the only years for which data is available), were actually filed.

No associated funding or positions for this program were eliminated from the City Attorney's Office in the 2007-08 Proposed Budget.

Kidwatch - Background

Kidwatch is a program providing safe passages to and from school, where administrative staff of the City Attorney recruit parents and residents surrounding schools as volunteers to assist LAPD in ensuring safety along paths to and from school. These volunteers help keep children away from harm, notifying LAPD of any suspicious persons or activities.

- Kidwatch is staffed by Administrative Coordinators, not attorneys.
- CCYF's core mission is to serve children, youth and their families, which falls in line with the intended outcome of Kidwatch.

- CCYF's existing relationships with the LAUSD and LAPD would complement the Kidwatch Program.

Two Administrative Coordinator II resolution positions are not continued for 2007-08 (Annual Cost = \$145,520).

Attached is the City Attorney's memo submitted to the Committee on May 4, 2007, detailing his concerns regarding the transfer of these two programs to CCYF. The City Attorney believes the transfer of these programs is illegal. Also attached is a memo prepared by CCYF detailing and clarifying their role for Operation Bright Future.

KLS:JL



2007 MAY -4 PM 5:49

OFFICE OF THE CITY ATTORNEY ADMINISTRATIVE OFFICER
ROCKARD J. DELGADILLO
CITY ATTORNEY

May 4, 2007

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney *Rockard J. Delgadillo*

SUBJECT: Budget Follow-up
Proposed Transfers of Operation Bright Future and Kid Watch

Your Committee requested information regarding the legality of transferring the Operation Bright Future (OBF) anti-truancy program and Kid Watch LA (Kid Watch) safe passage program from the Criminal Branch of the City Attorney's Office to the civil Commission on Children, Youth and their Families (Commission), as recommended in the Mayor's Proposed Budget (Blue Book p. 69, Item 29).

Both of these programs have been operated, administered and overseen by the Criminal Branch since their inception. The transfers contemplated in the Proposed Budget are illegal for multiple reasons. We focus below on functions integral to each program that cannot be legally assigned to a non-prosecutorial agency.

I. Operation Bright Future (OBF)

OBF is a highly effective anti-truancy program that targets parents of chronic truants and holds them criminally accountable for failing to ensure that their children attend school as required by State law.

OBF is a prosecutorial program. The Commission, however, has no prosecutorial authority whatsoever. The Commission is a body created by ordinance whose primary function is to provide advice. (Admin. Code sect. 8.317.) The Charter vests only the City Attorney with prosecutorial authority. (Charter, sect. 271, subd. (c).) As the Commission lacks the authority to operate, administer or oversee OBF, the proposed transfer is illegal. Specific concerns are detailed below:

Parent Assembly. As chronic truants are identified, the parents of these students are directed to a parent assembly by a letter from an OBF prosecutor. At the assembly, the prosecutor advises parents of the compulsory education laws and the potential legal consequences to them if their children remain truants.

Truants are identified and parents notified of the assembly using student attendance records that are confidential under State law. (Educ. Code sect. 49076.) While OBF prosecutors have access to these confidential records, the Commission staff would not. (*Ibid.*) As a result, the Commission would lack basic information necessary to call and conduct an OBF assembly.

City Attorney Hearing. If truant behavior continues, the parents and student are required by the OBF prosecutor to attend a City Attorney Hearing, at which the prosecutor personally discusses the compulsory education laws and warns the parents of impending prosecution. These hearings are authorized by statute to be conducted by prosecutors. Under Education Code section 48291, prosecutors are given the authority to meet with the parents of truant students to resolve truancy issues. The Commission staff has no such authority and, therefore, could not conduct these hearings.¹

School Attendance Review Board (SARB). If the student continues to miss school, the parents are referred to a SARB hearing as required by law. (Educ. Code sect. 48291.) This hearing is a prerequisite to the filing of criminal charges under the Education Code. The OBF prosecutor attends this confidential hearing as a *law enforcement representative*. Because the Commission staff is not an authorized participant, they cannot be legally present at these proceedings. (Educ. Code sect. 48321.)

Prosecution. If all of the aforementioned measures fail, the OBF prosecutor files criminal charges against the parents under Penal Code section 272, "contributing to the delinquency of a minor", and Education Code sections 48291 and 48293, "failure to comply with the compulsory education laws". Per Charter section 271, subdivision (c), only the City Attorney can prosecute these offenses. Thus, the most important component of OBF is outside the Commission's authority.²

II. Kid Watch LA

Kid Watch is a law enforcement program that focuses on neighborhood crime prevention and suppression. It recruits, trains and deploys volunteers (550 at present) to protect elementary school children as they walk to and from school, and report problem properties, gang hang-outs, locations of narcotics sales, and other criminal activities directly to the City Attorney's Office or LAPD. Because it is a law enforcement program, Kid Watch is operated by the Criminal Branch.

Key elements of Kid Watch serve law enforcement functions that cannot be transferred to a civil commission. Specific concerns are detailed below:

Criminal History Background Checks for Volunteers. All Kid Watch volunteers are subject to criminal history background checks. We believe that these checks are essential to ensuring the safety of the children we are protecting. Access to criminal history information is strictly limited under State law. (Penal Code sect. 11100 *et seq.*) The California Attorney General has granted the City Attorney's Office access to this information. To our knowledge, however, the Commission has no ability to perform these necessary background checks.

¹ The Commission's lack of access to confidential attendance records represents yet another barrier to its participation in these hearings. Nor could Commission staff advise parents about their potential criminal liability without engaging in the unauthorized practice of law.

² Nor could the Commission in any way oversee or direct OBF prosecutions. (*See Baron v. City of Los Angeles* (1970) 2 Cal.3d 535, 543.)

Kid Watch Volunteers Provide Critical Law Enforcement Information. Kid Watch volunteers are trained to identify and report criminal activity and dangerous locations in their communities to the Criminal Branch and LAPD. Using this information, our prosecutors file criminal charges against gang members, drug dealers and sexual predators and bring legal actions to abate nuisance properties. Kid Watch volunteers thus serve to expand the crime prevention and suppression capabilities of law enforcement in their communities. The Commission staff lacks the expertise, experience and authority to evaluate and act on law enforcement information provided by Kid Watch volunteers. As a result, the transfer of this program would deprive communities of an innovative and significant crime prevention and suppression resource.

Protecting Volunteers From Retaliation. As Kid Watch volunteers effectively serve as informants, it is essential that they be protected from retaliation by those whose criminal activities they report. Under the City Attorney program, volunteers reporting a crime know that both their identities and their cooperation are kept confidential. Because Kid Watch volunteers are reporting this information to the Criminal Branch for law enforcement purposes, all such information is exempt from disclosure under the California Public Records Act. (Govt. Code sects. 6250-6276.48.) This exemption does not apply to the Commission's records. Therefore, the transfer of Kid Watch to the Commission could jeopardize the safety of Kid Watch volunteers and their families, and would undermine the confidential informant function of this program.

Thank you for your ongoing support. If you have any further questions, or require additional legal analysis, please feel free to contact Chief Deputy Rich Llewellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 4, 2007

TO: Karen Sisson, City Administrative Officer

FROM: Rafael López, Interim Executive Director

SUBJECT: Role Clarification between the Commission for Children, Youth and Their Families and the City Attorney's Office in relation to Operation Bright Future Program

As directed by the City Council Committee on Budget and Finance at its meeting on May 2, 2007, I am submitting the Commission for Children, Youth and Their Families (CCYF) response regarding the need for additional role clarification between CCYF and the City Attorney's Office in relation to the future implementation of the Operation Bright Future Program (OBF).

The current program does not include CCYF as a partner in the process of preventing children and youth from truancy. CCYF can assume a more active partnership role that involves increased work in prevention and intervention prior to any prosecution efforts by the City Attorney's Office.

Overview of Operation Bright Future

Approximately 50,000 (20,000 elementary school and 30,000 secondary school students) of our City's children and youth are absent each day from the Los Angeles Unified School District. Many of these children and youth are truant and never submit an official reason for their unexcused absence. Nationally, experts have shown that truancy is one of several elements responsible for those children and youth who drop out of school.

Currently, OBF operates in 30 Los Angeles public middle schools. The foundation of the program includes the following core competencies:

1. Ability to build strong relationships with the school's leaders, counselors and staff;
2. Ability to build strong relationships with community organizations;
3. Ability to distribute letters, brochures and other informative and educational material for parents of truant children and youth,
4. Ability to organize, convene and lead school based general assemblies to educate parents about the importance of sending their children and youth to school;
5. Ability to refer parents to additional community resources for support that can range from counseling to parenting classes; and
6. Ability to prosecute, as an absolute last resort, those parents who refuse to cooperate.

CCYF has the ability to perform the above functions and can play a lead partnership role in all but one of the aforementioned steps: the prosecution of parents. The currently stated goal of the program is to keep children and youth in school, not to prosecute parents. In fact, prosecution is only used as a last resort when multiple efforts to educate and assist the family have failed.

Overview of Proposed Action Steps for Implementation of Operation Bright Future

The following are the steps that CCYF will take to ensure that each child receives a fair chance in turning around their truant behavior before their case is formally referred to the City Attorney's Office. Further, the following notes where and when the City Attorney's Office would play a more appropriate lead role rather than CCYF.

Action Steps	Agencies Involved
<p>Step 1: CCYF and participating OBF schools will send out a letter to the parents stressing the importance of education and how we must work together to ensure that children attend school daily.</p>	<p>Step 1: CCYF involvement with LAUSD.</p>
<p>Step 2: LAUSD monitors all truant students. When a student has more than 5 trancies, the school determines whether or not the parent is failing to send their child to school.</p>	<p>Step 2: This step only involves the school principal, assistant principal, and school nurse. At this point, CCYF can take an active role in thinking of "next steps" for the child and parent.</p>
<p>Step 3: CCYF will send a letter out informing the parent of their responsibility to insure their child attends school. CCYF will also direct the parent to attend a general assembly that will be conducted by CCYF in partnership with the school.</p>	<p>Step 3: Letter will be sent out by CCYF and include school Principal.</p>
<p>Step 4: General Assembly (GA) is held twice a year (with CCYF taking the lead, this could increase to 4 times a year). At the GA, CCYF will explain that there are community resources available to help parents and families.</p> <p>The City Attorney's office will explain the legal ramifications for a parent whose child is excessively truant from school.</p> <p>CCYF will then take the lead in directing parents and families to resources that may help address the truancy problem and educate parents on the importance of school attendance. CCYF will take an active role in the child's truancy problem so as to avoid prosecution.</p>	<p>Step 4: This step involves a regular partnership between CCYF and the City Attorney's Office. A specially designated prosecutor from the City Attorney's Office will present the portion of the General Assembly that discusses legal ramifications.</p>
<p>Step 5: If the student is truant for more than three days after the GA, then CCYF and the school will evaluate the matter and determine if valid reasons exist. If a valid excuse does not exist, then CCYF will send a letter inviting the parent to attend a hearing that will include CCYF and a school representative.</p>	<p>Step 5: CCYF will have a close relationship with the schools to make sure that the students who are truant will get the services and attention to which they are entitled.</p>
<p>Step 6: The hearing will be held at the CCYF office. The CCYF program lead will conduct the hearing and explore with the family if there are any other means to help the child attend school and reverse their truant behavior. Also present will be any other person that is deemed necessary for the child and parent to succeed. The parent will then be required to sign a contract to attend an 8-week parenting class. The parent is then warned by the program lead, that failure to comply will result in a School Attendance Review Board (SARB) hearing that will involve the City Attorney's office and may</p>	<p>Step 6: CCYF takes the lead role and invites community partners to demonstrate support to the parent and families. Partners could include a community based organization or mental health worker or County services representative who may have identified greater family concerns for which truancy is the indicator.</p>

end in prosecution.	
<p>Step 7: If the parent fails to comply with the parenting classes, or the students remain truant, after the hearing, then the parent and student are sent to the SARB.</p> <p>The SARB hearing will include representatives from the County's Probation Department, welfare department, the LAUSD, City Attorney's Office, and CCYF. The SARB is conducted in the format of the court, and gives the student and parent a "reality check" before prosecution. At the hearing, the SARB panel will determine if there is a way to remedy the problem.</p>	<p>Step 7: This is the step that where greater involvement may be required from the City Attorney's Office, particularly as a case is reviewed that may, in fact, lead to prosecution.</p>
<p>Step 8: If student and/or parent fail to comply with specific SARB instructions, then the SARB committee will file a case with the City Attorney's office to prosecute the parent under Education Code s. 48291 and Penal Code s. 272.</p>	<p>Step 8: SARB and City Attorney's office will take the lead if case reaches this step. CCYF will continue to monitor the case as a potential exists within the family that additional resources are required to assist the family.</p>
<p>Step 9: The City Attorney's Office will review the file submitted for prosecution and work with the assigned counselors and CCYF program lead to review all pertinent files.</p>	<p>Step 9: City Attorney's office will take the lead in this step. CCYF will be available to review case files as necessary.</p>

Throughout the whole process, CCYF will take an active role in connecting the family to resources. The goal is to keep children in school, not to prosecute the parents. Strong partnerships between the City Attorney's Office and LAUSD schools will be necessary to make this program successful.

Next Steps

The Commission for Children, Youth and Their Families looks forward to a strong partnership with the City Attorney's Office, the LAUSD and other community stakeholders interested in supporting parents and families in their educational success. Together, we can continue the work of reducing truancy and avoid the devastating impact that such behavior often has in destroying lives. To date, only 14 cases have been filed for prosecution of parents within the City Attorney's Office as a result of Operation Bright Future. It is our aim to ensure that as few cases as is possible are referred to the City Attorney's Office for prosecution.

- c: Deputy Mayor Ray Cortines
Elizabeth Diaz, Policy Analyst
Nancy Duong, CAO Analyst

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 211

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: ADDENDUM TO CAO BUDGET MEMO NO. 80 - CITY ATTORNEY LETTER TO THE BUDGET AND FINANCE COMMITTEE REGARDING THE 2007-08 PROPOSED BUDGET

The City Attorney's correspondence dated April 30, 2007, addressed to the Budget and Finance Committee, indicated the following concerns with the Proposed Budget for 2007-08:

- The current budget requires the City Attorney's Office to hold approximately 50 positions vacant due to the salary account being under-funded by four percent (salary savings rate), which is the highest forced vacancy rate of any public safety agency in the City of Los Angeles.
- There are currently no excess funds in the City Attorney salary account – all funds are spent on existing staff.
- 184 positions are dedicated to specific purposes per Council action (resolution positions), which reduces administrative flexibility.
- The Proposed Budget eliminates 11 existing positions and/or funding (including eight public safety positions).
- The Proposed Budget provides nine gang prosecution positions with no funding, yet includes specific language reflecting the essential nature of these prosecutors given the increase in LAPD officers.
- The Proposed Budget cut of \$7 million to Liability Claims will require litigators to do more with less.
- The additional \$1 million cut means:
 - They cannot restore positions that have been cut,
 - Cannot fill new positions that have been added without funding.
 - Must cut public safety further - \$1 million equates to nine existing criminal prosecutors.

CAO Response:

Most of the issues discussed above are addressed in other CAO memos. The new issue raised in this memo is the impact to the City Attorney's salary savings rate.

Salary Savings

Every year, each department's salary account is reduced by their respective salary savings rate. Departments are expected to manage at this level of funding. In the case of the City Attorney's Office, the salary savings rate is four percent (approximately \$3 million). According to the City

Attorney's Office, they must hold 50 positions vacant to meet their salary savings rate and stay within budget. Our office believes this is a reasonable estimate to achieve their four percent salary savings rate.

Additional \$1 Million Reduction

The City Attorney estimates that the \$1 million reduction to his salary account is equivalent of nine prosecutors. This reduction does not apply to specific positions, but rather functions similar to a 1.4% increase to the salary savings rate, which would bring the City Attorney salary savings rate to 5.4%.

The table below exhibits the impact to the City Attorney's salary account as follows:

<u>Description</u>	<u>Amount</u>	<u>Salary Savings Equivalent</u>
Current Salary Savings Rate	\$2,974,762	4%
Unfunded Positions		
School Safety Prosecutor	\$423,256	0.6%
Gang Prosecution Program	\$937,614	1.3%
\$1 Million Reduction	\$1,000,000	1.4%
Total Increase to Salary Savings Rate		3.3%

City Attorney Salary Account

The latest Financial Status Report (March 2007) received from the City Attorney's Office indicates that there will be no surplus in their salary accounts. If current employment levels remain the same, it would also be expected that there will be no surplus in their salary account for 2007-08.

Current Resolution Positions

184 resolution positions were authorized for 2006-07. Positions assigned to "specific purposes", as described by the City Attorney's Office include the following:

- Area Planning Commissions
- CLEAR
- Domestic Violence Unit
- Neighborhood Prosecutor Program
- Consent Decree
- Workers' Compensation
- Tobacco Enforcement

Because these positions are tied to specific programs, the City Attorney states that they do not have the flexibility re-align staff or keep them vacant.

Elimination of 11 Positions

The 2007-08 Proposed Budget for the City Attorney's Office does not continue seven resolution positions.

- Family Violence Prevention – 1 position (see CAO Budget Memo No. 94)
- Neighborhood Council Support – 2 positions (see CAO Budget Memo No. 92)
- Kidwatch – 2 positions (addressed in another CAO Budget Memo)
- Victim Assistance Program – 1 position
- City Attorney Program Support – 1 position

No funding is provided in the 2007-08 Proposed Budget for four positions in the School Safety Prosecutor Program. This item is addressed in CAO Budget Memo No. 95.

Gang Prosecutors

Funding was not provided for nine new positions in the Gang Prosecution Program. Full funding for these positions is \$0.94 million. The proposed budget for the City Attorney's Salaries account is \$77.3 million. These positions were not identified to be held vacant. The City Attorney can fill these new positions by holding lower-priority positions vacant if that is necessary to stay within budget.

Liability Claims

The 2007-08 Proposed Budget includes a reduction of \$7 million. This issue is addressed in CAO Budget Memo No. 204.

Attached is the City Attorney's memo submitted to the Committee on April 30, 2007, addressing his concerns with what is proposed in the Mayor's 2007-08 Budget.

KLS:JL
Attachment



OFFICE OF THE CITY ATTORNEY

ROCKARD J. DELGADILLO

CITY ATTORNEY

April 30, 2007.

TO: Honorable Members of the Budget and Finance Committee

FROM: Rockard J. Delgadillo, City Attorney

SUBJECT: **Public Safety Impact of Positions Eliminated in the Mayor's Proposed Budget**

Your committee requested detailed information regarding the cuts in the Proposed Budget and their public safety impacts.

As I noted during the City Attorney budget hearing, the Proposed Budget specifically eliminates 8 existing public safety positions and/or funding for these positions. It also provides 9 new anti-gang positions with *no funding* while conceding that these positions are needed for the City's new anti-gang strategy:

These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy." (Blue Book p. 63, Item #4)

In total, 17 public safety positions are cut or unfunded. This does not include the additional \$1 million salary reduction that equates to a cut of 9 additional criminal prosecutors; nor does it include the 3 non-public safety positions that are eliminated.

The following specific information is provided in response to your request:

17 PUBLIC SAFETY POSITIONS ELIMINATED OR UNFUNDED

Program	Position	Currently Filled?	Mayor's Proposed Budget Action	Reference page
Domestic Violence Prosecution	Deputy City Attorney	Yes	Specifically eliminates all funding and position.	Blue Book p. 63, Item #3: One of the 65 deleted positions.
School Safety Prosecutor (position #1)	Deputy City Attorney	Yes	Specifically eliminates all funding.	Blue Book p. 63, Item #4: "In addition, four resolution authority positions with <i>no funding</i> are continued for the School Safety Prosecutor Program."
School Safety Prosecutor (position #2)	Deputy City Attorney	Yes	Specifically eliminates all funding.	Blue Book p. 63, Item #4: "In addition, four resolution authority positions with <i>no funding</i> are continued for the School Safety Prosecutor Program."



School Safety Prosecutor (position #3)	Deputy City Attorney	Yes	Specifically eliminates all funding.	Blue Book p. 63, Item #4: "In addition, four resolution authority positions with <i>no funding</i> are continued for the School Safety Prosecutor Program."
Gang Prosecution (position #1)	Deputy City Attorney	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."
Gang Prosecution (position #2)	Deputy City Attorney	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."
Gang Prosecution (position #3)	Deputy City Attorney	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."
Gang Prosecution (position #4)	Deputy City Attorney	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."
Gang Prosecution (position #5)	Deputy City Attorney	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."
Gang Prosecution (position #6)	Deputy City Attorney	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."

Gang Prosecution (position #7)	Deputy City Attorney	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."
School Safety Prosecutor	Paralegal	Yes	Specifically eliminates all funding.	Blue Book p. 63, Item #4: "In addition, four resolution authority positions with <i>no funding</i> are continued for the School Safety Prosecutor Program."
Victim Assistance Program	Witness Service Coordinator	Yes	Specifically eliminates all funding and position.	Blue Book p. 63, Item #3: One of the 65 deleted positions.
Kid Watch (position #1)	Admin Coordinator	Yes	Specifically eliminates all funding and position. Transfers to CCYF.	Blue Book p. 66, Item #15: One of the 62 deleted positions.
Kid Watch (position #2)	Admin Coordinator	Yes	Specifically eliminates all funding and position. Transfers to CCYF.	Blue Book p. 66, Item # 15: One of the 62 deleted positions.
Gang Prosecution (position #1)	Legal Secretary	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."
Gang Prosecution (position #2)	Legal Secretary	New proposal	Specifically provides no funding.	Blue Book p. 63, Item #4: "Add seven Deputy City Attorney III and two Legal Secretary III positions on resolution position authority with <i>no funding</i> for the Gang Prosecution Program. These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy."

Other cuts:

- 2 Neighborhood Council Advice Attorneys - Funding and positions eliminated Blue Book p. 66, Item #15 (part of the 62 deleted positions)
- 1 Business Tax Reform Accounting Clerk – Funding and position eliminated Blue Book p. 66, Item #15 (part of the 62 deleted positions)

The additional \$1 million cut (Detail of Departmental Programs - Exhibit 1- Summary of Salary Changes) has significant public safety impacts, given:

- Current Budget requires the Office to hold approximately 50 positions vacant due to salary account being underfunded by 4% (salary savings rate). This is the highest forced vacancy rate of any public safety agency in the City of Los Angeles.
- There are currently no excess funds in the City Attorney salary account – all funds are spent on existing staff.
- 184 positions are dedicated to specific purposes per Council action (resolution authority positions), which reduces administrative flexibility.
- Proposed Budget eliminates 11 existing positions and/or funding (including 8 public safety positions).
- Proposed Budget provides 9 new gang prosecution positions with no funding yet includes specific language reflecting the essential nature of these prosecutors given the increase in LAPD officers: *“These positions will manage the anticipated increase in workload for gang-related prosecutions resulting from the City's overall Anti-gang and Youth Development Strategy.”*
- Proposed Budget cut of \$7 million to Liability Claims will require civil litigators to do more with less.
- Therefore, the additional \$1 million cut means:
 - Cannot restore positions that have been cut
 - Cannot fill new positions that have been added (and which the Proposed Budget acknowledges are required by increased workload) without funding
 - Must cut public safety further - \$1 million equates to 9 existing criminal prosecutors

The Proposed Budget specifically impacts gang resources, which sends the wrong message at the wrong time to criminal street gangs across this City. I urge you to restore these cuts and help take back our neighborhoods from the scourge of gang violence.

Thank you for your ongoing support. If you have any further questions, please feel free to contact Chief Deputy Rich Lilwellyn or Chief Financial Officer Jennifer Krieger.

cc: Honorable Members of the City Council
Karen Sisson, City Administrative Officer
Gerry Miller, Chief Legislative Analyst
Julie Butcher, SEIU, Local 347
Shelley Smith, Los Angeles City Attorneys Association

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 212

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

KLS
DMSubject: **CORRECTIONS TO PAGES 62 THROUGH 68 OF THE SPECIAL
APPROPRIATIONS FOR CULTURAL AFFAIRS**

Pages 62 through 68 of the Department of Cultural Affairs budget includes misprints for several line items. The attached replacement pages correct these typographical errors and have no financial impact on the Proposed Budget.

KLS: DM: 08070356d

Attachment

CULTURAL AFFAIRS DEPARTMENT SPECIAL APPROPRIATIONS

The Cultural Affairs Department awards funds on an annual basis to organizations and individuals to present artistic productions citywide. These productions encompass all categories of the arts, such as visual arts, performance arts, dance, music, photography, and literary arts. Additionally, the Department produces and supports festivals, fairs and other special events celebrating the City's diverse cultures and traditions.

Following is the detailed list, for the years from 2005 through 2007, of the Department's Special Appropriations.

Adopted Budget 2005-06	Adopted Budget 2006-07	Estimated Expenditures 2006-07	Budget Appropriation 2007-08
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EXPENDITURES AND APPROPRIATIONS

SPECIAL I - CULTURAL GRANTS FOR FAMILIES AND YOUTH ¹

\$ 100,800	\$ 100,800	\$ 89,000		\$ 127,500
			A. DANCE CONCERTS AND CLASSES	
			Artist Consortium.....	4,200
			Benita Bike's Dance Art Inc.....	4,000
			Body Weather Laboratory.....	5,000
			Collage Dance Theatre.....	8,000
			Culture Shock Dance Troupes, Inc.....	3,800
			Dancesence Inc.	5,000
			Diavolo Dance Theatre.....	17,000
			Francisco Martinez Dance Theatre.....	6,500
			Helios Dance Theater.....	3,500
			Jazz Tap Ensemble Inc.....	8,000
			Keshet Chaim Dancers.....	6,000
			Loretta Livingston and Dancers.....	6,000
			Los Angeles Chamber Ballet.....	7,500
			Louise Reichlin and Dancers.....	6,000
			Praxis Project, Inc.....	3,500
			Rangoli Dance Company.....	6,500
			Rhapsody in Taps Inc.....	8,500
			Rosanna Gamson World Wide Inc.....	7,500
			San Pedro City Ballet.....	5,000
			Viver Brasil Company.....	6,000
\$ 218,000	\$ 218,000	\$ 205,000	B. FILM FESTIVAL AND PUBLIC TELEVISION	\$ 225,000
			American Film Institute Inc.....	7,000
			The Artist Collective Inc.....	5,500
			Community Television of Southern California, aka KCET.....	45,000
			Dance Camera West.....	7,000
			Filmmakers United	6,500
			FIND	38,000
			Gay & Lesbian Media Coalition.....	35,000
			Hollywood Entertainment Museum.....	5,000
			Indian Film Festival of Los Angeles.....	6,000
			Inner-City Filmmakers.....	8,000
			International Documentary Association.....	6,000
			L.A. Freewaves.....	9,000
			Live Arts Group.....	3,500
			Polish Film Festival.....	6,500
			SLIFF, Inc.....	7,500
			Southern California Asian American Studies Central.....	9,500
			Southern California Public Radio.....	10,000
			Women in Film.....	10,000

CULTURAL AFFAIRS DEPARTMENT SPECIAL APPROPRIATIONS

Adopted Budget 2005-06	Adopted Budget 2006-07	Estimated Expenditures 2006-07		Budget Appropriation 2007-08
\$ 78,000	\$ 78,000	\$ 86,000	C. LITERATURE AND PUBLISHING	\$ 28,000
			Beyond Baroque Foundation.....	10,000
			PEN Center USA West.....	8,000
			Red Hen Press.....	4,000
			Wordsville, Inc.	6,000
\$ 384,500	\$ 384,500	\$ 347,500	D. MUSEUM PROGRAMS AND EXHIBITIONS	\$ 282,500
			A+D Architecture + Design Museum, Los Angeles.....	9,500
			A Window Between Worlds.....	10,000
			Armand Hammer Museum of Art and Cultural Center, Inc.....	12,500
			ART 2102.....	4,000
			Art Center College of Design.....	6,000
			Arts & Services for Disabled Inc.....	9,000
			Center for Land Use Interpretation.....	6,000
			Center for the Study of Political Graphics.....	9,500
			Japanese American National Museum.....	33,000
			LA Artcore.....	6,000
			Latin American Cinemateca Los Angeles.....	3,500
			LatinArt.com.....	3,000
			Los Angeles Art Association.....	6,500
			Los Angeles Conservancy.....	8,000
			Los Angeles Contemporary Exhibitions.....	10,500
			Los Angeles Forum for Architecture.....	5,500
			Museum Associates dba Los Angeles County Museum	60,000
			Museum of Contemporary Art.....	25,000
			Museum of Jurassic Technology.....	6,000
			Museum of Neon Art.....	6,000
			Otis Art Institute.....	10,500
			Pharmaka Gallery.....	4,000
			Project X Foundation for Art and Criticism.....	6,500
			Southern California Institute of Architecture.....	15,000
			The Velaslavasay Panorama.....	7,000
\$ 285,000	\$ 285,000	\$ 329,500	E. MUSIC CONCERTS AND CLASSES	\$ 316,900
			Afro-American Chamber Music Society Orchestra.....	3,500
			American Composers Forum.....	6,000
			American Youth Symphony Inc.....	9,000
			California EAR Unit.....	7,000
			Chamber Music Palisades.....	3,000
			The Da Camera Society.....	11,000
			Debussy Trio Music Foundation.....	5,200
			INCA, the Peruvian Music & Dance Ensemble.....	7,000
			Korean Philharmonic Orchestra.....	2,500
			Los Angeles Bach Festival.....	4,000
			Los Angeles Chamber Orchestra.....	24,000
			Los Angeles Chamber Singers.....	5,000
			Los Angeles Jazz Society.....	8,500
			Los Angeles Jewish Symphony.....	8,000
			Los Angeles Master Chorale.....	45,000
			Los Angeles Opera Company.....	45,000
			Los Angeles Philharmonic Association.....	40,000
			Melodia Sinica.....	2,500
			Piano Spheres.....	3,500
			Plaza de la Raza.....	9,000
			Santa Cecilia Opera and Orchestra.....	12,000

CULTURAL AFFAIRS DEPARTMENT SPECIAL APPROPRIATIONS

Adopted Budget 2005-06	Adopted Budget 2006-07	Estimated Expenditures 2006-07		Budget Appropriation 2007-08
			MUSIC CONCERTS AND CLASSES (Continued)	
			Saturday Night Bath Concert Fund.....	\$ 6,000
			Soc. for Activation of Social Space through Art & Sound.....	6,000
			Southwest Chamber Music Society.....	8,000
			Symphonic Jazz Orchestra.....	5,500
			Vox Femina Los Angeles.....	5,700
			Young Musicians Foundation.....	25,000
<u>\$ 390,700</u>	<u>\$ 390,700</u>	<u>\$ 454,500</u>	F. THEATRICAL PLAYS AND WORKSHOPS	<u>\$ 402,500</u>
			The Actors' Gang.....	6,000
			Autry National Center of the American West.....	45,000
			Bilingual Foundation of the Arts.....	25,000
			The Black Dahlia Theatre.....	6,000
			The Blank Theatre Company.....	6,000
			Celebration Theatre.....	4,000
			Center Theatre Group of Los Angeles.....	40,000
			Circle X Theatre Company.....	3,000
			Cities at Peace Inc.....	7,000
			Community Partners FBO Changing Perceptions.....	6,500
			Cornerstone Theatre Company Inc.....	30,000
			Deaf West Theatre Inc.....	30,000
			East Los Angeles Classic Theatre.....	8,000
			East West Players.....	25,000
			Edgefest.....	7,000
			FirstStage.....	5,000
			FITLA International Latino Theatre Festival of Los Angeles.....	8,000
			Geffen Playhouse.....	6,000
			The Ghost Road Company.....	3,000
			Greenway Arts Alliance.....	6,500
			The Imagination Workshop.....	6,500
			Indecent Exposure.....	3,500
			Independent Shakespeare Co. Inc.....	6,000
			Los Angeles Poverty Department.....	5,000
			Los Angeles Women's Shakespeare Company (LAWSC).....	3,500
			Musical Theatre Guild.....	7,500
			New One-Act Theatre Ensemble.....	3,000
			Odyssey Theatre Foundation.....	18,000
			Other Side of the Hill Productions Inc.....	6,000
			REPRISE! Broadway's Best.....	8,000
			Shakespeare At Play.....	5,000
			Shakespeare Festival LA.....	22,000
			SINERGY Theatre Group.....	6,500
			Towne Street Theatre.....	6,000
			UPE Enterprise Inc.....	3,000
			Virginia Avenue Project.....	10,000
			Watts Village Theater Company.....	3,000
			Ziggurat Theatre Company.....	3,000
<u>\$ 137,400</u>	<u>\$ 137,400</u>	<u>\$ 123,200</u>	G. TRADITIONAL FOLK ARTS AND CULTURAL HERITAGE	<u>\$ 57,200</u>
			An Claidheamh Soluis (aka Celtic Arts Center).....	5,500
			California Traditional Music Society.....	9,000
			Cultural Heritage Foundation of Southern California.....	4,000
			FolkWorks.....	5,000
			Iron Circle Nation.....	3,200
			Kim Eung Hwa Dance Academy.....	5,500

CULTURAL AFFAIRS DEPARTMENT SPECIAL APPROPRIATIONS

Adopted Budget 2005-06	Adopted Budget 2006-07	Estimated Expenditures 2006-07		Budget Appropriation 2007-08
			TRADITIONAL FOLK ARTS AND CULTURAL HERITAGE (Continued)	
			Kodo Arts Sphere America.....	\$ 4,500
			LA Story Works.....	2,000
			The Music Circle.....	8,500
			Pacific Islander Community Council (PICC).....	5,000
			Thai Community Art & Cultural Center.....	5,000
<u>\$ 433,200</u>	<u>\$ 433,200</u>	<u>\$ 384,000</u>	H. VARIETY ARTS AND EDUCATION	<u>\$ 353,000</u>
			About Productions.....	8,000
			Arroyo Arts Collective.....	4,500
			Assoc. for the Advance. of Filipino American Arts & Cult.....	10,000
			California Institute of the Arts.....	60,000
			Eagle Rock Community Cultural Assn.....	6,500
			Foundation for World Arts.....	9,000
			Foundation of the Ca. African American Museum.....	6,500
			Friends of Villa Aurora Inc.....	6,000
			Grand Performances.....	40,000
			Great Leap Inc.....	7,000
			H.E.Art Project.....	12,000
			Indo-American Cultural Center, aka ArtWallah.....	7,500
			Inner-City Arts.....	30,000
			La Plaza de Cultura y Artes.....	7,000
			L.A. Theatre Works.....	28,000
			Latina Dance Projects.....	4,000
			Los Angeles Women's Theatre Festival.....	5,000
			Miracle Mile Players Inc.....	3,500
			Music Center Education Division.....	50,000
			New Town Pasadena Foundation.....	5,000
			Pan African Film Festival.....	8,500
			Red Nation Celebration.....	3,500
			TA'YER.....	6,000
			TeAda Productions.....	5,000
			Theatre Movement Bazaar Inc.....	2,000
			Theatre of Hope Inc.....	5,000
			We Tell Stories, Inc.....	8,000
			World Stage Performance Gallery.....	5,500
<u>\$ 373,284</u>	<u>\$ 373,284</u>	<u>\$ 102,193</u>	I. ARTS BUSINESS EDUCATION AND CAPACITY BUILDING	<u>\$ 68,000</u>
			Arts for LA.....	3,000
			California Lawyers for the Arts.....	6,000
			Center for Cultural Innovation.....	9,000
			Center for Nonprofit Management.....	20,000
			Ford Theatre Foundation.....	7,000
			Los Angeles Theatre Alliance.....	17,000
			Nat. Latino Arts, Education & Media Institute (NLAEMI).....	6,000
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	J. COMMUNITY ADVANCEMENT	<u>\$ 227,885</u>
			18th Street Arts Complex.....	37,400
			California Traditional Music Society.....	60,000
			Center for Cultural Innovation.....	70,976
			Los Angeles Municipal Art Gallery Associates (LAMAGA).....	3,509
			Research Fund.....	10,000
			Susan Silton.....	46,000
<u>\$ 2,400,884</u>	<u>\$ 2,400,884</u>	<u>\$ 2,120,893</u>	TOTAL - SPECIAL I - CULTURAL GRANTS ³	<u>\$ 2,088,485</u>

CULTURAL AFFAIRS DEPARTMENT SPECIAL APPROPRIATIONS

Adopted Budget 2005-06	Adopted Budget 2006-07	Estimated Expenditures 2006-07		Budget Appropriation 2007-08
SPECIAL II - COMMUNITY CULTURAL PROGRAMS FOR FAMILIES AND YOUTH ²				
\$ 23,500	\$ 23,500	\$ 23,500	African American History Month Programs.....	\$ 23,500
23,500	23,500	23,500	Asian American History Month Programs.....	23,500
15,000	15,000	15,000	Central Avenue Jazz Festival.....	15,000
110,000	110,000	170,000	Community Arts Classes for Youth.....	72,000
60,000	60,000	120,000	Community Arts Partners Program.....	120,000
150,000	150,000	150,000	Council Civic Fund (\$20,000 per Council District) ⁹	300,000
20,000	20,000	20,000	Cultural Treasures Program.....	10,000
90,000	90,000	90,000	Folk and Traditional Arts Program.....	90,000
22,500	22,500	29,500	LA Cultural Tourism and Promotion.....	29,500
23,500	23,500	23,500	Latino Heritage Month Programs.....	23,500
--	--	30,000	Los Angeles Municipal Arts Gallery	5,000
100,000	100,000	100,000	Program Support.....	--
25,000	25,000	25,000	Watts Towers Jazz & Drum Festival.....	25,000
<u>\$ 375,000</u>	<u>\$ 375,000</u>	<u>\$ 375,000</u>	K. YOUTH ARTS AND EDUCATION SERIES.....	<u>\$ 325,000</u>
			Anchor Education Foundation.....	10,000
			Art in the Park.....	7,000
			Bethune Theatredeanse.....	14,000
			Echo Park Film Center.....	10,000
			Floricanto Dance Theatre.....	13,000
			Friends of the McGroarty Arts Center.....	1,000
			Inside Out Community Arts, Inc.....	14,000
			J.U.I.C.E. (Community Partners).....	10,000
			LA Commons (Community Partners).....	10,000
			P.S. Arts.....	12,000
			Ryman Arts.....	13,000
			Side Street Projects.....	12,000
			Street Poets Inc.....	13,000
			The Unusual Suspects Theatre Co.....	15,000
			The Will Greer Theatricum Botanicum.....	5,500
			Theatre of Hearts.....	14,000
			Theatre of Will.....	3,000
			Venice Arts: In Neighborhoods.....	14,000
			WriteGirl (Community Partners).....	13,500
			Young Musicians Foundation.....	10,000
			Program Funds.....	111,000
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	L. COLA CITY OF LOS ANGELES FELLOWSHIPS	<u>\$ 116,491</u>
			Adelina Anthony.....	10,000
			Judie Bamber.....	10,000
			Erin Cosgrove.....	10,000
			Joyce Dallal.....	10,000
			Sesshu Foster.....	10,000
			Phranc Gottlieb.....	10,000
			Tara Ison.....	10,000
			Lewis Klahr.....	10,000
			Suzanne Lacy.....	10,000
			John D. Malpede.....	10,000
			Timothy Nolan.....	10,000
			Stas Orlovski.....	6,491

CULTURAL AFFAIRS DEPARTMENT SPECIAL APPROPRIATIONS

Adopted Budget 2005-06	Adopted Budget 2006-07	Estimated Expenditures 2006-07		Budget Appropriation 2007-08
\$ 425,000	\$ 425,000	\$ 397,991	M. OUTDOOR FESTIVALS AND PARADES ⁵	\$ 256,500
			A Place Called Home.....	6,000
			African Marketplace.....	10,000
			Aliso Business Community, Inc.....	6,000
			Angels Gate Cultural Center.....	10,000
			Boyle Heights Chamber of Commerce.....	12,000
			Central American Resource Center - Los Angeles.....	8,000
			Community Build Inc.....	8,000
			Earth Day LA.....	8,000
			Earthways Foundation.....	8,000
			Encino Chamber of Commerce	8,000
			FAMILI, Inc.....	8,000
			Foothill Optimist of Sunland.....	10,000
			Fourth of July Celebration at Hansen Dam.....	7,000
			Friends of the Family.....	10,000
			Granada Hills Chamber of Commerce.....	6,000
			Halcyon Center for Child Studies.....	9,500
			Heroes of Life, Inc.....	6,000
			Highland Park Chamber of Commerce.....	5,000
			International Eye, Los Angeles.....	9,000
			Kiwanis Club of Chatsworth.....	6,500
			Kwanzaa Heritage Foundation.....	8,500
			Little Tokyo Services Center Community Dev. Corp.....	11,000
			Main Street Canoga Park.....	9,000
			North Figueroa Association.....	6,500
			Promoting Israel Publicity & Education.....	8,500
			Regional Organization of Oaxaca.....	8,500
			South Robertson Neighborhoods Council, Inc.....	5,000
			Sunset Junction Neighborhood Alliance.....	6,000
			Tia Chucha's Centro Cultural.....	8,000
			Watts Summer Festival, Inc.....	8,500
			Watts Towers Community Action Council.....	7,000
			Women's 20th Century Club.....	9,000
<u>\$ 1,463,000</u>	<u>\$ 1,463,000</u>	<u>\$ 1,592,991</u>	TOTAL - SPECIAL II ³	<u>\$ 1,434,991</u>
<u>\$ 3,863,884</u>	<u>\$ 3,863,884</u>	<u>\$ 3,713,884</u>	TOTAL SPECIALS I and II.....	<u>\$ 3,523,476</u>
SPECIAL III - CITYWIDE /REGIONAL ARTS SUPPORT				
\$ 20,000	\$ 20,000	\$ 20,000	Bridge Gallery/Slide Registry.....	\$ 8,000
300,000	300,000	300,000	Sony Pictures Media Arts Program.....	290,000
--	--	--	Los Angeles Municipal Art Gallery Associates (LAMAGA).....	1,491
--	--	10,000	Murals Maintenance and Preservation.....	20,000
75,000	75,000	65,000	Matching Grant Program	--
--	--	--	Music LA.....	30,000
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	COLA CITY OF LOS ANGELES FELLOWSHIPS	<u>\$ 33,509</u>
			Stas Orlovski.....	3,509
			David Rousseve.....	10,000
			Louise Sandhou.....	10,000
			Alex Slade.....	10,000

CULTURAL AFFAIRS DEPARTMENT SPECIAL APPROPRIATIONS

Adopted Budget 2005-06	Adopted Budget 2006-07	Estimated Expenditures 2006-07		Budget Appropriation 2007-08
\$ 335,000	\$ 335,000	\$ 300,000	REGIONAL ARTS ASSISTANCE/ARTISTS - IN RESIDENCE	\$ 290,000
			Ana Maria Alvarez.....	10,000
			Adelina Anthony.....	10,000
			Maria E. Bodmann.....	10,000
			Gail Brown.....	10,000
			Andre Burke.....	10,000
			Leilani Chan.....	10,000
			Barbara H. Clark.....	10,000
			Keith Cross.....	10,000
			Tina Demirdjian.....	10,000
			Samuel Donlavy.....	10,000
			Cristina Frias.....	10,000
			Wakana Hanayagi.....	10,000
			Michael Kearns.....	10,000
			Dzidzogbe (Beatrice) Lawluvi.....	10,000
			Heriberto Luna.....	10,000
			Bobby Matos.....	10,000
			Arianne McBean.....	10,000
			Brian Moss.....	10,000
			Kathleen O'Mara.....	10,000
			Henry Ong.....	10,000
			Steven Reigns.....	10,000
			Sam Robinson.....	10,000
			Leslie Schwartz.....	10,000
			Barry Shils.....	10,000
			Kyungmi Shils.....	10,000
			Sri Susilowati.....	10,000
			Teresa Tolliver.....	10,000
			Krisitina Wong.....	10,000
			Vibul Wonprasat.....	10,000
<u>\$ 730,000</u>	<u>\$ 730,000</u>	<u>\$ 730,000</u>	TOTAL - SPECIAL III ³	<u>\$ 673,000</u>
<u>\$ 4,593,884</u>	<u>\$ 4,593,884</u>	<u>\$ 4,443,884</u>	TOTAL SPECIALS I, II and III.....	<u>\$ 4,196,476</u>

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 213

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mnt*

Subject: **EL PUEBLO DE LOS ANGELES EXPENDITURE REDUCTIONS**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on future expenditure reductions as instructed in the mid-year report, including proposed museum hours for the remainder of the current fiscal year and for 2007-08. The Department plans on using salary savings to maintain museum hours and events for the remainder of 2006-07. The Department will be required to reduce the total number of weekly museum hours by 60, should additional funding not be provided in 2007-08.

The recent expansion of museum hours was approved in the mid-year report. The Department will require additional funding in the amount of \$40,000, as specified in Budget Memo 150, for the 2007-08 budget.

KLS:DP:08070354c

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

BOARD OF
COMMISSIONERS

CAROL JACQUES
PRESIDENT

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NORMA NAVARRO
PATRICIA NIETO
LISA SEE
HERBERT SIGUENZA
LATONYA SLACK

EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT

ROBERT L. ANDRADE
GENERAL MANAGER

COMMISSION EXECUTIVE ASSISTANT
VACANT

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TDD: (213) 473-5535
FAX: (213) 485-8238

May 7, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

**SUBJECT: REPORT BACK ON FUTURE EXPENDITURE REDUCTIONS AS INSTRUCTED
BY THE CAO 2007 MID-YEAR REPORT**

During the Budget and Finance Committee deliberations on the City Administrative Officer's (CAO) 2006 Mid-Year Adjustment and Financial Status Report (0116-0001-0000), El Pueblo de Los Angeles Historical Monument (El Pueblo) was instructed to report to the Budget and Finance Committee in 15 days with a plan to reduce the expenditures to match its budget appropriations including proposed museum hours for the remainder of the fiscal year and for 2007-08.

2006-07

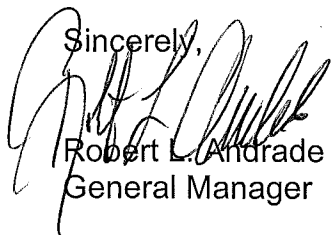
During the discussion at the April 6, 2007 Budget and Finance Committee (C. F. 06-0600-S74), El Pueblo requested that \$80,000 in the department's salary savings not be included in the CAO mid-year "sweep" and instead be used to for Salaries As-Needed to maintain museum hours and events at the site and for events. The Committee agreed to permit El Pueblo to use the salary savings.

2007-08 Museum Hour Appropriations

Should the Council decide not to provide additional funding for the continuation of museum hours for 2007-08 as reflected in Budget memo no. 344. El Pueblo will be required to reduce the total number of weekly museum hours by 60 from the current 337 total hours to a revised 277 hours. See attached for 2007-08 revised museum operation hours.



Sincerely,



Robert L. Andrade
General Manager

RLA:JF:qg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission

**MUSEUM OPERATION
2007/2008**

2008					2007				
Museum Location	Operation Hours	No. of Shifts	Shift Times	Weekly Total Hrs	Museum Location	Operation Hours	No. of Shifts	Shift Times	Weekly Total Hrs
Avila Adobe	Daily 9:00am-3:00pm	2	8:45am-4:15pm 9:45am-4:15pm	91	Avila Adobe as of Mar '06	9:00am-4:00pm	2	8:45am-4:15pm 9:45am-4:15pm	91
Firehouse	Daily 10:00am-3:00pm	1	9:45am-3:15pm	35	Firehouse	10:00am-3:00pm	1	9:45am-3:15pm	35
Greeter Station	Mon-Fri 10:00am-3:00pm	1	9:45am-3:15pm	25	Greeter Station	Mon-Fri 10:00am-3:00pm	1	9:45am-3:15pm	25
Greeter Station	Sat-Sun 9:00am-4:00pm	1	8:45am-4:15pm	14	Greeter Station	Sat-Sun 9:00am-4:00pm	1	8:45am-4:15pm	14
Visitor Center	Daily 9:00am-4:00pm	3	8:45am-4:15pm	34	Visitor Center	Daily 9:00am-4:00pm	3	8:45am-4:15pm	34
Hellman Quon	Wed-Sat 10:00am-3:00pm	1	9:45am-3:15pm	20	Hellman Quon as of Jan'06	Daily 10:00am-3:00pm	1	9:45am-3:15pm	35
CAM	Tue-Sun 10:00am-3:00pm	1	9:30am-3:30pm	33	CAM	Tue-Sun 10:00am-3:00pm	1	9:30am-3:30pm	33
Pico House	Fri-Tue 10:00am-3:00pm	1	9:45am-3:15pm	25	Pico House	10:00am-3:00pm	1	9:45am-3:15pm	35
Lunch Relief	Greeter will relief lunch			0	Relief	Daily 10:00 am-3pm	1	10:00am-3:00pm	35
Weekly total hours				277	Weekly total hours				337

Avila Adobe :

Remain open 7 days a week from 9 am to 4 pm

Visitor Center:

Visitor Center open 9:00am-4:00pm Daily.

Full time shift m-F 8:00am-4:30pm; Wed shift 10:00am-3:00pm; weekend shift 8:45am-4:15pm

Hellman Quon:

Open 4 days instead daily except lunch time due to no lunch relief

Pico House:

Open 5 days instead daily except lunch time due to no lunch relief person.

Lunch Relief:

Eliminate Lunch relief who gives lunch breaks for museums except for Avila Adobe. Use Greeters to relief lunch

Possible of laying off two part-time employees

13.041

3076.923077

59.17159763

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 214

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **EL PUEBLO DE LOS ANGELES 2007-08 PROPOSED BUDGET 1% AND 3% REDUCTION**

Your Committee instructed El Pueblo de Los Angeles (Department) to report on a 1% and 3% reduction to the Mayor's proposed budget (attachment). The Department proposes a 1% and 3% reduction from the General Fund contribution for El Pueblo operations. The range of reduction is between \$9,443 and \$28,329. The Department did not target specific accounts, but proposes reductions to museum operations and/or event support (filming coordination and traditional events).

The recent expansion of museum hours was approved in the mid-year report. The Department will require additional funding for the expanded hours in the 2007-08 budget.

Recommendation: Based on the current level of funding, there are no reductions recommended at this time.

Attachment (1)

KLS:DP:08070355c

CITY OF LOS ANGELES
CALIFORNIA



BOARD OF
COMMISSIONERS

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PRESIDENT

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MAYOR

EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT

ROBERT L. ANDRADE
GENERAL MANAGER

COMMISSION EXECUTIVE ASSISTANT
VACANT

125 PASEO DE LA PLAZA, SUITE 300
LOS ANGELES, CA 90012

TEL: (213) 485-6855
TDD: (213) 473-5535
FAX: (213) 485-8238

May 7, 2007

Honorable Members of the Budget and Finance Committee
c/o Lauraine Braithwaite, Office of the City Clerk
Room 395, City Hall
Los Angeles, California 90012

SUBJECT: ONE AND THREE PERCENT BUDGET REDUCTION EXERCISE

On May 1, 2007, the Budget and Finance Committee requested that El Pueblo de Los Angeles Historical Monument (El Pueblo) report back with plans for budget reductions of one percent (1%) and three percent (3%).

The General Fund contribution to El Pueblo operations for 2007-08 is identified in the 2007-08 Mayor's Proposed Budget is \$944,289. One percent of this amount would be \$9,443 and 3% would be \$28,329. Specific reductions will be provided when requested based on the condition of cash and the level of expenditures. Provided below is a discussion of the impact of 1% and 3% reductions on the budget.

All El Pueblo operations generate revenue and create an impact on the area economy. Any reduction will have an adverse impact on both. Two alternatives were considered to have less impact on operations and revenue: cuts in hours of museum operations and/or reductions in event support. Of these two, reductions in event support have the least adverse impact on operations. There are two areas of event support, filming coordination and traditional events.

Reduction in the 2007-08 Budget by 1% (\$9,443)

Expenditures for event support will be reduced by \$9,443. Specific expenditure accounts to receive the reduction will be identified at a later time.

Reduction in the 2007-08 Budget of 3% (\$28,329)

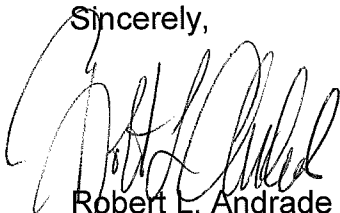
Expenditures for event support will be reduced by \$28,329. Specific expenditure accounts to receive the reduction will be identified at a later time, when the reduction is requested.



Methodology: Full-time El Pueblo staff was exempted from budget reductions in consideration of findings in the City Controller's 2004 Compliance Audit that the Department had been understaffed. Therefore, reductions in services were the focus of the examination. El Pueblo provides services four areas: history museum and education services, events support and marketing services, property management services and administrative support services.

No potential cuts could be identified in property management services unless it is possible to close the commercial and retail businesses on the Monument. Cuts in administration support services were not considered advisable due to the findings and recommendations of the 2004 Controller's Audit.

Sincerely,



Robert L. Andrade
General Manager

RLA:JF:qg

cc: Honorable José Huizar, Councilmember, 14th City Council District
Gerry F. Miller, Chief Legislative Analyst
Karen L. Sisson, City Administrative Officer
El Pueblo de Los Angeles Historical Monument Authority Commission

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 215

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*Subject: **SHORTAGES IN VARIOUS ACCOUNTS**

The Committee requested the Mayor, CAO and CLA to report back on shortages in 2007-08 LAPD Sworn Overtime, Outside Counsel, LAFD Constant Overtime Staffing, Petroleum, Cost of Living Adjustments (COLAs) for employees, Workers' Compensation and the implications on the five-year forecast. Additionally, we have included potential shortfalls in the Civilian FLEX Benefits, Fire Health and Welfare, Fire Constant Staffing Overtime, and Transportation Overtime accounts.

Attached is a summary of the 2006-07 Adopted Budget amounts, 2006-07 revised budget amounts, 2007-08 proposed budget amounts and potential 2007-08 shortfalls for the above expense accounts. COLAs are addressed separately, below.

- The 2007-08 proposed budget for the selected accounts increased by \$54,906,205 from the 2006-07 Adopted Budget
- The potential shortfall for the selected accounts between the 2006-07 revised budget and the 2006-07 Adopted Budget is \$53.3 million.
- The potential shortfall for the selected accounts in the 2007-08 proposed budget is \$27.6 million based on the revised budget for 2006-07 and other relevant factors.

With respect to the implications of shortages on the five-year forecast:

- The five-year forecast is not a budget plan. It is a long-range estimate of the net surplus or deficit of the \$4.4 billion General Fund budget that is adjusted whenever there are significant changes in revenue, expenses and policies that have budgetary implications.
- The \$27.6 million 2007-08 potential shortfall for the selected accounts does not warrant, by itself, any revision to the five-year forecast due to several factors:
 - The size of the difference is relatively small when compared to the total budget
 - Most of the City's budgetary shortfalls are addressed throughout any given fiscal year by shifting surpluses in some accounts to deficits in other accounts, or by other means (e.g., additional unallocated revenue).

With respect to COLAs, \$29.6 million is set-aside in the Unappropriated Balance. At this point in time, it is not possible to estimate the amount of any shortfall because successor MOUs have not yet been negotiated and the extent of incentives in-lieu of cash that may be agreed upon is not yet known.

KLS:DDL

Comparison of Selected Accounts - 2006-07 to Proposed 2007-08 Budget

Account	2006-07 Adopted Budget	2006-07 Revised Budget	2006-07 Difference	2007-08 Proposed Budget	Change in Budget from 2006-07 to 2007-08	Potential Shortfalls (Based on 2006-07 Revised Budget and Other Factors)	Notes
LAPD Sworn Overtime*	\$ 76,220,000	\$ 89,340,486	\$ (13,120,486)	\$ 87,543,250	\$ 11,323,250	\$ (2,000,000)	1
LAFD Constant Staffing Overtime	\$ 107,313,603	\$ 113,721,121	\$ (6,407,518)	\$ 104,325,126	\$ (2,988,477)	\$ (1,600,000)	2
DOT Overtime	\$ 8,374,489	\$ 10,533,000	\$ (2,158,511)	\$ 8,110,953	\$ (263,536)	\$ (2,000,000)	3
Outside Counsel	\$ 2,700,000	\$ 6,410,000	\$ (3,710,000)	\$ 3,500,000	\$ 800,000	\$ (2,910,000)	4
Petroleum**	\$ 37,549,709	\$ 41,149,709	\$ (3,600,000)	\$ 41,549,709	\$ 4,000,000	\$ -	
HRB - Civilian FLEX Benefits	\$ 175,000,000	\$ 183,000,000	\$ (8,000,000)	\$ 205,719,000	\$ 30,719,000	\$ (5,000,000)	5
HRB - Fire Health & Welfare	\$ 32,805,032	\$ 34,305,032	\$ (1,500,000)	\$ 34,419,000	\$ 1,613,968	\$ (4,081,000)	6
HRB - Workers' Compensation	\$ 117,600,000	\$ 132,385,742	\$ (14,785,742)	\$ 127,302,000	\$ 9,702,000	\$ (10,000,000)	7
TOTAL	\$ 557,562,833	\$ 610,845,090	\$ (53,282,257)	\$ 612,469,038	\$ 54,906,205	\$ (27,591,000)	

* 2006-07 Estimated Appropriations do not include advances from the Reserve Fund for reimbursible overtime.

** Includes amounts in the Unappropriated Balance.

Notes:

1. Potential shortfall estimate based on 2006-07 Revised Budget
2. Increased hiring of sworn firefighters should reduce Constant Staffing OT costs. Potential shortfall estimate based on LAFD letter dated 4/23/07 to Budget and Finance.
3. Potential shortfall estimate based on 2006-07 Revised Budget.
4. Potential shortfall estimate based on 2006-07 Revised Budget.
5. Potential shortfall estimate based on 10% increase in the provider rate and an assumed annualized hiring rate of 4%.
6. Potential shortfall estimate based on subsidy rate recently negotiated in the Fire MOU and an assumed annualized hiring rate of 4%.
7. Potential shortfall estimate based on Personnel Department's high-end estimate.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 216

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS hmt*

Subject: **POLICE DEPARTMENT SWORN OVERTIME FOLLOW-UP**

During the discussion of Memo No. 15, LAPD Sworn Overtime by Category, the Committee requested information on the Police Department official guidelines on overtime usage and a breakdown of non-reimbursable overtime usage by type.

The Police Department Administrative Order governing overtime usage is attached for your reference.

Below is a summary of the 11 types of overtime, along with the activity representing the majority of each type:

<u>Type</u>	<u>Hours Worked</u>	<u>Most Common Activity (%)</u>
Call-Out	35,238	Tactical Situation (28%)
Eight-Hour Turnaround	112	Routine Patrol (57%)
Extended End of Watch	580,696	Routine Patrol (23%)
Holiday Worked	2,383	Routine Patrol (29%)
Missed Code Seven	26,086	Routine Patrol (82%)
Off-Watch	141,967	Court On-Call (54%)
Overtime While on Vacation	42,894	Court On-Call (64%)
Premium Pay Holiday	59,233	Routine Patrol (92%)
Regular Day Off Worked	251,924	Court On-Call (37%)
Standby	88,661	Homicide Investigation (30%)
Other	42,894	Court On-Call (52%)

KLS:MC:04070179

Attachment

OFFICE OF THE CHIEF OF POLICE

ADMINISTRATIVE ORDER NO. 2

June 30, 2006

SUBJECT: SWORN OVERTIME ALLOCATION AND COMPENSATION POLICY
FOR FISCAL YEAR 2006/2007

EFFECTIVE: July 1, 2006

PURPOSE: For Fiscal Year (FY) 2006/2007, the Department has received a total allotment of 1.2 million overtime hours for sworn personnel. This reflects an increase of 40,000 hours from FY 2005/2006 overtime budget. However, during FY 2005/2006, the Department exceeded the overtime allotment by more than 268,000 hours (23% of the overtime budget). Therefore, it is incumbent upon all Commanding Officers (C/Os) to ensure their commands diligently adhere to the Department's overtime policy and remain within their allotted overtime budget.

POLICY: The Kimpel-Huff settlement and the Fair Labor Standards Act (FLSA) have restricted management's discretion on how overtime is to be compensated and have dictated how employees are compensated for overtime hours worked. It is the Department's policy to use the minimum amount of overtime necessary to maintain essential police services.

PROCEDURE:

- I. **ALLOCATION TO OFFICES.** In the 2006/2007 FY, 216,000 hours of the overtime allotment have been held and reserved for activities beyond the C/O's control (i.e., premium pay holidays, standby time, special events and unusual occurrences). These overtime hours will not be charged against the assigned entity's overtime balance. The remaining hours have been allocated to each Office Director, the Police Commission and the Office of the Chief of Police (OCOP) in the amounts specified in Attachment 1 entitled, *Overtime Allotment for FY 2006/2007*. Each Office Director, the Police Commission and the OCOP will be responsible for managing, tracking and distributing their respective allotments of overtime hours to their subordinate commands.

The allotments of overtime hours to the Office of Operations were calculated using the number of sworn officers deployed and the amount of overtime hours spent on violent crime in the 2005/2006 FY. Non-Operational Bureaus' overtime allotments were based on the workload of the prior fiscal year. To assist Office Directors in dispersing their overtime allotments to their respective

subordinate commands, an Overtime Allotment Distribution Guide is available. This is intended to serve only as a guide, as Office Directors shall determine the final distribution of their allotment. The Overtime Allotment Distribution Guide can be obtained by contacting the C/O of Planning and Research Division (PRD).

- II. CONTROL OF SWORN OVERTIME.** The Director of each Office, the Police Commission and the OCOP will be held accountable for the control of overtime hours allotted to their subordinate commands. Additionally, Office Directors and their respective Bureau C/Os as well as the Police Commission and the OCOP, shall ensure that overtime usage is in compliance with the Sworn Overtime Control Guidelines for the 2006/2007 FY (see Attachment 2).

To ensure appropriate tracking and monitoring of overtime usage, each Office Director shall report to the C/O of Fiscal Operations Division (FOD) the overtime allotments distributed to their subordinate commands by July 31, 2006.

The required overtime information shall be submitted via Intra-Departmental Correspondence (see Attachment 3). A copy shall also be forwarded to the C/O of PRD. In addition, Division and Bureau C/Os shall inform their respective Office Director of any significant changes and be prepared to discuss usage, management and tracking of overtime at COMPSTAT meetings.

Transfer of Intra-Office Overtime

Requests to transfer Intra-Office overtime hours must be submitted by the requesting commanding officer, via Intra-Departmental Correspondence, through the chain of command to the Office Director for review and approval. If approved, the Office Director shall ensure copies of correspondence documenting the authorized transfer of overtime hours are forwarded to the C/Os of FOD and PRD. This will ensure the appropriate tracking of transferred overtime hours.

Transfer of Inter-Office Overtime Hours

Office Directors and OCOP entities seeking Inter-Office transfers of overtime hours shall submit, via Intra-Departmental Correspondence, Form 15.2, their request(s) to the respective Office Director for review and approval. If approved, the Office Director authorizing the transfer of overtime hours shall notify the

requesting Office Director or OCOP entity, via Intra-Departmental Correspondence, that the request has been approved. Copies of the authorizing correspondence shall be forwarded to the PRD and FOD C/Os to ensure the transfer of hours is appropriately tracked and monitored.

- III. COMPENSATION FOR OVERTIME WORKED BY SWORN EMPLOYEES.** All C/Os shall observe the provisions of the current sworn Memorandum of Understanding (MOU) regarding the accumulation of overtime, including the 96-hour limit, the FLSA threshold, and the compensation for premium pay holidays. An officer assigned to off-duty standby status shall be compensated in accordance with the MOU.

Only those special appropriations and reimbursable programs with a written agreement (such as grant-related overtime up to the limits of the grant) are to be paid cash only regardless of the FLSA threshold and 96-hour rule. Fiscal Operations Division monitors grants and reimbursable programs and will notify participants when funding is exhausted.

All non-reimbursable overtime—such as Pacific Beach, Staples/Convention Center and Special Events Details—worked by sworn employees below the qualified 96-hour limit and under the FLSA threshold should be compensated with time. This will ensure an adequate reserve of cash compensation for FLSA-qualified overtime. Once an officer exceeds the FLSA threshold for a deployment period or the officer's new bank of overtime balance exceeds 96 hours, the On-Line Overtime System (OLOTS) will reject the entry for accumulated time and the timekeeper shall change the compensation from time to cash.

- III. PERSONNEL LOANED OUT OF THE DIVISION.** Historically, overtime used by an officer loaned to another division was charged to the employee's division of assignment. This policy was discontinued beginning the 2005/2006 FY. All overtime used by an officer loaned to another division is charged to the division where the officer is loaned.

- V. MONITORING OF OVERTIME USAGE AND PROVIDING OVERTIME REPORTS.** Fiscal Operations Division shall monitor overtime usage and provide overtime summary reports to each C/O on total overtime hours used by each Office and their subordinate commands each deployment period.

Questions regarding the allotment of overtime should be directed to each respective Office and/or Bureau overtime coordinator.

Please direct questions regarding policy and procedure in this Order to the C/O of Planning and Research Division at (213) 485-4111.

WILLIAM J. BRATTON
Chief of Police

Attachments

DISTRIBUTION "B"

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 217

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **OFFICE OF THE CITY ADMINISTRATIVE OFFICER — ONE AND THREE PERCENT POTENTIAL REDUCTIONS TO THE PROPOSED BUDGET**

This memorandum responds to the April 30, 2007, instruction from the Budget and Finance Committee relative to identifying one and three percent reductions in the Office of the City Administrative Officer's (CAO) FY2007-08 proposed budget. The total FY2007-08 proposed General Fund appropriation for the CAO equals \$12,187,263.

The following table provides information in response to the reduction exercise. A one-percent reduction would entail eliminating the proposed funding for document management system implementation. A three-percent reduction would entail eliminating funding both for document management system implementation and positions that would be assigned to address increasing workloads for municipal facilities and bond support programs.

**ONE AND THREE PERCENT POTENTIAL REDUCTIONS
TO THE CAO'S FY2007-08 BUDGET**

PERCENT	TARGET AMOUNT	ITEM DESCRIPTION	ACTUAL AMOUNT	IMPACT
1	\$121,872	Document Management System Implementation	\$200,000	Elimination of funding for a document management system (\$200,000) will delay planned and desired improvements designed to facilitate and expedite report availability to the Council, Mayor, and all other CAO customers.
3	\$365,617	Municipal Facilities and Bond Support Programs	\$490,136	Elimination of funding for the two proposed positions (\$290,136) will continue the CAO's staffing shortage to address its rapidly increasing workload relative to capital projects.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 218

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS*

Subject: **VEHICLE LICENSE FEE BUDGET AND EXPENDITURES**

During the discussion of Memo No. 52, License Plate Scanners, the Committee requested additional information on historical budgets and expenditures from the Vehicle License Fee Gap Loan Financing Proceeds Fund (VLF – Schedule 52).

The VLF was created in 2005-06 for the purpose of receiving money from the securitization of the State's debt to local governments and disbursing that money for the purposes of funding additional police officers and \$2,000,000 in Police Sworn Overtime. The Ordinance creating the Fund is attached.

In the 2005-06 Adopted Budget, the VLF was used for three purposes:

- Salaries, expenses, equipment, vehicles and related costs for the additional officers to be hired as part of the COPS Universal Hiring Program Grant;
- Add \$2,000,000 to the Police Department's Sworn Overtime account for additional patrol shifts until the additional officers could be hired;
- Personnel Department advertising for Police Officer hiring.

The 2006-07 Adopted Budget used the VLF for additional officers' salaries, expenses, equipment, vehicles and related costs and Personnel Department advertising. Both the 2005-06 and 2006-07 VLF Schedules are attached for your reference. The 2007-08 VLF Schedule can be found on Page 258 of the Proposed Budget.

The Police Department and the Personnel Department have used VLF funds only for the authorized purposes. Because the Police Department expenditures are tied directly to hiring, expenditures from the Fund have been under budget in each of the first two years of the Fund's existence. As the Personnel Department's appropriation is for contractual services, those funds have been completely expended each year.

KLS:MC:04070180

Attachment

ORDINANCE NO. 176774

An ordinance adding to the Los Angeles Administrative Code a special fund for the receipt and disbursement of proceeds from the sale of Vehicle License Fee Receivables to the California Statewide Communities Development Authority.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Chapter 135 is added to Division 5 of the Los Angeles Administrative Code to read:

CHAPTER 135

VLF-FUNDED POLICE OFFICERS SPECIAL FUND

Sec. 5.535. There is hereby created and established in the Treasury of the City of Los Angeles for the purpose of receiving and disbursing money from the sale of Vehicle License Fee Receivables, sold to the California Statewide Communities Development Authority pursuant to the provisions of Government Code Sec. 6588.5, a special fund to be known as the VLF-FUNDED POLICE OFFICERS SPECIAL FUND (Fund). Expenditures may be made from the Fund only for the purposes of funding the 265 police officers to be hired under the U. S. Department of Justice COPS grants in 2005-2006 and beyond, until all proceeds are exhausted, and funding \$2 million of Police Department personnel summer overtime costs. The Fund shall be administered by the City Administrative Officer. All earnings by the Fund shall be deposited into the General Fund of the City. Pursuant to Charter Section 344, money in the Fund shall not be subject to reversion to the Reserve Fund of the City.

SPECIAL PURPOSE FUND SCHEDULES

SCHEDULE 52

VEHICLE LICENSE FEE GAP LOAN FINANCING PROCEEDS FUND

In 2003-04, the State of California failed to make three months of Vehicle License Fund (VLF) backfill payments to the City totaling \$65.5 million. The State instituted the backfill when it had earlier reduced the VLF and pledged to hold the City harmless by replacing lost VLF revenues with State general funds. A statute was passed requiring the State to pay the VLF backfill "gap" funds by August 16, 2006. The California Statewide Communities Development Authority (CSCDA) received special legislation allowing it to finance the one-time VLF backfill "gap" receivables for cities and counties who wanted to sell their backfill for an up-front, fixed amount, representing a percentage of their receivables. The risk of non-payment by the State was thus shifted from the City to bondholders. CSCDA issued in March 2005 and the City received its share, thus accelerating the receipt of this revenue.

Actual 2003-04	Estimated 2004-05		Budget 2005-06
		REVENUE	
\$ --	\$ --	Cash Balance, July 1.....	\$ 59,638,056
--	60,638,056	Receipts.....	--
--	--	Interest.....	--
<hr/>	<hr/>	Total Revenue.....	<hr/>
\$ --	\$ 60,638,056		\$ 59,638,056
<hr/>	<hr/>		
EXPENDITURES		APPROPRIATIONS	
\$ --	\$ --	Personnel.....	\$ 2,372,750
--	1,000,000	Police.....	14,193,397
--	--	General City Purposes.....	70,000
--	--	Special Purpose Fund Appropriations:	
--	--	Reimbursement of General Fund Costs.....	2,849,955
--	--	Reserve for Police.....	40,151,954
<hr/>	<hr/>	Total Appropriations.....	<hr/>
\$ --	\$ 1,000,000		\$ 59,638,056
<hr/>	<hr/>		
\$ --	\$ 59,638,056	Ending Balance, June 30.....	\$ --
<hr/>	<hr/>		<hr/>

SPECIAL PURPOSE FUND SCHEDULES

SCHEDULE 52

VEHICLE LICENSE FEE GAP LOAN FINANCING PROCEEDS FUND

In 2003-04, the State of California failed to make three months of Vehicle License Fund (VLF) backfill payments to the City totaling \$65.5 million. The State instituted the backfill when it had earlier reduced the VLF and pledged to hold the City harmless by replacing lost VLF revenues with State general funds. A statute was passed requiring the State to pay the VLF backfill "gap" funds by August 16, 2006. The California Statewide Communities Development Authority (CSCDA) received special legislation allowing it to finance the one-time VLF backfill "gap" receivables for cities and counties who wanted to sell their backfill for an up-front, fixed amount, representing a percentage of their receivables. The risk of non-payment by the State was thus shifted from the City to bondholders. CSCDA issued in March 2005 and the City received its share, thus accelerating the receipt of this revenue.

Actual 2004-05	Estimated 2005-06		Budget 2006-07
		REVENUE	
\$ --	\$ 60,638,056	Cash Balance, July 1.....	\$ 46,479,437
60,638,056	3,271,381	Receipts.....	--
\$ 60,638,056	\$ 63,909,437	Total Revenue.....	\$ 46,479,437
		EXPENDITURES	
\$ --	\$ 2,373,000	APPROPRIATIONS	
--	13,126,000	Personnel.....	\$ 1,000,000
--	70,000	Police.....	20,841,485
--	1,861,000	General City Purposes.....	--
--	--	Special Purpose Fund Appropriations:	
		Reimbursement of General Fund Costs.....	5,788,600
		Reserve for Police.....	18,849,352
\$ --	\$ 17,430,000	Total Appropriations.....	\$ 46,479,437
\$ 60,638,056	\$ 46,479,437	Ending Balance, June 30.....	\$ --

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 219

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
hmf*

Subject: **ADJUSTING POLICE HIRING TO REFLECT ADDITIONAL 2006-07 HIRING**

During the discussion of Memo No. 117, Impact of Deferring Additional Police Hiring Until 2007-08, the Committee requested information on the impact of adjusting 2007-08 Police hiring to reflect the 80 officers hired in 2006-07 above the budgeted 650.

The currently proposed hiring plan includes hiring of 780 officers in 13 classes of 60 recruits each. Keeping class size roughly constant through the year, reducing 80 recruits (for a total of 700) reduces class size to 54. If the Police Department were to reduce the size of each incoming class in 2007-08 to 54, the resulting savings would be approximately \$3.9 million. This would reduce net hiring (hiring minus attrition) from the budgeted 226 to 146.

KLS:MC:04070181

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 220

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by m +*

Subject: VOTEC SYSTEM REIMBURSEMENT

The Budget and Finance Committee requested a report back on whether the potential replacement of the VOTEC system (the City's election vote tally system) was eligible for reimbursement.

The City Clerk reports that replacement of the VOTEC System is not reimbursable from (1) the state Proposition 41 Bond funding or (2) the federal Help America Vote Act (HAVA) program since the voting systems replacement funds contained in these two programs are allocated at the County level. If the City is required to purchase a new voting system, a portion of the cost could be shared through the City's billing to the Los Angeles Unified School District (LAUSD) and the Los Angeles Community College District (LACCD). Reimbursements would vary greatly depending upon the races included in each election. The LAUSD and LACCD are billed for approximately 40 percent of the election costs. Any new vote tally equipment acquired would be amortized over 10 elections.

The City Clerk reports that the City has entered into a joint contract with the County of Los Angeles to (1) utilize the INKAVOTE Plus Voting System developed by the County and (2) to jointly develop a new Vote Tally System to work in conjunction with the INKAVOTE Plus Voting System equipment.

Currently the Secretary of State is reviewing all voting systems in the State of California. Should the Secretary of State fail to approve the new Vote Tally System that the City and County are jointly developing, the City would be left to conduct elections with the VOTEC system, a system that is more than 15 years old. Additionally, the VOTEC system has received administrative certification by the State only through December 31, 2007.

The voting system replacement funds provided by the State (Proposition 41) and the Federal Government under the Help America Vote Act (HAVA) are allocated to the counties but not to cities conducting their own elections; therefore, no funding is available to the City from these two sources.

If the State review of voting systems results in the non-approval of the new joint City/County Vote Tally System and a decertification (i.e., non-extension of the administrative certification) of the City's current VOTEC vote tally system, the City will be placed in the position of having to fund a replacement system. It is estimated the cost of a new voting system would range between \$10 and \$30 million depending upon the type of system

purchased. In addition, there would likely be on-going increased operational costs to support any new voting system.

A portion (approximately 40%) of any new system costs can be billed back to our election partners: Los Angeles Unified School District (LAUSD) and the Los Angeles Community College District (LACCD). The billing of a portion of the operating and replacement costs for a new voting system would be subject to negotiation between the City, LAUSD, and LACCD.

KLS:LLF:11070089

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 221

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by m f*Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING CITY HALL CONFERENCE CENTER SUPPORT AND SUPPLY
SERVICE SUPPORT POSITIONS**

Attached is the information provided by the Department of General Services (Department) regarding the City Hall Conference Center Support and Supply Services Support. The Department reports that the Supply Service Support positions provide approximately \$4.0 million in early vendor payment discounts and \$2.5 million in contract savings.

The Department is proposing to fund these positions through salary savings and requests addition of these positions as regular positions.

The direct costs for these positions are as follows:

City Hall Conference Center Support; two positions, \$88,044
Supply Service Support; seven positions, \$478,080

Attachment

KLS:JSS:05070041C

CITY OF LOS ANGELES

CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

May 7, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING ON THE 2007-08 PROPOSED BUDGET

During the budget deliberations, your Committee requested information regarding the nine resolution authorities that were not continued in the Mayor's Proposed Budget.

The nine resolution authorities include:

- Two clerical positions approved in 2002 to staff the City Hall Conference Center on the 10th floor of City Hall. These positions also process orders needed to support community events sponsored by the Council and other elected officials.

The impact of eliminating the City Hall Conference Center positions will be to discontinue the services associated with these positions.

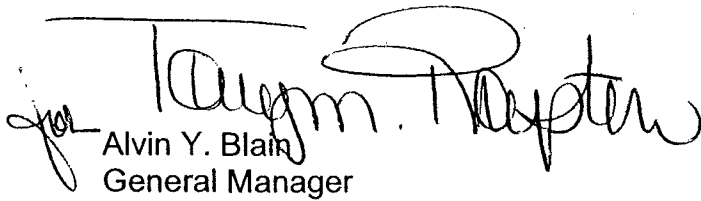
- Seven supply services positions, of which four were first approved in 1995, to administer various ordinances such as the Contractor Responsibility, Sweat-Free Procurement and to ensure procurement cost savings through best practices market research and implementation, and auditing of processing functions. In 2006-07, the efforts of these positions resulted in approximately \$4.0 million in early vendor payment discounts and \$2.5 million in contract savings that were achieved through innovations such as strategic sourcing and market researching efforts.

The impact of eliminating the seven supply services process positions will be to discontinue enforcement of socio-economic ordinances and innovations that yield supply chain cost savings.

A more detailed discussion of the work of these positions and the impacts of eliminating them are presented in Attachment A.

As the workload of these positions is likely to continue on a permanent basis, GSD requests consideration is given to adding these positions back as regular authorities. GSD will generate sufficient salary savings to finance the cost of maintaining these positions in 2007-08.

If you have any questions or need additional information, please contact Valerie Melloff, Director of Finance at (213) 928-9577.


Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget & Finance Committee
Karen Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II

Attachment A

City Hall Conference Center Positions

The Senior Clerk Typist and Clerk typist positions approved in 2002 operate the City Hall Conference Center. They provide direct support to Council Committees by: scheduling meetings, distributing committee agendas, furnishing meeting rooms with communications and audio/video equipment when requested, directing meeting attendees to the appropriate room, and processing special event requests from elected officials. They also provide a low-level security for the audio/video equipment and furniture on the 10th floor, thereby ensuring rooms remain in tact and furniture is not removed.

Supply Services Positions

The Department of General Services (GSD) oversees procurement process functions and provides support for Council-controlled City departments. These functions include procurement, inventory management, payment services, quality and process management, supplier and customer relations, and maintenance and technical support of the Supply Management System (SMS).

Through the support of Supply Services Division of GSD, City departments procure items to meet the priorities established by the Mayor and the City Council from vendors that comply with a variety of City ordinances. If Supply Services support is unavailable, there is an impact on public health and safety, customer service, delivery of service, safety and mobility on City streets, timely vendor payments, and the City's ability to be more business friendly.

Innovations Maximizing Cost Saving Activities

The seven resolution authority positions discontinued this year conduct best practice research and ongoing auditing and evaluation of procurement and payment activities to ensure performance standards are being met. This guarantees that the City is achieving maximum cost saving opportunities. In 2006-07, the efforts of these positions contributed to approximately \$4.0 million in early vendor payment discounts and \$2.5 million in contract savings that were achieved due to strategic sourcing and market researching efforts.

Although difficult to quantify, the efforts of these seven positions also translate into direct savings for City departments. These positions conduct regular internal audits, vendor performance evaluations, and administer annual vendor and City end-user surveys. Through these and other research methods, these positions facilitate innovations in the procurement process that maximize annual cost saving opportunities for City departments.

Ordinance Related Activities

The seven positions also support a wide variety of socio-economic programs adopted by the City Council. The Contractor Responsibility Ordinance (CRO) requires prospective bidders for City contracts submit documentation attesting to their ability to responsibly perform and fulfill contracts. It must be determined that bidders, among other things, have the financial resources, satisfactory performance on other contracts, and a satisfactory record of compliance with relevant laws and regulations.

The City's Sweat-Free Procurement Ordinance designated GSD as the administrative agency responsible for implementation and enforcement. The ordinance requires that prospective contractors, prior to the award of contracts for City business, must sign the Contractor Code of Conduct Affidavit stating that to the best of their knowledge that they and their subcontractors will comply with the City's Contractor Code of Conduct. The Ordinance requires the Department to contract with an independent social compliance monitor to assist with enforcement of this requirement. One of the implementation and compliance mechanisms called for with adoption of the Ordinance is the formation of an advisory working group to be comprised of representatives from advocacy groups, labor organizations, and City staff. GSD chairs and coordinates the activities of the working group.

These seven positions also play a major role in determining bidder/contractor compliance with a number of ordinances/requirements that were enacted without additional positions being added (i.e., Equal Benefits Ordinance, Slavery Disclosure Ordinance, etc.). Without a thorough analysis of prospective bidders' credentials, City contracts may be awarded to bidders who do not meet City ordinances, who provide inferior goods and services and/or who are unable to comply with the terms and conditions of the contract awarded. The absence of these positions will hinder the determination and processing of vendor compliance that will result in costly delays for the purchasing of this critical equipment.

The majority of these seven positions were created in 1995 in conjunction with the City's Procurement Reengineering Project. At that time, the efforts of the reengineering project streamlined the overall procurement process, reduced the number of existing City vendors and consolidated warehousing resources. These efforts allowed the City to optimize staffing levels by eliminating 46 positions. Today, the seven dedicated staff members continue to carry out the group's intended purpose despite significant growth in the number of City vendors, City procurement staff, resources, responsibilities have grown and a new Windows-based Supply Management System is in place. The rapid

growth of the supply chain in addition to many of the vendor payment issues that arise as a result of problems with the Supply Management System has increased staff workload.

Reducing staff levels in the Supply Services Division will impact GSD's ability to continue to support the Mayor and City Council's goals for enriching the local economy and improved internal efficiencies as they relate to the City's procurement process. As a result, internal inefficiencies will occur, impacting all parties ultimately impacted by the Supply Chain process (inventory, procurement, and payment) including but not limited to, City departments (Police, Fire, Sanitation, Street Services and Street Lighting), City suppliers, and residents.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 222

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING DEPLOYMENT CRITERIA FOR SECURITY OFFICERS**

Attached is the information provided by the Department of General Services (Department) regarding deployment criteria for security officers. The Department provides a summary of staffing allocations and a detail report on staffing and deployment for the Department's Office of Public Safety.

Attachment

KLS:JSS:05070042C

CITY OF LOS ANGELES
CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

ANTONIO R. VILLARAIGOSA
MAYOR

May 7, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

**QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING
ON THE 2007-08 PROPOSED BUDGET**

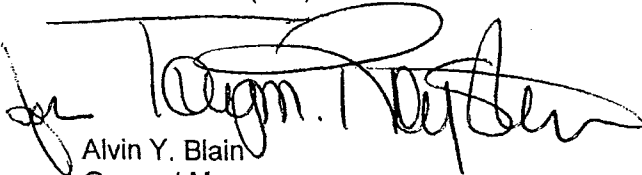
During the budget deliberations, your Committee requested that General Services (GSD) report back on the criteria and deployment for security.

Security staffing levels were adopted based on a GSD study and deployment plan submitted to Council for review and adoption in August 2004 (see attached). This plan essentially maintained existing service levels before the consolidation at most City facilities and enhanced service levels at high priority facilities such as parks and libraries.

Approximate staffing allocations are as follows:

- Citywide neighborhood facilities patrol: 76 GSD Special Officer authorities
- Citywide park closures: 2 full-time and 60 part-time Security Officers
- Libraries citywide: 49 GSD Security Officer authorities
- LA Zoo: 14 full-time and 20 part-time GSD Security Officer authorities
- LA Convention Center: 26 Full-time and 65 Part-time GSD Security Officer authorities
- Bureau of Sanitation Wastewater Treatment Sites: 29 full-time and 10 part-time GSD Special and Security Officer authorities
- Municipal facilities: 21 GSD Special Officer and 61 Security Officer authorities
- Investigations, Training, & Special Event Planning: 5 GSD Special Officer authorities

If you have any questions or need additional information, please contact Valerie Melloff, Director of Finance at (213) 928-9577.



Alvin Y. Blain
General Manager

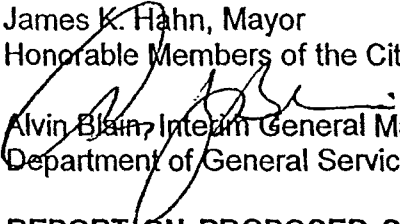
cc: Honorable Members of the Budget & Finance Committee
Karen L. Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II

FILE

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: August 12, 2004

TO: James K. Hahn, Mayor
Honorable Members of the City Council

FROM: 
Alvin Blain, Interim General Manager
Department of General Services

SUBJECT: **REPORT ON PROPOSED STAFFING AND DEPLOYMENT FOR
THE DEPARTMENT OF GENERAL SERVICES' OFFICE OF
PUBLIC SAFETY**

Background

A report prepared by the City Administrative Officer (CAO) and Chief Legislative Analyst (CLA) in response to City Council Motion (Greuel/Weiss/Zine, Council File No. 03-2062) examines the feasibility of consolidating security operations within the General Services, Library, Convention Center, Recreation and Parks, Zoo, and El Pueblo Historic Monument departments. In this report, the Conceptual Model demonstrates the potential for improved coordination and service efficiencies, accomplished through adjoining security groups of the affected departments. Additional gains include the elimination of redundant patrols, availability of patrols 24-hours per day, which most departments do not currently have, greater staffing flexibility, and consistent training, policies, and procedures for personnel, reducing the potential for liability against the City.

As directed by City Council, the Department of General Services (GSD) has prepared a report inclusive of a Preliminary Organization Structure for the proposed Office of Public Safety (OPS), deployment recommendations, staffing numbers, and budget estimates. General Services believes the operating efficiencies and cost savings identified in this study will be realized, through the restructuring of management personnel, while maintaining the core functions and expertise of each security group (See Attachment 1). The deployment plan offers much improved ability to handle calls for service and facility patrols through the integration of affected security staff into the Office of Public Safety. Continued consultation with each represented department will ensure that negotiated minimum service levels are satisfied and GSD is confident that this plan will advance performance levels of security staff well beyond current levels. GSD and CAO staff have conducted numerous meetings with the employee's labor organizations regarding the Conceptual Model, which has been well received. Upon approval from the Mayor and City Council, General Services will proceed with implementation of this proposal.

Proposed Organization Structure

The Department of General Services conducted in-depth site visits with key management personnel from each affected department and analysis of existing security operations. The proposed Office of Public Safety structure represents a compilation of services currently offered by each security group, while substantially enhancing the quality of work through the addition of Special Officers for parks and other facility patrols. The organization chart illustrates the proposed composition of the new Office of Public Safety.

Attaining park safety constitutes a formidable challenge and the Department of General Services has carefully considered the benefits and potential detriments of all involved issues associated with directing additional Special Officers to patrol City parks. The addition of GSD Special Officers provides significant advantages in the effective use of security resources within parks, recreation centers, libraries, and other municipal facilities. Unlike Park Rangers, Special Officers will have the ability to stabilize or prevent a violent event from occurring, while routinely patrolling City parks. Additionally, Special Officers will give attention primarily to quality of life violations, where response from a Security Officer may prove ineffective; thus offering relief to LAPD, which has few resources to accomplish these goals. Concerns include the public's perception of unsafe parks and incurred liability against the City, in the event of an inappropriate use of force. It is recommended that qualified Peace Officer Park Rangers be provided the opportunity to test and meet Personnel Department and State of California standards, necessary to transition to the Special Officer classification, therefore satisfying operational needs for the Office Of Public Safety.

Critical policies for the new Office of Public Safety were crafted to minimize liability to the City, inclusive of the following:

- The existing use of force and firearms policies are well established, were created by LAPD, who previously managed the Security Services Division, and were approved by City Council (Council File No. 02-1548).
- The pursuit policy prohibits vehicular pursuits.
- The current Security Services Division policy manual is under review by the City Attorney's Office and Los Angeles Police Departments.
- The consolidation will ensure consistent training standards for all security personnel and Special Officers, regulated by the Commission on Peace Officers Standards and Training.

The Department of General Services envisions a collaborative effort with the Los Angeles Police Department in accomplishing security related objectives at these facilities. While working in partnership towards the furtherance of safety for City employees and residents, both LAPD and GSD fulfill an identified need towards satisfying this goal. The specific role and scope of GSD's duties and responsibilities will be addressed through the development of a Memorandum of Understanding (MOU) between LAPD and GSD. Assistant Chief George Gascon of the Los Angeles Police Department has been briefed on the proposal, is

supportive of the plan based on the verbal presentation, and GSD management will further refine the staffing plan upon consulting with LAPD staff.

GSD and the CAO conferred with the Los Angeles County Office of Public Safety, regarding the success of their consolidation of Peace Officers from the Departments of Parks and Recreation and Health and Internal Services in 1998. Los Angeles County OPS Chief Margaret York indicated that the merger was successful in improving overall services and explained how the organization functions in a more streamlined fashion, since one point of contact exists for multiple facets of security related tasks within County government.

Proposed Deployment

This proposal includes the identification of seven patrol districts throughout the City, where affected facilities are proportionately dispersed throughout Council Districts and will receive sufficient levels of coverage. Each patrol district will have a designated Senior Lead Officer and primary point of contact to assigned Council Districts, responsible for addressing complaints, meeting with community groups, and directing OPS resources as needed. The seven patrol districts generally follow the geographic Council District boundaries as follows:

- West Valley- Council Districts 3 and 12
- East Valley- Council Districts 2,6 and 7
- Hollywood- Council Districts 4 and 13
- Metropolitan- Council Districts 1 and 14
- West Los Angeles- Council Districts 5,10, and 11
- Central Los Angeles- Council Districts 8 and 9
- Harbor- Council District 15

The consolidation will serve to maximize the effectiveness of personnel represented in this plan, since policies and procedures, training, and deployment of resources will be standardized, leading to operational success. Calls for service received by Park Ranger Communications during the previous year, were analyzed to determine how to best distribute Special Officers, effectively deploying personnel and resources based on reported problem areas. Service improvements as a result of this consolidation include:

- Ability to respond to calls for service 24-hours per day Citywide.
- Greater efficiency in use of security services, through removal of redundancies including vehicle patrols, supervision, and management.
- Greater adaptability in scheduling and deployment of staffing resources where most needed, including terrorist attacks, natural disasters, and other emergencies.
- Increased quality of services provided by OPS through the application of consistent policies, procedures, and training.
- Reduction in liability through the use of standardized use of force and arrest procedures.
- Favorable response times to calls for service citywide on a 24-hour basis.

- Improved coordination with LAPD.

GSD will negotiate minimum service levels with each customer department and enter into a MOU, serving as a measure of quality for provided services.

A dedicated 24-hour Special Officer presence, equal or greater to existing Peace Officer staffing levels, will be maintained in the Griffith Park regional area, which represents an increase from the current 16-hours of Peace Officer staffing. The Department of Recreation and Parks will retain Naturalist Park Rangers, dedicated to performing traditional, non-security related duties including public education, first aid, and public assistance. The department is working in cooperation with the Department of Recreation and Parks to create a delineation of duties for Special Officers and Park Rangers within parks.

Estimated Budget

GSD and the CAO developed a conceptual staffing and budget model, which was discussed at the Council on April 27, 2004 (C. F. No. 03-2062). The Conceptual Model estimated potential security consolidation savings at \$0.3 to \$0.9 million.

The FY 2004-05 Adopted Budget includes a plan to implement security consolidation in January 2005, subject to approval by Council and Mayor of an organization structure and deployment plan for the new Office of Public Safety. The FY 2004-05 Adopted Budget includes \$4.23 million for the new Office of Public Safety, which has been set-aside in the City's Unappropriated Balance. This amount includes direct and indirect security consolidation savings of approximately \$0.3 million, on an annualized basis.

As described elsewhere in this report, in-depth reviews of departmental security operations was conducted by General Services, to develop a proposed organization structure and deployment plan. The proposed organization structure and deployment plan is substantially the same as the Conceptual Model, although a few position classifications were changed. However, these position changes were accomplished within the \$4.23 million budget that was set-aside in the Unappropriated Balance, and with the exception of one-time consolidation implementation costs, and funds needed for layoff avoidance, no additional funds will be needed.

Recommendations

It is recommended that the Mayor and City Council:

1. Approve the functional transfer of security operations from the Recreation and Parks, Library, Convention Center, and Zoo departments to the Department of General Services, effective January 9, 2005.

2. Approve, in concept, the organizational plan presented by GSD, including the transition of Park Rangers with Peace Officer status to Special Officers, subject to final approval by Council and Mayor of a detailed staffing, budget and appropriations plan to be prepared by the CAO and submitted for approval in November 2004.

cc: Ronald F. Deaton, Chief Legislative Analyst
William T. Fujioka, City Administrative Officer
Eric Brown, Deputy Mayor
Jon K. Mukri, General Manager, Department of Recreation and Parks
George T. Rakis, General Manager, Los Angeles Convention Center
Susan E. Kent, General Manager, Los Angeles Public Library
John R. Lewis, General Manager, Los Angeles Zoo

ATTACHMENT 1

REPORT ON PROPOSED STAFFING AND DEPLOYMENT FOR THE DEPARTMENT OF GENERAL SERVICES' OFFICE OF PUBLIC SAFETY

BACKGROUND

With regard to City Council's approval of the conceptual model to consolidate the security functions of the Department of Recreation and Parks (RAP), Zoo, Library, Convention Center, El Pueblo Historic Monument, under an Office of Public Safety (OPS) within the Department of General Services (GSD) (Council File No. 03-2062), the following report details the requested responses on the preliminary organizational structure of the OPS. This report was prepared after consultation with personnel within the following departments: City Administrative Officer (CAO), Chief Legislative Analyst (CLA), Los Angeles Police Department (LAPD), and Personnel Department.

EVALUATION OF CURRENT SECURITY OPERATIONS:

Evaluations were conducted of security organizations within the affected departments, which included on-site visits and interviews with key management personnel, review of security practices, existing training standards, policies and procedures, personnel concerns, reporting structure, areas of responsibility, deployment and scheduling, equipment, and security technology. The following information was considered in the formulation of recommendations found in this report.

Currently, four security groups consisting of 280.5 budgeted full-time positions in the General Services, Recreation and Parks, Convention Center and Zoo departments operate independently. Each security organization is managed separately, with individual policies and procedures, supervisory personnel, equipment and resources. This study recommends the unification of these operating units under an Office of Public Safety within the Department of General Services. Resulting benefits of the consolidation, will include multiple operating efficiencies, and long-term cost savings will be gained.

Department of Recreation and Parks

Five groups of personnel are distinguished within the Park Ranger Division including Park Rangers with Peace Officer status, naturalist Park Rangers, Senior Park Rangers with and Peace Officer status, naturalist Senior Park Rangers and part-time Security Officers. Most Peace Officer Park Rangers have been trained to the Basic Police Academy standard and are responsible for handling security related calls for service, including quality of life enforcement, within the approximate 400 Recreation and Parks facilities throughout the City.

Currently, 28 Peace Officer Park Rangers are assigned to patrol, five Peace Officer Senior

ATTACHMENT 1

Park Rangers provide supervision, four Peace Officer Park Rangers are undergoing field training, and one Peace Officer Park Ranger is assigned to administration. Without considering employee time off (vacation, sick time, etc.), this represents 1120 patrol hours per week, to address security concerns during peak park usage (10am – 8pm).

Twelve naturalist Park Rangers are assigned as follows: three Park Rangers are available to handle non-security related calls for service (administering first aid, assisting lost or stranded persons, public education, etc.), four Park Rangers supervise part-time Security Officers in the park closure program, responsible for the nightly closure of approximately 90 parks, three are assigned to interpretive duties (nature hikes, school presentations), and one is assigned to the Communications Center.

Approximately 46 part-time exempt Security Officers are responsible for the closure of approximately 90 parks each evening throughout the City. On average, 15 Security Officers are scheduled to perform this function nightly.

The Park Ranger classification has consistently experienced difficulty with recruitment and retention of their personnel, resulting in understaffing and insufficient personnel to accommodate requests for service.

Los Angeles Public Library Department

The Los Angeles Public Library is budgeted for 46 full-time Security Officers, two Security Aide positions, and four Senior Security Officer positions. 25 Security Officers are assigned to the Central Library facility, with an average of five Security Officers during regular business hours. Three Security Officers work inside the library, one Security Officer performs dispatcher duties, and one Security Officer patrols the exterior of Central Library. Security Officers perform communications operator duties, on a 24-hour basis, since fire and burglar alarms at the department's 72 libraries throughout the City are monitored from the Central Library.

Eight Security Officers are assigned to outlying library branches, working four hours per day at two libraries. Security Officer resources are delegated to library branches based on past history of occurrences at a facility and generated complaints.

Nine Security Officers and one Senior Security Officer are assigned to the Motor Patrol unit of Library Security. The single officer mobile patrol units patrol designated facilities in patrol vehicles and respond to calls for service. Library management staff expressed dissatisfaction with the Motor Patrol unit, which averages visitation of 4.12 library branches per day. Since the Security Officers are not authorized to arrest violators and rely upon LAPD for this service, this function would be better served by the Special Officer classification. Additionally, the unarmed Security Officers are routinely placed in harms way, when dealing with unruly gang members and other undesirables in library branches.

ATTACHMENT 1

Library staff is desirous of reassigning the Motor Patrol officers to post assignments at outlying branches, to enhance the number of libraries with dedicated security personnel.

Los Angeles Convention Center

Currently, an average of five full-time Security Officers are scheduled each day at the Convention Center and supplemented by part-time Security Officer staff. 49 part-time Security Officers are scheduled to increase overall security staffing levels, based on need, during shows and other Convention Center events. Convention Center security members regularly work with private security personnel, who are employed by the client, and responsible for activities occurring inside designated meeting rooms and halls.

Meetings with Convention Center staff revealed that the department is not fully funded for part-time Security Officer hours used each year, to meet the security needs of Convention Center clients. The Convention Center estimated that approximately \$600,000 in part-time Security Officer hours are expended each year, while only funded for \$200,000. The Convention Center projects that demand for additional security personnel will significantly increase in subsequent years.

Los Angeles Zoo

Security at the Los Angeles Zoo consists of 11 full-time Security Officers and 15 part-time Security Officers. Zoo Management staff provided detailed information regarding escaped animal recapture procedures and the need for a well trained core of Security Officers, capable of working with other Zoo staff to ensure visitor safety. The Zoo's Dangerous Animal Response Team (D.A.R.T.) is overseen by the Zoo's General Curator and the Animal Care Division has the primary responsibility for escape and recapture of the animal, while Zoo Security provides a supporting role. The Department of General Services does not intend to permanently transfer experienced Zoo Security personnel to other facilities.

El Pueblo

The El Pueblo Historic Monument contract security function was transitioned to the Department of General Services in accordance with the budgetary plans on July 1, 2004. The Department of General Services will examine the feasibility of transferring private security to City security in the future at El Pueblo.

Community Redevelopment Agency

An evaluation of contract security services utilized by the Community Redevelopment Agency was not conducted. A follow up study will be conducted resulting in a conclusion on these services.

ATTACHMENT 1

ORGANIZATIONAL OVERVIEW AND PROPOSED STAFFING PLAN:

- A. A proposed organizational chart is attached for review (see Exhibit 1).
- B. A comparison chart of current patrol hours of Security Officers assigned to libraries and Peace Officer Park Rangers versus proposed Special Officer patrols is attached for review (Exhibit 2).
- C. The Department of General Services recognizes that each affected department has individual philosophies on how security within their facility may best be approached. The intent of this consolidation is to identify areas where security efficiency and service levels can be improved upon, while retaining current fundamental security operations. This objective will be achieved by working in partnership with each customer department to reach an agreement on the service levels, satisfying security needs.

The Department proposal includes the identification of seven patrol districts throughout the City, where affected facilities are proportionately dispersed throughout Council Districts and will receive sufficient levels of coverage. Each patrol district will have a designated Senior Lead Officer and primary point of contact to assigned Council Districts. The seven patrol districts generally follow the geographic Council District boundaries as follows:

- West Valley- CD's 3 and 12
- East Valley- CD's 2,6, and 7
- Hollywood- CD's 4 and 13
- Metropolitan- CD's 1 and 14
- West Los Angeles- CD's 5, 10, 11
- Central Los Angeles- CD's 8 and 9
- Harbor- CD 15

Special Officers assigned to patrol will primarily work out of the Civic Center and Marvin Braude Constituent Services Center. The Special Officers assigned to patrol will generally be dedicated to park patrol, with the exception of Civic Center patrol or when a call for service arises in an outlying facility such as a library, the Convention Center or Zoo. Approximately 55 Special Officers will primarily be responsible for calls for service in parks and five assigned to Library patrol. If a Special Officer who is specifically designated to a facility, is unavailable, all other Special Officers will be subject to respond to the call for service.

Department of Recreation and Parks

Currently, the Park Ranger Division provides services throughout City parks from

ATTACHMENT 1

7:00am to 12:00pm. The conceptual deployment plan represents an improvement of Peace Officer personnel available for response to calls for service throughout the City on a 24-hour basis. The effectiveness of the consolidation is dependant upon an increase of Special Officers within the Department of General Services to enhance a highly effective pool of Peace Officers capable of addressing calls for services throughout the affected department's facilities. The augmentation of Special Officers within OPS will satisfy deployment needs, provide enhanced services to affected facilities, and coverage 24-hours a day.

By increasing the numbers of existing Special Officers within General Services, the prevention of minor park crime and quality of life issues in City parks will improve significantly. General Services' Special Officers are effective at solving problems and providing a deterrent against park crime and undesirable behavior, and currently patrol parks within the Civic Center area.

Special Officer vacancies will be available and Peace Officer Park Ranger employees may be eligible to apply for the Special Officer position within General Services. Park Rangers and Senior Park Rangers under consideration for this position will be tested, fully trained, and required to meet the qualifications set forth by Personnel Department and the State of California. Based on previous discussions with Personnel Department, Senior Park Rangers will be eligible for a one-time opportunity to qualify and participate in a future Senior Special Officer examination. Naturalist Park Rangers and Senior Park Rangers will be retained within the Department of Recreation and Parks, capable of addressing non-security related tasks. It is advisable that remaining Park Rangers be removed of security responsibilities and Peace Officer status, while continuing to provide public education and other traditional Park Ranger duties within the City's parks.

Impacts of increased Special Officer patrol presence in parks:

- Special Officers routinely patrolling City parks may encounter potentially life-threatening situations, while performing routine duties. A Special Officer will have the ability to stabilize the situation or prevent a violent event from occurring.
- Civil liability issues involving Special Officers may be mitigated through appropriate training and pre-employment testing, including the completion of a basic police academy, background investigation, and psychological examination.
- Special Officers may create the public perception that City parks are unsafe.

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The proposed deployment plan focuses on distributing Special Officers throughout the City's parks, 24-hours per day. Calls for service received by Park Ranger Communications during the previous year, were analyzed to determine how to best distribute Special Officers, effectively deploying personnel and resources based on reported problem areas. By utilizing this deployment plan, overall services provided to City parks will be elevated considerably. For comparison, the current weekly Peace Officer Park Ranger patrols within City parks consists of 1120 patrol hours. If this plan is adopted, the overall Special Officer weekly patrols would increase to 2400 hours. Additionally, the services achieved in this plan will improve from 16 hours of daily coverage to services 24-hours a day.

A dedicated 24-hour Special Officer presence, equal or greater to existing Peace Officer staffing levels, will be maintained in the Griffith Park regional area, which represents an increase from the current 16-hours of Peace Officer staffing.

Los Angeles Public Library Department

Under this proposal, the Library Department will receive a significantly improved level of service through the reassignment of Security Officers from roving patrols of facilities, to dedicated post assignments at library branches. This enhancement will be accomplished by shifting existing security personnel from the Motor Patrol unit to posted duties at specific library branches, where problems are regularly reported. Currently, eight Security Officers are assigned to two library branches per day, resulting in four hours of security coverage at two facilities per Security Officer per day. This translates to 64 hours of security service at libraries per day, not including the Central Library. The 64 hours of daily coverage does not account for time spent by Security Officers driving from one facility to another, in the middle of their work shift.

The deployment change will include the assignment of Security Officers to an individual facility, for the duration of their work shift and the relocation of the nine Security Officers of the Motor Patrol unit to designated library branches. This change in deployment will increase the dedicated library security coverage from 64 hours per day to 136 hours per day, excluding Central Library, at no additional expense.

As outlined in the deployment plan, 60 Special Officers will improve the current level of service at City libraries, through resolving crime-related problems and relieving LAPD of the need to take action for minor offenses (disturbances, alcohol use, vandalism). Special Officers will respond to calls for service at libraries, providing much needed support for Security Officers and library staff members.

Los Angeles Convention Center

ATTACHMENT 1

Little change is expected in the field staffing deployment of Security Officers and Security Aides at the Los Angeles Convention Center. Cost savings will be achieved through a consolidated management structure. It is requested that consideration be given to increasing budgeted as-needed salaries, utilized for part-time Security Officers, since Convention Center management staff reports that current levels are insufficient to provide adequate security staffing levels.

Los Angeles Zoo

It is anticipated that field level security operations at the Zoo will remain constant and cost savings will be found through the consolidation of the Zoo's communications center under OPS. Dedicated Communications Operators will replace Security Officers, who currently supplement the single Communications Operator employed by the Zoo. The Zoo will benefit from the availability of additional Security Officers during periods of peak use and may request Special Officers to handle law enforcement related requests.

PROPOSED BUDGET FOR CONSOLIDATED SECURITY OPERATIONS:

GSD and the CAO developed a conceptual staffing and budget model, which was discussed at the Council on April 27, 2004 (C. F. No. 03-2062). The Conceptual Model estimated potential security consolidation savings at \$0.3 to \$0.9 million.

The FY 2004-05 Adopted Budget includes a plan to implement security consolidation in January 2005, subject to approval by Council and Mayor of an organization structure and deployment plan for the new Office of Public Safety. The FY 2004-05 Adopted Budget includes \$4.23 million for the new Office of Public Safety, which has been set-aside in the City's Unappropriated Balance. This amount includes direct and indirect security consolidation savings of approximately \$0.3 million, on an annualized basis.

As described elsewhere in this report, in-depth reviews of departmental security operations was conducted by General Services, to develop a proposed organization structure and deployment plan. The proposed organization structure and deployment plan is substantially the same as the Conceptual Model, although a few position classifications were changed. However, these position changes were accomplished within the \$4.23 million budget that was set-aside in the Unappropriated Balance, and with the exception of one-time consolidation implementation costs, and funds needed for layoff avoidance, no additional funds will be needed.

OFFICE OF PUBLIC SAFETY STAFFING PROPOSAL:

The Office of Public Safety is comprised of four bureaus, including Parks and Facilities,

ATTACHMENT 1

Library, Convention Center, and Zoo. Four Principal Special Officers, responsible for Watch Commander duties, will oversee daily field operations. The deployment plan includes 11 Senior Special Officers, necessary to adequately supervise Special Officers throughout the City, including Special Officers assigned to the patrol section. When evaluating supervisory ratios of law enforcement personnel, the nationwide standard is one supervisor per seven officers. In this model, 11 field supervisors are assigned to supervise 79 budgeted Special Officer positions, which represents an acceptable supervisory ratio.

Seven Special Officers, assigned to work weekdays, will serve as Mayor and Council District Liaisons, each responsible for identifying and resolving problems within their area of responsibility. Each Mayor/Council District Liaison will provide personalized patrols to their affected Council Districts, by addressing complaints, meeting with community groups, and directing OPS resources as needed within facilities. These Special Officers will serve as the primary point of contact for Council District staff and members of the public, seeking resolution to a problem within their area of responsibility. Additionally, the liaisons will coordinate with LAPD and other City departments to carry out a coordinated effort, in response to facility based complaints.

The department liaisons for the Los Angeles Convention Center include a Director of Security Services and Chief Security Officer and a Chief Security Officer for the Library Department. The intricacy of the security operations at these facilities requires a greater degree of attention than the Los Angeles Zoo, which is sufficiently managed by a Principal Security Officer. The size and complexity of the Convention Center operations justifies the need for a Director of Security Services and Chief Security Officer, which are required to facilitate hundreds of annual client based meetings and security needs. In addition to addressing concerns of management personnel from their assigned department, the liaisons will direct the actions of security staff and ensure that sufficient security resources are provided.

Three Principal Security Officers and eight Senior Security Officers, with the support of Special Officer supervisory personnel, will supervise 121 budgeted full-time Security Officer positions, part-time Security Officers, and 13 Security Aide positions assigned to field-based security tasks. Senior Security Officers perform the duties of a first-line supervisor, conducting site visits to ensure that security personnel meet performance expectations for each customer department.

The command structure of the proposed OPS, will be overseen by a Chief Special Officer II, and two Chief Special Officer I positions for the Parks and Facilities Bureau and Support Services. The Support Services Chief position is necessary to ensure that the department liaisons for the Library, Convention Center and Zoo, including subordinate personnel, are monitored with sufficient oversight. The Support Services Chief will manage 84 full-time security positions, Communications Operators, administrative staff, and numerous part-time Security Officers. In conjunction with a Director of Security Services, these positions

ATTACHMENT 1

will guarantee that negotiated service levels are satisfied. The Support Services Chief position is also responsible for the Communications section, consisting of two Senior Communications Operator II positions and nine Communications Operator III positions. The Support Services Chief position is critical for accountability of security technology concerns.

The Parks and Facilities Bureau Chief will administer the activities of personnel assigned to field operations within the OPS. This includes four Principal Special Officers, who will perform Watch Commander duties, responsible for the daily supervision and oversight of 79 Special Officers and Security Officers in the field. Principal Special Officers will ensure that policies and procedures are followed, facilitate calls for service and direct the actions of personnel.

The Senior Special Officer overseeing Professional Standards will be responsible for investigating allegations of misconduct and citizen's complaints against OPS personnel, in compliance with Peace Officer Bill of Rights and state law. A Peace Officer supervisory position is required due to the complexity and sensitive nature of this work. A Special Officer and Security Officer will be assigned to oversee training needs for the Division, ensuring POST compliance and consistent application of training standards.

Support staff for the Office of Public Safety will include a Senior Systems Analyst I, Senior Management Analyst I, Senior Personnel Analyst I, and Accounting Clerk II. The Senior Management Analyst I will administer support staff members, complete complex projects including budgeting, contractual management, and other operational needs. The Senior Systems Analyst I will improve upon and maintain the increasing security technology responsibilities within the Civic Center and outlying facilities of the customer departments. Due to a substantial increase in the number of employees within the Department of General Services, the Senior Personnel Analyst I position will be necessary to resolve employee relations and personnel related issues. The Accounting Clerk II is needed for the increase in preparation of timekeeping records, payroll, and other accounting documents, as a result of an increase in excess of two hundred full-time and part-time employees. The existing Management Analyst II within General Services will supervise a Management Assistant, Senior Clerk Typist, and three Clerk Typists.

PROPOSED DEPLOYMENT PLAN:

A. A proposed patrol district map is attached for review (see Exhibit 3).

B. SERVICE IMPROVEMENTS:

The advantages to this consolidation plan includes the ability to direct Peace Officer personnel to problems and calls for service within any of the affected facilities, while improving security staffing levels, at about the same cost. The implementation of this

ATTACHMENT 1

proposal will result in an increase of park patrols from 16-hours per day to 24-hours per day. Dedicated security staffing levels will increase, upon the merging of Communications Center functions of the Los Angeles Zoo and Park Ranger Division under the Department of General Services and through the reassignment of Security Officers from vehicle patrol to fixed post assignments at library branches.

The overall quality of services delivered by OPS will change favorably, through the standardization of policies, procedures, training, and greater flexibility in staffing, which will result in greater effectiveness of OPS staff. Redundancies currently experienced through general supervision, management, and vehicle patrols will be addressed in favor of a more efficient security organization. Greater communication among security personnel within each of these departments will improve, identifying locations where security staff should be directed, with the ability to dedicate personnel beyond current levels.

An analysis of previous calls for service at parks and libraries provided information on trends within these facilities, identifying the patrol needs to address recurring problems. The deployment will focus on after school hours and weekends, when the majority of calls for service are generated. Updated statistical data will be tracked through a Computer Aided Dispatch (CAD) system, providing timely information on crime trends, permitting improved public safety in these locations. Upon filling vacant Special Officer positions, OPS will aim for an average response time of five minutes to emergency calls throughout the City and ten minutes for routine calls for service.

The benefits of this security consolidation will include the following:

- Ability to respond to calls for service 24-hours per day Citywide.
- Greater efficiency in use of security services, through removal of redundancies including vehicle patrols, supervision, and management.
- Greater adaptability in scheduling and deployment of staffing resources where most needed, including terrorist attacks, natural disasters, and other emergencies.
- Increased quality of services provided by OPS through the application of consistent policies, procedures, and training.
- Reduction in liability through the use of standardized use of force and arrest procedures.
- Favorable response times to calls for service citywide on a 24-hour basis.
- Improved coordination with LAPD.

It should be noted that the Department of General Services intends to negotiate minimum staffing levels, with each customer department, and enter into a Memorandum of Understanding (MOU) with each department.

COORDINATION WITH LAPD:

ATTACHMENT 1

The Department of General Services recognizes the Los Angeles Police Department as the primary law enforcement agency in the City and has a history of interagency cooperation with LAPD. The Security Services Division was managed by LAPD in the recent past and a well-established pattern of coordination and interaction has contributed to a successful working relationship between LAPD and GSD. The Department consults with LAPD on a variety of security and law enforcement related issues, including training, and will continue to confer with LAPD. The specific role and scope of GSD's duties and responsibilities will be addressed through the development of an MOU with LAPD, inclusive of identifying investigative responsibilities for LAPD and GSD.

TRAINING:

Existing Special Officers within the Department of General Services will receive in-service training on newly acquired facilities and security related responsibilities. Veteran officers of the affected departments will provide input regarding training needs of all Special Officers.

Assessments of affected security groups has revealed a lack of training in critical areas, possibly leading to civil liability in the event of a use of force, which will be resolved through standardization in training during the consolidation. Consistent minimum levels of training will be established for each classification including Special Officer, Security Officer, and Security Aide.

POLICIES AND PROCEDURES:

The Security Services Division of the Department of General Services is currently operating within a policy manual, under review by the City Attorney's Office. Critical policies, where significant potential for civil liability exists (use of force, firearms, and pursuit) have been long established and were created by LAPD personnel, who previously managed the Division. The Division's use of force and firearm policy was approved by City Council (Council File No. 02-1548). The existing pursuit policy prohibits vehicular pursuits.

In preparation for the creation of the OPS, GSD staff has initiated a review process of the other affected security organizations policy manuals, for applicability and potential integration within GSD's policies.

SHORT-TERM SERVICE IMPROVEMENTS:

The department estimates that short-term service improvements will be achieved through the consolidation of communications centers of the Los Angeles Zoo and Park Ranger Division, under the Office of Public Safety. The Department of General Services operates a newly constructed, state of the art communications center, capable of receiving and dispatching calls for service, monitoring alarm systems, and monitoring close circuit television cameras. Savings in personnel costs will be found through the reduction of

ATTACHMENT 1

Security Officers and Park Rangers performing Communications Operator functions. Both the Los Angeles Zoo and Park Ranger Division lack a sufficient number of Communications Operators for 24-hour a day communications center coverage and supplement Communications Operator staffing with Security Officer and Park Ranger personnel.

LONG-TERM SERVICE IMPROVEMENTS:

GSD anticipates the eventual integration of the communications center functions of the Los Angeles Convention Center and Los Angeles Public Libraries under the OPS communications center. These departments exclusively staff their communications centers with Security Officers and significant long-term savings will result upon shifting these responsibilities to the OPS communications center.

ONE-TIME TRANSITION EXPENSES:

The Security Services Division currently occupies an approximate 4000 square foot office space on the 4th floor of the Marvin Braude Constituent Services Center, which serves as a City employee badge identification center and satellite locker facility. This location will provide a much needed, centrally based substation in the San Fernando Valley, for immediate response to calls for service. It is recommended that additional interior construction of this area will be approved to provide adequate locker room space for employees, telephone and data lines, and office areas. The estimated cost of this facility accommodation is approximately \$200,000.

All of the Security Officers considered in this plan wear a variety of uniform colors and styles. Although uniform specifications have not yet been determined, it is apparent that uniform expenses will be incurred while conforming all affected Security Officers and Park Rangers to a standardized uniform for Security Officers/Aides and Peace Officers within the Department of General Services. The estimated cost of uniform expenses is \$50,000.

It is recommended that all OPS vehicles be universally recognized by Los Angeles residents and City employees, requiring that existing vehicle identifying logos be changed. The estimated cost of this service is approximately \$30,000.

Each affected security group identified in this study, with the exception of the Convention Center, operates on the City standard 800MHz radio frequencies. The Convention Center utilizes 400MHz radios, which are not compatible with 800MHz radios. Since all OPS vehicles and personnel will need to be similarly equipped and capable of communicating with each other, it is recommended that hand-held and vehicle 800MHz radios be purchased for Convention Center security use. This expense is estimated at \$60,000.

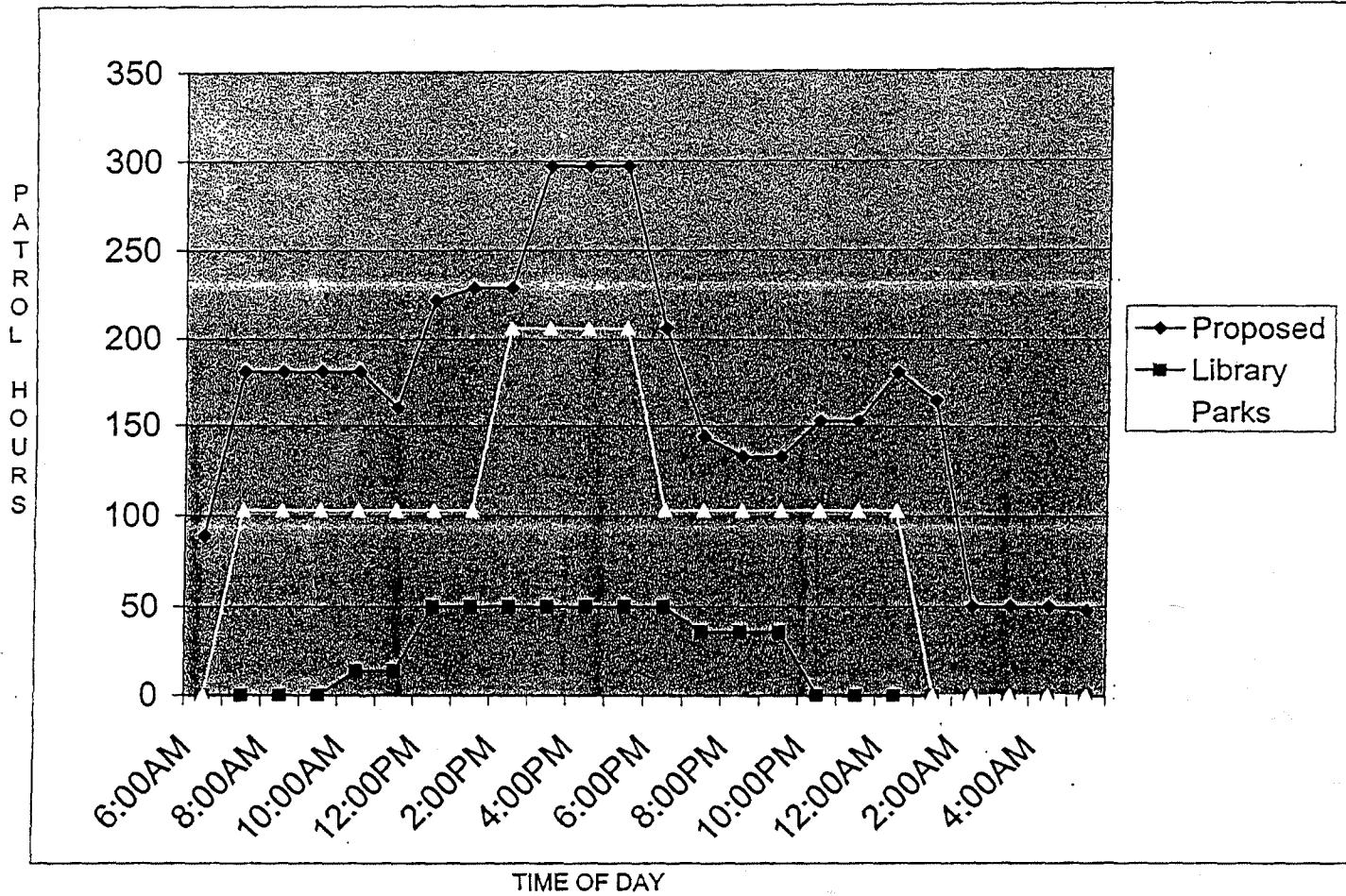
The total one-time transition expenditures are estimated at \$340,000. The CAO has been instructed to report back on final budget appropriations for the new Office of Public Safety,

ATTACHMENT 1

which will include review and recommendations for the Mayor and City Council regarding transition expenses and funding sources.

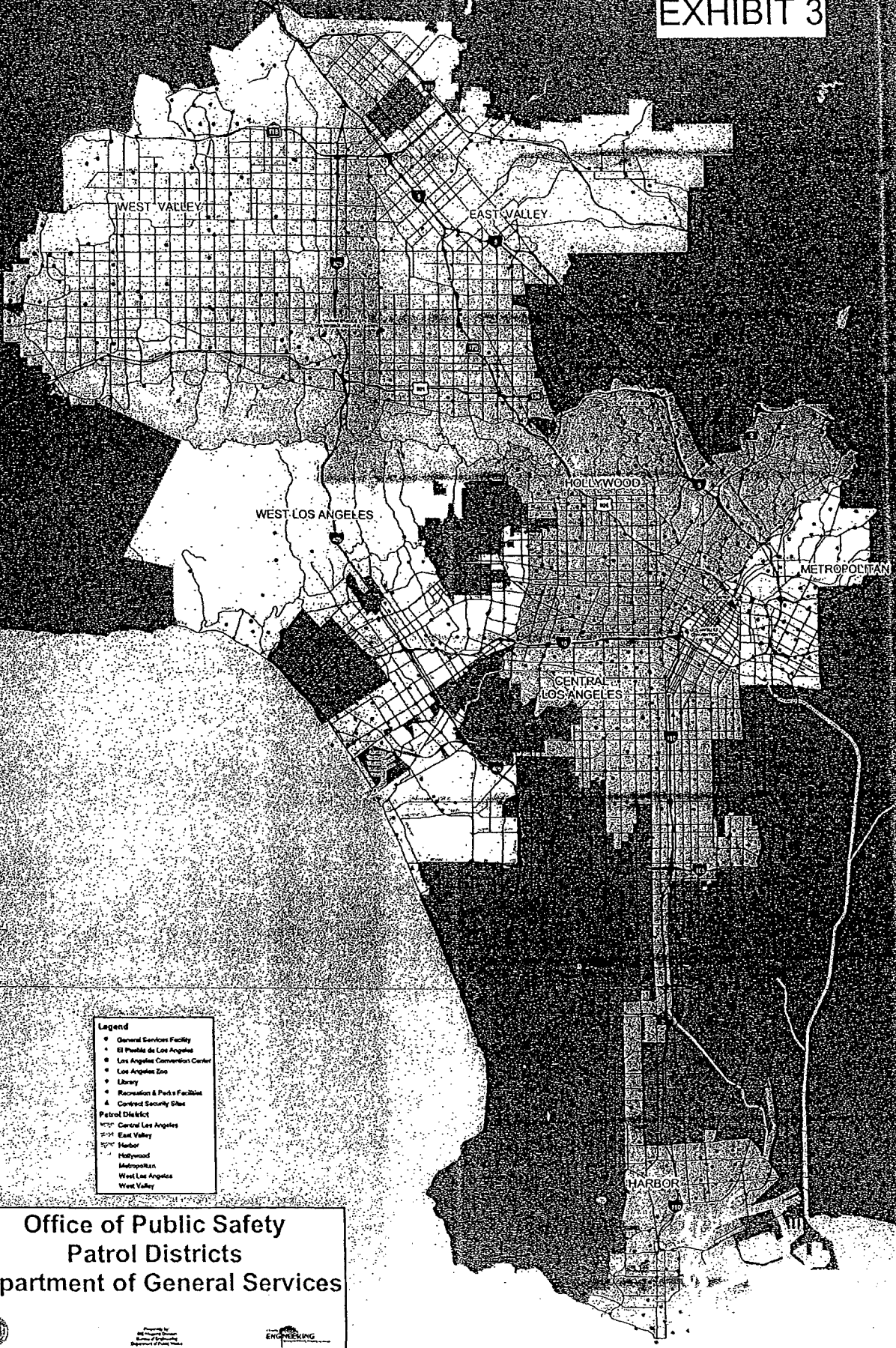
EXHIBIT 2

PATROL COMPARISON



LEGEND: Proposed: Represents proposed Special Officer patrols ** Upon filling all Special Officer vacancies
 Library: Represents existing patrols by Security Officers at libraries
 Parks: Represents existing patrols by peace officer Park Rangers at parks

EXHIBIT 3



- Legend**
- General Services Facility
 - El Pueblo de Los Angeles
 - Los Angeles Convention Center
 - Los Angeles Zoo
 - Library
 - Recreation & Parks Facilities
 - ▲ Central Security Sites
- Patrol District**
- WV West Valley
 - EV East Valley
 - WLA West Los Angeles
 - H Harbor
 - HO Hollywood
 - MA Metropolitan
 - WLA West Los Angeles
 - WV West Valley

Office of Public Safety
Patrol Districts
Department of General Services



Prepared by
Department of Public Works

ENGINEERING
City of Los Angeles, P.E.
City Engineer



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 223

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
by mt*Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING PARTICULATE TRAPS AND FEDERAL MANDATE
COMPLIANCE**

Attached is the information provided by the Department of General Services (Department) regarding particulate traps, and the history of compliance on federal mandates. The Department also provided detail information regarding the Department's City Clean Fleet Program.

Attachment

KLS:JSS:05070039C

CITY OF LOS ANGELES
CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



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ANTONIO R. VILLARAIGOSA
MAYOR

May 4, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

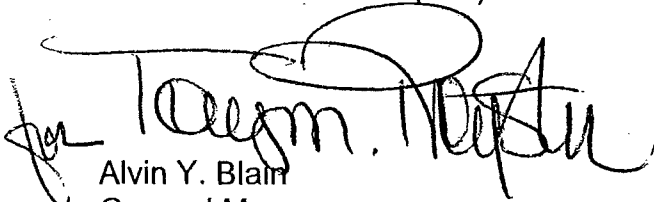
**QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING
ON THE 2007-08 PROPOSED BUDGET**

During the budget deliberations, your Committee requested a history of GSD's efforts in complying with federal mandates in reducing emissions and the installation of particulate traps on diesel-fueled vehicles.

For over a decade, the City of Los Angeles continues to remain at the forefront in complying with the federal Environmental Protection Agency's fuel emission mandate.

The attached is a report on GSD's Clean Fleet Program which highlights some of its major accomplishments and its commitment to become the nation's cleanest large city.

If you have any questions or need additional information, please contact Valerie Melloff, Director of Finance at (213) 928-9577.


Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget & Finance Committee
Karen L. Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II

Attachment



ATTACHMENT

DEPARTMENT OF GENERAL SERVICES City Clean Fleet Program May 2007

Program Narrative

Problem Statement:

Los Angeles has long been recognized as a City with terrible air quality pollution problems. Smog, low rainfall, plenty of sunshine, heat, off shore flows, and industrial emissions combined with an average ratio of 1.8 vehicles to each person has earned Los Angeles the dubious distinction of being recognized as having one of the highest levels of air pollution in the nation.

The City of Los Angeles has long been committed to conducting operations in the most environmentally friendly manner possible. With an extensive Fleet of Refuse Collection Vehicles (RCV), Street Sweepers, and Pool Vehicles the City of Los Angeles recognized the opportunity to drastically reduce emissions while setting an example to other fleets in the nation. Approximately 43 million miles are driven by City employees on an annual basis. The City's Department of General Services (GSD) has worked in conjunction with governmental agencies responsible for reducing pollution such as the South Coast Air Quality Management District (SCAQMD) and California Air Resources Board (CARB) to reduce harmful vehicle emissions and improve air quality. By taking a pro-active approach to reducing emissions, the City has emerged as one of the nation's leaders in alternative fueled fleets.

Program Description:

Alternative Fueled Vehicle Integration

Several types of alternative fueled vehicles are utilized, which include Compressed Natural Gas (CNG), Liquefied Natural Gas (LNG), Hydrogen (Fuel Cell), Hybrid (Gasoline/Electric), Dual Fueled (Gasoline/LNG), and Electric. Currently, 61 percent of the City's passenger vehicle fleet, 41 percent of the City's RCV fleet, and 17 percent of the Street Sweeper fleet have been converted to alternative fuels. Over the next six years, the City plans to convert the majority of the passenger, RCV, and Street Sweeper fleet to alternative fuels. To date, there are 1,163 alternative fueled vehicles in service with an additional 368 will be ordered by the end of FY 2007-08.

The City has earned the distinction of having the largest municipal alternative fueled RCV and Street Sweeper fleet in the nation. This year, 54 CNG Sweepers and 50 dedicated LNG RCV's were procured and will be placed into service. Additionally, when available, diesel powered heavy-duty trucks are being replaced with alternative fueled vehicles as part of normal fleet operations.

We have the second largest hybrid fleet in the nation and in partnership with the Honda Corporation the City initiated the world's first commercial application of fuel cell vehicles. Since 2001, the City has made hybrid (gas/electric) vehicles its standard for passenger sedans. Current Fleet rules require passenger vehicles to be Low Emission Vehicles (LEV) or cleaner. The City has gone beyond the scope of the rule and has been procuring vehicles that are certified as Partial Zero Emission Vehicles (P-ZEV). Estimated fuel consumption savings from replacing passenger vehicles with hybrids to date totals \$723,677.

Alternative Fuel Infrastructure

In support of the City's alternative fueled vehicle program, the City has developed an extensive alternative fuel infrastructure. Existing vehicle maintenance facilities have been modified to support alternative fueled vehicles and the City has built several alternative-fueling stations at strategic locations throughout the City. To date, four LCNG, two CNG, and one LNG fueling stations have been or are in the process of being built. Additionally, five maintenance facilities have been built or retrofitted to accommodate the maintenance needs of the alternative fueled vehicles. The City has the largest LNG/CNG fueling stations in California with 150,000 gallons of combined capacity.

Additionally, a considerable amount of money has been invested in training maintenance staff to repair and maintain alternative fueled vehicles. The City's investment in developing an extensive alternative fueled infrastructure demonstrates our long-term commitment to reducing pollution.

Diesel Fuel Particulate Reduction

The City has taken a pro-active approach to reduce diesel fuel particulate emissions. By working together to reduce the amount of diesel particulate emitted into the atmosphere, GSD and the Department of Environmental Affairs have improved the efficiency and cleanliness of the City's equipment, and strengthened the City's commitment to operating in a manner which reduces the impact on the environment.

In 1999, the City entered into a relationship with the ARCO Company, which was developing a low-sulfur diesel fuel, and became the first City in the country to test low-sulfur diesel on a large fleet. The successful results of the City's pilot test program led to the mass production of the low-sulfur diesel fuel and the subsequent development of EPA regulations for use of low sulfur diesel in rolling fleets. Based on the results of the test program, the City adopted the use of low-sulfur diesel in all applications, including off road and stationary equipment six years ahead of EPA regulations. The City's use of low sulfur diesel helped shape the standards of use for the rest of the nation's large fleets. It should be noted that current EPA regulations do not yet require the use of low sulfur diesel in stationary and off-road equipment such as generators and bulldozers.

The City was the nation's first city to conduct large-scale testing of particulate traps, which are muffler-type devices designed to curtail the emission of harmful diesel particulate into the atmosphere. This test was conducted jointly with the testing of low-sulfur diesel fuel. Not only were the cancer causing carcinogens (particulate matter) reduced by over 80 percent, but the black smoke emitted by the trucks was eliminated.

The demonstrated success of the City's joint particulate trap/low sulfur diesel test led ARCO to mass produce the low-sulfur diesel fuel for public use, and the particulate trap manufacturer to acquire CARB certification for its product allowing it to be installed without interfering with emissions testing and manufacturer's warranties. CARB used performance data collected by GSD to verify the particulate traps for new SCAQMD Rules. This program embodies all that government should stand for, namely its emphasis on constituent service, the ability to procure quality materials and equipment at the lowest possible prices, and the desire to significantly improve the quality of life of its citizens.

To date, GSD has installed particulate traps on 1,100 existing vehicles - over 50 percent of the large diesel powered trucks. By 2011, GSD will either retrofit the remaining large diesel trucks by installing particulate traps or replace those trucks with new low emission trucks that have particulate traps.

Required Resources

Implementing an alternative fuel program requires considerable resources. On average, purchasing a hybrid passenger vehicle adds \$5,000 to the sticker price of the vehicle, while RCV's and Street Sweepers cost an additional \$60,000. Along with the increased cost of purchasing alternative fueled vehicles, resources must be spent to safely operate, fuel, and maintain the new equipment, as well as in training employees to maintain the new equipment. The estimated first year costs of adding a dual-fuel LNG RCV to the fleet is \$178,000. This figure includes the cost of fueling stations, shop upgrades, property acquisition, additional personnel, training, and increased electricity costs. Once completely integrated, expenditures in the alternative fuels program may exceed \$500 million.

Source of Funding

The manufacturer's installed price per trap was \$9,000, but through Fleet Services diligence, a contract with a \$6,000 cost for each installation was eventually agreed upon. In all, 1,100 diesel powered vehicles were retrofitted with the particulate filtering devices, so the contract secured by Fleet Services resulted in \$3.9 million in initial cost savings for the particulate traps. As the City was four years ahead of the Federal Environmental Protection Agency's mandate of 15 particulate parts per million with an existing particulate trap contract, it was awarded over \$3.4 million in grant funding for the particulate trap installation program.

Savings generated by the particulate trap contract:	\$3,900,000.00
Savings generated through secured grant funding:	\$3,400,000.00
TOTAL SAVINGS:	\$7,300,000.00

In order to implement a self-sustaining and viable alternative fuels program, the City had to invest extensive resources in research, vehicles, infrastructure, and training. The majority of funding for the alternative fuels program has come directly from the City. Additionally, the City has taken advantage of available grants to help subsidize the increased cost of purchasing alternative fueled vehicles, facility upgrades, specialized shop equipment, and employee training. Below are to date approximations of expenses.

<i>Expense</i>	<i>City Funded</i>	<i>Grant Funded</i>
Alternative Fueling Facilities	\$ 70,750,254	\$ 6,900,000
Alternative Fuel RCV's and Sweepers	\$ 29,778,000	\$ 3,675,000
Hybrid Vehicles	\$ 4,115,000	
Staffing, Training	\$ 4,900,000	
TOTALS:	\$109,543,254	\$10,575,000

Other Involved departments and agencies include:

- Department of Environmental Affairs
- South Coast Air Quality Management District (SCAQMD)
- California Air Resources Board (CARB)
- Bureau of Sanitation
- Bureau of Street Services

Outcome

The City's fleet has improved environmental quality in the greater Los Angeles area through the reduction of vehicle emissions. By maintaining a proactive approach to testing new technologies, the City has managed to remain ahead of SCAQMD Fleet Rules and often emerge as a leader in environmental protection technologies. The City's support of new emergent technology has helped expedite the adoption of now commonly used products such as particulate traps and low sulfur diesel. Since then, installation of particulate traps and use of low sulfur diesel fuel has been adopted by major cities across the nation in an effort to reduce pollution.

Social/Humanitarian Value

The City's fleet is used to provide services vital to the health and safety of our citizens. The need to deliver services to our resident's in the most environmentally friendly manner possible is imperative. As part of our commitment to protecting our citizens and the environment, the City oftentimes adopts environmentally friendly practices ahead of any formal governmental rule adoption. With plans to replace the entire fleet of RCV's, Street Sweepers, and majority of the passenger vehicles with alternative fueled vehicles over the next six years, the City is ensuring the future of residents by reducing pollution

whenever possible. Along with helping to keep our environment clean, use of alternative fueled vehicles by the City increases public awareness, helps support advancements in the alternative fuel field, and reduces the City's reliance on fossil fuels. The effects of which are not quantifiable.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 224

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES REGARDING MAKE-UP OF THE FLEET AND TYPE OF FUEL USED**

Attached is the information provided by the Department of General Services (Department) regarding the make-up of the fleet and the type of fuel used. The Department also provided a summary of the Department's Clean Fleet Initiatives.

Attachment

KLS:JSS:05070037C

CITY OF LOS ANGELES

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ANTONIO R. VILLARAIGOSA
MAYOR

May 4, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING ON THE 2007-08 PROPOSED BUDGET

During the budget deliberations, your Committee wanted GSD to provide a summary of the City's total fleet including alternative fueled vehicles by fuel type.

The City's entire fleet includes approximately 21,000 vehicles and equipment. GSD, LAFD, LAPD, DWP, LAWA and the Port of LA independently manage a portion of the Citywide fleet.

GSD currently maintains 10,578 vehicles including 1,163 that are powered by alternative fuel. The following summarizes the numbers of GSD managed vehicles by the type fuel utilized and outlines some of the major GSD Clean Fleet initiatives.

TOTAL FLEET INVENTORY BY FUEL TYPE AS OF MAY 2007

FUEL TYPE	Number of Fleet
CNG - Compressed Natural Gas	50*
Diesel Fuel	2,358
Diesel/LNG - Compressed Natural Gas	250*
Electric (includes one vehicle*)	265
Gasoline	5,930
Gasoline/ Electric (Hybrid)	842*
Gasoline/ Methanol M85	3
Hydrogen Fuel Cell	2*
Jet	30
Liquefied Natural Gas (LNG)	18*
LPG - Propane	96
None	706
Other (Gasoline/ LPG)	2
Solar	26
Grand Total	10,578

*Powered by alternative fuel

The following is a summary of GSD's Clean Fleet initiatives:

- 41 percent (274 of 676) of the City's refuse collection (RCV) fleet is alternative fueled. The size of the dual fueled units makes it the largest in the nation. The plans are to have the entire RCV fleet converted over next 6 six years. An additional 80 alternative fueled RCVs will be ordered in 2007-08. With these new deliveries, 59% (396 of 676) of the RCV fleet will be alternative fueled.
- 17 percent (27 of 162) of the fleet of street sweepers is alternative fueled, making it the largest CNG fleet in the nation. The plans are to have the entire sweeper fleet converted over next 6 six years. An additional 30 alternative fueled sweepers will be ordered in 2007-08. With these new deliveries, 54% (87 of 162) of the street sweeper fleet will be alternative fueled.
- 61 percent (842 of 1378) of the passenger vehicles (sedans) are alternative fueled, making it the 2nd largest hybrid fleet in the nation. The plans are to have the entire passenger vehicle fleet converted over next three years (except emergency response vehicles/public safety vehicles). An additional 150 hybrids will be ordered in 2007-08. With these new deliveries, 75% (1030 of 1378) of the passenger vehicles will be alternative fueled.
- Los Angeles was the first City in the nation to test low-sulfur diesel fuel as early as 2000. The City's entire on-road and off-road diesel fleet now operates on low-sulfur diesel. The rest of the nation did not make this transition until the end of 2006.
- Fleet Services is in the process of installing particulate traps, which further reduce particulate matter and other precursor emissions from the environment, on all diesel-fueled vehicles in the fleet. In total, the City will have 1,550 diesel vehicles operating with particulate traps.

Information on the remaining City vehicles can be obtained from the other operating departments identified above. Additionally, the Environmental Affairs Department tracks the number of alternative fueled vehicles and equipment for the entire City fleet.

If you have any questions or need additional information, please contact Valerie Melloff, Director of Finance at (213) 928-9577.


Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget & Finance Committee
Karen L. Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 225

Date:

May 8, 2007

To:

Budget and Finance Committee

From:

Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject:

**RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING THE PUBLIC WORKS BUILDING AND THE PROJECTED \$11
MILLION IN LEASE SAVINGS**

Attached is the information provided by the Department of General Services regarding the Public Works Building and the projected \$11 million in lease savings. The Department reports that the \$11 million in lease savings were offset by \$6 million in new leases and increases in existing lease rates. The net savings of \$5 million resulted in the reduction of the Leasing Account from \$26.7 million in 2004-05 to \$21.7 million in 2007-08.

Attachment

KLS:JSS:05070038C

CITY OF LOS ANGELES

CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

ANTONIO R. VILLARAIGOSA
MAYOR

May 3, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING ON THE 2007-08 PROPOSED BUDGET

During the budget deliberations, your Committee raised a question regarding the projected \$11 million in lease savings anticipated from the purchase of the Public Works Building.

The Citywide Lease Account was reduced by \$11 million through terminating the Spring Street leases, and various other leases on Broadway and 1st and 2nd Streets, as anticipated by GSD and the CLA, consistent with previous reports on this matter (CF 03-0063-S8).

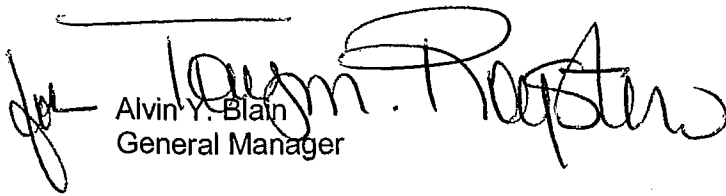
However, these savings have been offset by \$6 million in additional costs due to new leases and significant increases to existing leases, as outlined below:

- Figueroa Plaza (\$1.9 million)
- Cal Trans Building (\$1.4 million)
- Miscellaneous adjustments due to lease increases & terminations (\$600,000)
- Van Nuys Airport (\$500,000)
- Police and Fire stations (\$500,000)
- Various parking lots (\$400,000)
- Kajima Building (\$400,000)
- Council District field offices (\$150,000)
- Garland Building & Office of Finance Wilshire (\$150,000)

These changes have resulted in a net savings of \$5 million in the Lease Account, which was reduced from \$26.7 million in 2004-05 to \$21.7 million in 2007-08.



If you have any questions or need additional information, please contact Valerie Melloff,
Director of Finance at (213) 928-9577.

A handwritten signature in black ink, appearing to read "Alvin Y. Blain". The signature is written in a cursive style with a large, looping initial "A".

Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget & Finance Committee
Karen Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 226

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by m/f*Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING "LAND AVAILABILITY INQUIRIES" WORKLOAD INDICATOR**

The Department reports that the "land availability inquiries" workload indicator represents the number of inquiries the Department receives from elected City officials, other City departments, other government agencies, non-profit organizations, businesses, and residents on the availability of land in the City of Los Angeles.

These inquiries involve questions about purchasing the City's surplus property, availability of vacant City-owned property, availability of land for City department use, title reports, appraisals and others.

KLS:JSS:05070043C

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 227

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
Kym +*Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING FUEL CONSORTIUM AND FUEL COST COMPARISON WITH
MTA BY FUEL TYPE**

Attached is the information provided by the Department of General Services (Department) regarding the viability of the City joining a fuel consortium and a comparison of City fuel cost with MTA by fuel type. The Department reports that the City continually explores the use cooperative fuel-agreement or consortium and reviews each proposal for possible savings. The Department also provided detail information regarding City fuel cost information compared to MTA and DWP.

Attachment

KLS:JSS:05070040C

CITY OF LOS ANGELES
CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



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ANTONIO R. VILLARAIGOSA
MAYOR

May 4, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

**QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING
ON THE 2007-08 PROPOSED BUDGET**

During the budget deliberations, your Committee raised a question regarding the viability of the City joining a consortium for fuel and a comparison of City fuel costs with MTA by type of fuel.

Cooperative Procurement

The City purchases ultra low-sulfur diesel, unleaded gasoline, jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants. When it is in the City's advantage, the City uses other governmental entities' fuel contracts and shares its fuel contracts with other governments. The City continually explores the use of cooperative types of procurement for fuel. Each potential cooperative fuel agreement is reviewed on its own merit as it applies to the City's routine supply of fuel and during emergencies.

In October 2005 the County of Los Angeles contacted governmental agencies in California seeking potential participants in a statewide fuel-buying consortium. The City of Los Angeles expressed interest in the consortium and supplied the City's fuel purchase information to the County. However, within the last few months the County decided that there was no potential savings on this type of cooperative agreement and has since disbanded the project.

Fuel Price Comparison

The City is obtaining the best price for fuel based on a comparison of prices for ultra-low sulfur diesel and unleaded gasoline for the week of April 23 2007.



Ultra-Low Sulfur Diesel

City: \$2.1228
MTA: \$2.1312
DWP: \$2.1673

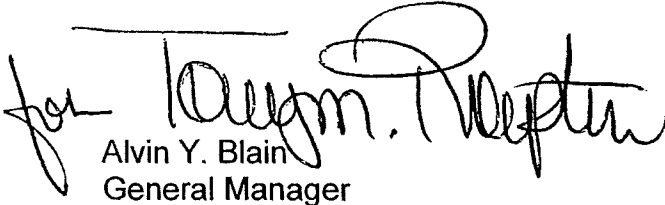
Unleaded Gasoline

City: \$2.54213
MTA: \$2.5574
DWP: \$2.6342

Please note that the prices above do not include any fees, taxes, or delivery charges. All three entities use a daily LA Basin published rack price. The prices for the City and MTA are fixed for the entire week; the DWP price per gallon is from the Wednesday, April 25, 2007 rack rate.

For additional information please see the attached GSD review of the City's fuel contracts and recommendations for changes in the City's fuel buying policies that was submitted to the Budget & Finance Committee on October 16, 2006 in response to a request from the Committee on May 12, 2006 to review the City's fuel buying policies.

If you have any questions or need additional information, please contact Kenneth F. Desowitz, Director of Supply Chain Services at (213) 928-9557.


for Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget & Finance Committee
Karen L. Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II

CITY OF LOS ANGELES

CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



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(213) 928-9555
FAX No. (213) 928-9515

ANTONIO R. VILLARAIGOSA
MAYOR

October 16, 2006

Honorable Bernard C. Parks, Chairperson
Budget and Finance Committee
Office of the City Clerk
City Hall, Room 360
Los Angeles, CA 90012

Attention: Lauraine Braithwaite, Legislative Assistant

CITY-WIDE FUEL CONTRACT REVIEW

Attached is the Department of General Services' review of the City's fuel contracts and recommendations for changes in the City's fuel buying policies. This review was completed in accordance with Council File 06-0600, Recommendation #97 dated May 12, 2006.

If you have any questions or need additional information, please contact Ken Desowitz at (213) 928-9557 or via e-mail at Kenneth.Desowitz@lacity.org.


Alvin Y. Blain
General Manager

cc: Honorable Members of the Budget and Finance Committee
William T Fujioka, City Administrative Officer
David Mora, Mayor's Office
John L. Reamer Jr., Director, Bureau of Contract Administration
Jay Shin, Office of the CAO



**REVIEW OF THE CITY-WIDE FUEL CONTRACTS
THE DEPARTMENT OF GENERAL SERVICES
October 16, 2006**

EXECUTIVE SUMMARY

OVERVIEW

In the Budget and Finance Committee Report dated May 12, 2006 (Council File 06-0600) the General Services Department was directed to review its buying procedures for oil related commodities and compare them with other governmental agencies in the Los Angeles area. (Oil related commodities are defined in this report as ultra low-sulfur diesel, unleaded gasoline, jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.) Results of this review indicate that the City is doing a sufficient job in supplying oil related products. However, due to the world-wide volatile oil market, the City needs to adjust its fuel and oil related product buying strategies in order to guarantee a continual supply of these products during unstable situations.

The following two recommendations resulted from meetings with other governmental entities and the review of the current City fuel purchasing policies.

Recommendation #1: Fuel Tank Policy Review

It is recommended that Council direct GSD to work with the CAO to draft a fuel site installation and replacement policy, using the Fuel Site Consolidation Study completed in 1998 as a guideline.

Recommendation #2: Exempt Oil Related Commodities from the City's Compliance Programs

It is recommended that the Council direct the City Attorney to draft language that exempts oil related purchases from the following City compliance programs and that the Mayor's Office revise Executive Directive 1-C.

1. Mayor's Directive 1-C; Minority Business Enterprise (MBE), Women Business Enterprise (WBE) and Other Business Enterprise (OBE) Sub-contractor Outreach Program.
2. City of Los Angeles Administrative Codes:
 - A. Affirmative Action Ordinance, Division 10, Chapter 1, Article 1, Section 10.8;
 - B. Equal Benefits Ordinance, Division 10, Chapter 1, Article 1, Section 10.8.2.1;
 - C. Service Contract Worker Retention Ordinance, Division 10, Chapter 1, Article 10, Section 10.36 et seq.;
 - D. Living Wage Ordinance, Division 10, Chapter 1, Article 11, Section 10.37 et seq.;
 - E. Contractor Responsibility Ordinance, Division 10, Chapter 1, Article 14, Sections 10.40 et seq.
 - F. Sweat-Free Procurement Ordinance, Division 10, Chapter 1, Article 17, Sections 10.43 et seq.

DETAILED REPORT

REPORT OVERVIEW

The Budget and Finance Committee Report dated May 12, 2006 (Council File 06-0600) directed the Department of General Services to review its buying procedures for oil related commodities and compare them with other governmental agencies in the Los Angeles area. For this report, oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

Staff from the GSD Fuel Services and Supply Services Divisions discussed this issue with fuel procurement representatives from the Department of Water and Power, the Metropolitan Transportation Authority, the County of Los Angeles, WorldPort LA and the Los Angeles World Airports. Staff also met with the Mayor's Minority Business Opportunity Committee and a representative from the City's current diesel fuel supplier, BP West.

The purpose of these discussions was twofold:

- 1) to obtain an area wide perspective of the current procedures, successes and issues that have a direct effect on fuel prices and availability;
- 2) to determine if the City's current fuel buying practices need to be adjusted in order to meet the continually changing fuel marketplace.

Issues Relating to Fuel Purchases

- Until recently, the City would receive 5-8 responses for its fuel bids. Security and production in the petroleum industry changed on September 11, 2001 and now that prices have escalated to unprecedented highs over the past year, the commodity has become even more volatile. These events and a host of others, internal to the petroleum industry, have altered the fuel competition spectrum. In addition, the City's smaller tanks, some locations of larger tanks and the City's required compliance policies and forms have created problems with fuel contracting. As a result, the City received only two quotes for its last RFQ for unleaded gasoline and one quote for ultra low-sulfur diesel.
- Contracts with oil refiners instead of brokers will guarantee oil related product supplies when natural disasters (such as hurricanes in the Gulf), production and delivery disasters (such as pipeline and refinery explosions) and terrorist activities disrupt the normal methods of fuel supply and delivery. City employees have been told by refiners that in the event of a fuel supply disruption they supply their contracted customers before they supply brokers who "spot buy" fuel on a daily basis.

Currently the City has two contracts for fuel. One is with a refiner and the other with a broker. During an emergency, the refiner will continue to supply

to the City, but during the same emergency, the broker, who buys fuel from refiners, might not be able to obtain fuel to sell to the City.

- Currently the City has 374 diesel and gasoline tanks that range from 500 to 30,000 gallon in capacity at a variety of locations. Most are underground. Due to the tank sizes and locations, many larger suppliers and refiners are unable to deliver to the City. Large refineries do not want to deliver to locations with small tanks. Fuel brokers will deliver to smaller sites, however their fuel comes from the refineries on a daily spot-buy basis and their supply depends on the daily market availability.
- Required Federal and State changes in fuel formulations such as ultra low sulfur diesel, the additive MTBC, biodiesel and ethanol have added to the costs and difficulties in obtaining contracts for fuel.
- Continually changing South Coast Air Quality Management District (SCAQMD) restrictions and regulations often add to the difficulties of managing fuel deliveries, spill monitoring and clean-ups at delivery sites.

SCAQMD Fleet Rules, relating to refuse vehicles, heavy duty vehicles, street sweepers and buses, mandate that replacement vehicles in these categories must be alternative fuel or gasoline. These rules have a direct bearing on the type of fuel that we purchase.

- The Federal Government, the State of California and the South Coast Air Quality Management District play direct roles in deciding which fees, taxes and other petroleum product charges that the City must pay. Due to the complexity of these additional charges, the City depends upon the fuel suppliers for information on new or changed taxes and fees that relate to fuel purchases. The City will often receive invoices with these new taxes/fees without advance notice. This fact can slow the invoice payment until the contract is adjusted to reflect the tax/fee change.

LOCAL GOVERNMENT FUEL OVERVIEWS

(See Attachment A.)

Non-Proprietary Departments' Fuel Overview

Current Fuel Purchases

The Non-Proprietary Departments, through the Purchasing Agent, has two primary contacts for fuel:

- 1) BP West is the City's contracted supplier for ultra low-sulfur diesel fuel and this contract expires in October 2006 and will be replaced with another contract. General Services Department purchased 5,979,630 gallons of diesel fuel in FY 2005 for a total of \$15,142,200. The Fire Department also purchased a similar amount of fuel during FY 2005. An RFQ (bid) process is currently underway to replace this contract.

- 2) SC Fuels has a new contract with the City for unleaded gasoline that expires 06/30/2007. It has 9 renewal options that may be exercised based on the industry at the time of renewal. The City purchased 6,708,900 gallons of gasoline during FY 2005 for a total of \$16,405,660.

In addition, during FY 2005, the City purchased 1,836,230 gallons of Liquid Natural Gas (LNG) for a total \$1,723,950 and 691,590 gallons of jet A fuel for a total of \$1,265,300.

The City uses the California State contract for its purchases of natural gas. This contract is primarily used for the City Hall complex (boilers and generators) and the City spends approximately \$500,000 per year on this contract.

Effective July 1, 2006 the General Services Fuel Services Division began ordering fuel and paying the fuel invoices for both the Fire and Police Departments.

Fixed Pricing (Hedging)

Major refineries have the ability to work with the City as partners in advance fuel purchases. The refiner will hedge fuel purchases through New York City firms that specialize in hedging and then sell to the City at pre-arranged (fixed) prices through the life of the contracted agreement. The City would receive consistent prices and because of this, could easily predict fuel expenditures over the life of the agreement.

However, there are some major drawbacks that include: a) market prices could fall below the contracted price and the City would be buying expensive fuel, b) the City might contract to purchase too much fuel and would either have to store it in rented tanks or sell it on the open market, and, most importantly, c) current staffing levels and expertise levels are not sufficient to manage this type of futures buying. At this time it would be too risky for the City to enter into these types of agreements.

Cooperative / Consortium Contracts

When it is in the City's advantage, the City uses other governmental entities' fuel contracts and it also shares its own fuel contracts with other governments. The City can be at a disadvantage when using another government's fuel contracts since the City is limited as to what it can add to the contract. In addition, when the master contract ends and the contracting entity does not accept optional renewals, the City is not always informed of this until it is too late for the City to replace it on its own through the bidding process.

The City should always engage in cooperative or consortium fuel contracts when available and when it is in the City's best interest. These types of contracts have the potential of getting lower fuel prices. Nevertheless, the City has noticed during recent years that fuel cooperatives and consortiums do not always bring lower prices. They often restrict the City's ability to negotiate better prices once the contract is in place, necessitating a replacement bid. And, they often have

supply issues when some of the governmental entities are slow to pay their fuel invoices.

The City plans on continuing to explore the use of cooperative types of procurement for fuel. But, if these types of contracts have the potential of restricting fuel availability for the City's during emergencies, then they should not be used and the City should set up its own contracts with reliable fuel suppliers. Each potential cooperative fuel agreements should be reviewed on its own merit as it applies to the City's routine supply of fuel and during emergencies.

City Proprietary Departments' Fuel Overview

Los Angeles WorldAirports

WorldAirports has a contract with SC Fuels for diesel fuel. This contract expires 1/11/07 and there are no remaining renewal options.

Their contract for gasoline is a "piggyback" of the City's contract with SC Fuels.

WorldPortLA

Both of the City's fuel contracts are used ("piggybacked") by LA Harbor.

Department of Water and Power (DWP)

Due to the location of multiple power plants and water facilities, The Department of Water and Power has a variety of contracts for fuel.

- 1) DWP has two primary contracts for diesel fuel. One is with Petro-Diamond and the other is with Patten Energy. These contracts expire 06/30/2007 with one renewal option for each contract.
- 2) SC Fuels is their primary supplier for gasoline.

In addition to the above, the DWP purchases natural gas in order to run generators that produce electricity.

Metropolitan Transportation Authority (MTA) Fuel Overview

The Metropolitan Transportation Authority has two contacts for fuel:

- 1) SC Fuels is their contracted supplier for diesel fuel and this contract expires at the end of June 2008. The MTA's purchases for diesel fuel in FY 2005 were 4,719,300 gallons.
- 2) SC Fuels supplies the MTA with gasoline and this contract expires in September 2008 with 3 one-year options. The MTA purchased over 803,000 gallons of gasoline during FY 2005.

MTA is in the beginning stages of planning to purchase natural gas through hedging. It has been recommended that MTA meet with the DWP natural gas hedging staff for assistance and potential partnership.

Los Angeles County Fuel Overview

The County of Los Angeles has two contracts for fuel:

- 1) General Petroleum is their contracted supplier for diesel fuel contract and this contract expires in October 2007. LA County's purchases for diesel fuel in calendar year 2005 were 19.3 million gallons. Once this contract expires, it will be replaced through the bidding process.
- 2) Falcon Fuels supplies the County with gasoline and this contract expires in January 2007 with two renewal options remaining. The County purchased over 19 million gallons of gasoline during calendar year 2005.

In October 2005 the County of Los Angeles contacted governmental agencies in California seeking potential participants in a State-wide fuel buying consortium. The City of Los Angeles expressed interest in the consortium and has supplied the City's fuel purchase information to the County. The County continues to gather information and does not have a date when the fuel bid will be released.

RECOMMENDATIONS

Recommendation #1: Fuel Tanks

Due to the complexities of the City's fuel tanks, their locations and the variety of tank sizes, larger refiners either do not want to deliver to or are unable to deliver to City sites. Therefore, the City must depend on smaller refiners and fuel brokers for delivery, thus having the potential to raise fuel prices and limit availability during emergencies.

It is recommended that Council direct GSD to work with the CAO to draft a fuel site installation and replacement policy, using the Fuel Site Consolidation Study completed in 1998 as a guideline. Whenever possible, the City should purchase larger tanks and install them in locations that allow for easier delivery with larger tanker trucks.

Recommendation #2: Exempt Oil Related Commodities from the City's Compliance Programs

In light of the difficulties in obtaining competition on its fuel bids, as noted in the section "Issues Relating to Fuel Purchases", and the rapidly escalating fuel and oil related commodities costs, the City should re-evaluate its overall fuel buying strategies, primarily any issues that restrict the City from receiving competitive quotes in an emergency.

Public safety is a very high priority during any emergency. In order to ensure public safety, the City requires an ample supply of fuel in order to run its Police, Fire, ambulances and Public Works vehicles (trash trucks and street sweepers, for example). The continuity of public health services provided by the City cannot be over emphasized during these times.

Currently, Requests for Quotations (RFQ's) with an annual expenditure exceeding \$100,000 must have Minority, Women, and Disadvantaged Business Enterprise (M/W/DBE) participation goals (Mayor's Directive 1-C). These goals are set by the Mayor's Minority Business Opportunity Committee (MBOC) and, although not mandatory, do add a considerable amount of bidder time and effort in order to be deemed responsive to the RFQ.

In addition, the City has other RFQ requirements, set by City ordinance, which must be met by any potential supplier in order to be considered for a contract award. These ordinances are:

- Affirmative Action Ordinance, Division 10, Chapter 1, Article 1, Section 10.8;
- Equal Benefits Ordinance, Division 10, Chapter 1, Article 1, Section 10.8.2.1;
- Service Contract Worker Retention Ordinance, Division 10, Chapter 1, Article 10, Section 10.36 et seq.;
- Living Wage Ordinance, Division 10, Chapter 1, Article 11, Section 10.37 et seq.;
- Contractor Responsibility Ordinance, Division 10, Chapter 1, Article 14, Sections 10.40 et seq.
- Sweat-Free Procurement Ordinance, Division 10, Chapter 1, Article 17, Sections 10.43 et seq.

If the City expects to obtain competitive quotes for fuel and to have a stable supply it needs to re-evaluate the entire fuel procurement cycle, including all non-essential aspects to the fuel procurement process.

The Department of Water and Power has obtained a DWP Board approved compliance program exemption when it buys natural gas and other forms of fuel for its electrical generating stations. If it did not have this blanket exemption, natural gas spot buys and hedges could not be arranged in a timely and cost effective manner. The DWP spends approximately \$1.2 billion per year on electricity generating fuel and electrical purchases, all exempted from its compliance programs. These purchases are handled through its Power Services Business Unit, which is separate from the Department's Corporate Purchasing Business Unit

It is recommended that the Council direct the City Attorney to draft language that exempts oil related purchases from the noted City compliance programs and that the Mayor's Office revise Executive Directive 1-C.

(See Attachment B for recommended City of Los Angeles Administrative Code language for oil related commodity purchase exemptions.)

It is also recommended that if the City plans to purchase fixed price fuel futures in conjunction with a partner, these purchases also be exempted from the noted compliance programs.

FUTURE OIL RELATED COMMODITY PURCHASES

It is important that the City have the flexibility to obtain needed commodities during volatile and unstable times. Fuel is the single most important commodity during any emergency that the City might face. Without fuel the City cannot dispatch police and fire vehicles, cannot run generators, cannot pick-up and deliver equipment and supplies and cannot transport staff.

The City of Los Angeles needs to be flexible in its ability to obtain fuel during unstable situations. The City could potentially be caught with a minimal supply of fuel or, worst-case scenario, without the ability to purchase fuel during these times.

Long term contracts with fuel refiners and easily accessible fuel tanks play key roles in maintaining the safety and security of the City. It is vital that these issues be addressed in advance of any emergent situation.

**REVIEW OF THE CITY-WIDE FUEL CONTRACTS
THE DEPARTMENT OF GENERAL SERVICES**

Attachment A

**City of Los Angeles and Other Governmental Entities' Oil Related Purchases
FY and CY 2005**

	City of Los Angeles	Dept of Water & Power	County of Los Angeles	Metropolitan Transportation Agency
Unleaded Gasoline				
FY 2005 Quantity (Gal)	6,708,900	2,665,100		803,400
FY 2005 Expenditure	\$16,405,660	\$6,263,000		N/A
CY 2005 Quantity (Gal)			19,045,000	
CY 2005 Expenditure			N/A	
Ultra Low-Sulfur Diesel				
FY 2005 Quantity (Gal)	5,979,630	1,023,910		4,719,330
FY 2005 Expenditure	\$15,142,200	\$3,522,250		N/A
CY 2005 Quantity (Gal)			19,287,000	
CY 2005 Expenditure			N/A	
Jet A Fuel				
FY 2005 Quantity (Gal)	691,590	C. 75,000	N/A	N/A
FY 2005 Expenditure	\$1,265,300	C. \$127,500	N/A	N/A
Natural Gas				
FY 2005 Quantity (MBTU)	N/A		N/A	N/A
FY 2005 Expenditure	C. \$500,000		N/A	N/A
CY 2005 Quantity (MBTU)		63,110,000		
CY 2005 Expenditure		C. \$300,000,000		
Liquid Natural Gas				
FY 2005 Quantity (Gal)	1,836,230	N/A	N/A	N/A
FY 2005 Expenditure	\$1,723,950	N/A	N/A	N/A
Compressed Natural Gas				
FY 2005 Quantity (Gal)	41,100	45,900	N/A	N/A
FY 2005 Expenditure	\$63,700	\$103,280	N/A	N/A
Propane				
FY 2005 Quantity (Gal)	31,000	N/A	N/A	N/A
FY 2005 Expenditure	\$61,7120	N/A	N/A	N/A
Bulk Oils and Lubricants				
FY 2005 Quantity (Gal)	202,870	N/A	N/A	N/A
FY 2005 Expenditure	\$1,014,220	N/A	N/A	N/A

**REVIEW OF THE CITY-WIDE FUEL CONTRACTS
THE DEPARTMENT OF GENERAL SERVICES**

**RECOMMENDED CITY OF LOS ANGELES ADMINISTRATIVE CODE
LANGUAGE FOR OIL RELATED COMMODITY PURCHASE EXEMPTIONS**

**1. Affirmative Action Ordinance, Division 10, Chapter 1, Article 1,
Section 10.8**

Add Section 10.8.3. L

Exempt from application of this Article are purchases for oil related commodities. Oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, Jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

Add Section 10.8.4.R

Exempt from application of this Article are purchases for oil related commodities. Oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, Jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

**2. Equal Benefits Ordinance, Division 10, Chapter 1, Article 1, Section
10.8.2.1**

Add Section 10.8.2.1 (i)(2)c

Exempt from application of Section 10.8.2.1 of this Article are purchases for oil related commodities. Oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, Jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

**3. Service Contract Worker Retention Ordinance, Division 10, Chapter
1, Article 10, Sections 10.36 et seq.**

Add Section 10.36.4

Exempt from application of Section 10.36 through 10.36.9 of this Article are transportation of oil related commodities. Oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, Jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

**4. Living Wage Ordinance, Division 10, Chapter 1, Article 11, Sections
10.37 et seq.**

Add Section 10.37.15 Exemptions.

Exempt from application of Section 10.37 through 10.37.14 of this Article are transportation of oil related commodities. Oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, Jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

5. Contractor Responsibility Ordinance, Division 10, Chapter 1, Article 14, Sections 10.40 et seq.

Add Section 10.40.4 (a) (4)

Exempt from application of Section 10.40 through 10.40.9 of this Article are purchases for oil related commodities. Oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, Jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

6. Sweat-Free Procurement Ordinance, Division 10, Chapter 1, Article 17, Sections 10.43 et seq.

Add Section 10.43.6. E

Exempt from application of Section 10.43 through 10.43.5 of this Article are purchases for oil related commodities. Oil related commodities are defined as ultra low-sulfur diesel, unleaded gasoline, Jet A fuel, natural gas, liquid natural gas, compressed natural gas, propane and oils/lubricants.

**REVIEW OF THE CITY-WIDE FUEL CONTRACTS
THE DEPARTMENT OF GENERAL SERVICES**

**Miscellaneous notes relating to fuel hedging and the airline industry.
(Articles from which notes are drawn were written in 2004.)
Similar hedging parallels relate to the shipping industry, the railroad
industry and any company that has a large fleet of vehicles. ***

There are two main reasons why several fuels other than jet fuel are used in jet fuel hedging by airlines. The first reason requires a brief explanation of refining. When refiners process crude oil, the main products are gasoline, middle distillates (heating oil, diesel fuel and jet kerosene) and residual fuel oil. Refiners often refer to these products as top, middle, or bottom of the barrel, respectively. Products from the same part of the barrel share similar characteristics, and as a result, the prices are correlated. Hence, heating oil, which shares similar characteristics to jet fuel, is frequently used in hedging by airlines. Also, since jet fuel is refined from crude oil, crude oil is also used in hedging due to high price correlation.

The second reason why airlines use several fuels in hedging is because jet fuel is not a sufficiently liquid market to warrant a futures contract or other type of exchanged-traded contract. As a result, derivative contracts for jet fuel must be arranged on the over-the-counter (OTC) markets. However, there are active and liquid markets for exchange-traded contracts on crude oil and heating oil in New York City and for gasoline in London.

After labor, jet fuel is the second largest cost for airlines. The price paid for this commodity can significantly impact earnings, the viability of an airline, the ability of the airline to remain competitive with other airlines. The typical airline customer is very sensitive to ticket prices. In other words, most customers do not exhibit product loyalty and will switch airlines based on prices. If an airline was to raise the costs of their tickets to offset the rise in fuel costs, they may lose business.

Hedging protects companies from the price fluctuations that can occur with commodities like jet fuel. The volatility of prices can cause operating costs to increase dramatically. Hedging allows a firm to set a fixed price for the commodity in the future. Hedging reduces the risk associated with price fluctuations.

If a company is unhedged, it assumes all risk associated with price volatility. With the price of jet fuel rising and uncertainty in prices, companies can be assume major financial risk if they do not hedge. For Southwest, a 25 cents gallon jet fuel increase will raise the fuel price by \$275 million. Not hedging has

caused airlines to file bankruptcy in the past. However, if an airline is completely hedged, they will not benefit from declining prices.

But not all airlines engage in hedging. "Non-hedgers" may not be acting sub-optimally. If the benefits of hedging are less than the costs of hedging, then no net benefit would be gained from hedging by the airline. Given that smaller airlines do not hedge jet fuel purchases with derivatives suggests that the costs may outweigh the benefits for these firms.

Furthermore, airlines that are financially distressed will find it more difficult and expensive to hedge, whereas airlines with investment grade credit ratings can more easily hedge and have much greater flexibility in hedging strategies. Fundamentally, stronger credit ratings allow for more hedging, longer-dated hedging, and different types of hedging strategies that are not available to weaker airlines.

Also, smaller airlines that are a regional carrier for a major airline may have a fuel pass-through agreement, which allows the smaller airline to pass on fuel price increases. This is a type of "operational hedge" and would reduce the need for a financial hedge. Charter airlines have a greater ability to increase ticket prices in response to fuel price increases due to the custom nature of their business.

Airlines typically hedge by locking in fuel at prearranged prices or buying securities that rise in value when oil climbs. Yet the industry finds itself with wide disparity in hedging, with some airlines fully hedged at low prices, and others completely exposed to huge price increases.

UAL Corp.'s United Airlines, operating under bankruptcy-court protection, has no hedges in place this year. That will likely cost the nation's second-largest airline more than \$100 million in added fuel costs during the current quarter alone, estimates UBS Warburg analyst Samuel Buttrick. Analysts suspect US Airways Group Inc., also reorganizing in bankruptcy, has few hedges in place.

By contrast, Southwest Airlines, the only profitable major carrier, in the first quarter of 2004 hedged 100% of its jet-fuel needs at prices that are the equivalent of \$23 a barrel for crude oil, compared with recent crude-oil prices hovering around \$36 a barrel. Southwest has lined up more than 75% of its fuel for the rest of the year and next at \$23 a barrel for crude oil."

*Notes from the following:

- "Fuel Hedging in the Airline Industry: The Case of Southwest Airlines" by Dave Carter, Dan Rogers and Betty Simkins, 2004
- Teaching Notes for "Fuel Hedging in the Airline Industry: The Case of Southwest Airlines"

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 228

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*Subject: **RESPONSE FROM THE DEPARTMENT OF GENERAL SERVICES
REGARDING OFF-PEAK DELIVERY POLICY**

Attached is the information provided by the Department of General Services (Department) regarding Off-peak delivery policy. The Department submitted its Off-peak delivery policy report to the Information and Technology and General Services Committee (IT&GS) on March 1, 2007. The report is currently pending IT&GS review.

Attachment

KLS:JSS:05070044C

CITY OF LOS ANGELES
CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

ANTONIO R. VILLARAIGOSA
MAYOR

May 4, 2007

Honorable Bernard C. Parks
Chairperson, Budget & Finance Committee
Room 395, City Hall
Los Angeles, CA 90012

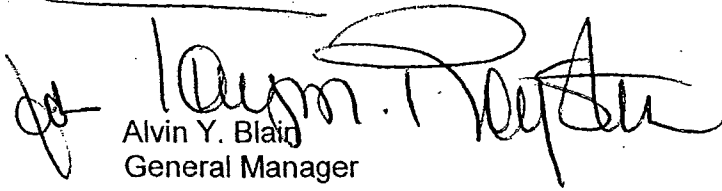
Attention: Lauraine Braithwaite, Legislative Assistant

**QUESTIONS FROM BUDGET & FINANCE COMMITTEE MEETING
ON THE 2007-08 PROPOSED BUDGET**

During the budget deliberations, your Committee raised a question regarding the status of the Department of General Services (GSD) recommendations for implementing an off-peak time delivery policy.

Attached is the report submitted by GSD to the Information Technology and General Services Committee on March 1, 2007 (CF 06-3149).

If you have any questions or need additional information, please contact Kenneth F. Desowitz, Director of Supply Chain Services at (213) 928-9557.


Alvin Y. Blair
General Manager

Cc: Honorable Members of the Budget & Finance Committee
Karen L. Sisson, City Administrative Officer
Jay Shin, Senior Administrative Analyst II



CITY OF LOS ANGELES

CALIFORNIA

DEPARTMENT OF
GENERAL SERVICES

ALVIN Y. BLAIN
GENERAL MANAGER AND
CITY PURCHASING AGENT

OFFICE OF
PURCHASING AGENT
ROOM 110, CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012



ANTONIO R. VILLARAIGOSA
MAYOR

March 1, 2007


The Honorable Tony Cardenas
Councilmember, Sixth District
Chair, Information Technology and General Services Committee
200 N. Spring St. Room 395, City Hall
Los Angeles, California, 90012

Attention: Erika Pulst, Legislative Assistant

OFF-PEAK DELIVERIES REVIEW

Attached is the Department of General Services' review of County of Los Angeles' new "Off-Peak Delivery of Commodities" Policy. This review was completed in accordance with The Information Technology and General Services Committee Motion # 06-3149, dated December 13, 2006.

If additional information is needed, please contact Kenneth F. Desowitz, Director of Supply Chain Services at (213) 928-9557.


Alvin Y. Blain
General Manager and
City Purchasing Agent

- C: Honorable Members of the Information Technology and General Services Committee
Honorable Jan Perry, Chair of Energy and the Environment Committee
Karen L. Sisson, Interim City Administrative Officer
Gloria J. Jeff, Department of Transportation
David Mora, Mayor's Office
Jay Shin, Office of the CAO

Attachments

**REVIEW OF OFF-PEAK DELIVERY PROPOSAL
THE DEPARTMENT OF GENERAL SERVICES
March 1, 2007**

EXECUTIVE SUMMARY

OVERVIEW

The Information Technology and General Services Committee Motion # 06-3149, dated December 13, 2006, directed the Department of General Services with the assistance of the CAO and the Department of Transportation to review the County of Los Angeles' new "Off-Peak Delivery of Commodities" policy and to report to the Council with recommendations for implementing a similar policy for the City of Los Angeles.

The County of Los Angeles' new delivery policy restricts deliveries (and pick-ups) from County contracted suppliers to County Departments to the hours between 9:00 a.m. and 3:30 p.m., Monday through Friday. The County does not have warehouses so this policy does not relate to internal deliveries of commodities by County staff. This policy is intended to reduce vehicle trips and vehicle emissions during the morning and afternoon commute periods.

The following three recommendations resulted from meetings and information exchanges with Division Heads of various City Departments and other levels of City staff that are directly involved with supplies and the repair of or movement of equipment within their Divisions/Departments.

Recommendation #1: Restricted Contractor Deliveries - GSD Contracts

It is recommended that the Department of General Services, Supply Services Division, amend all current Purchasing Agent annual contracts and include updated language in future Purchasing Agent annual contracts, Request for Quotations (bids) and one-time Purchase Orders with the requirement that restricts the delivery (and pick-up) by contracted suppliers of supplies and equipment to City Departments to the hours between 9:00 a.m. and 3:30 p.m.

Recommendation #2: Restricted Contractor Deliveries – Blanket Purchase Orders

It is recommended that Council direct all Departments to include updated language in future Blanket Purchase Orders that restricts the delivery (and pick-up) of supplies and equipment by suppliers to City Departments to the hours between 9:00 a.m. and 3:30 p.m.

Recommendation #3: Restricted Contractor Deliveries – Service Contracts

It is recommended that Council direct all Departments to amend all current professional services contracts and include updated language in their future professional service contracts, Requests for Proposals and Requests for Information that restricts the delivery (and pick-up) by contractors of supplies and equipment to City Departments to the hours between 9:00 a.m. and 3:30 p.m.

DETAILED REVIEW

OVERVIEW

The Information Technology and General Services Committee Motion # 06-3149, dated December 13, 2006, directed the Department of General Services with the assistance of the CAO and the Department of Transportation to review the County of Los Angeles' new "Off-Peak Delivery of Commodities" policy and to report to the Council with recommendations for implementing a similar policy for the City of Los Angeles. (A copy of the County of Los Angeles' Off-Peak Delivery of Commodities Policy is attached.)

The County of Los Angeles' "Off-Peak Delivery of Commodities" policy establishes criteria and procedures to be used in encouraging suppliers doing business with the County to schedule deliveries, pick-ups and other required vehicle trips during off-peak hours as a means of reducing congestion and vehicular emissions during morning and afternoon commute periods.

This policy allows for exclusions to the restricted hours for "emergency, special orders and other non-conforming deliveries and pick-ups specifically requested by County departments". These exclusions do not constitute violations of the delivery policy. In addition, circumstances that are outside of the control of the County's contracted suppliers and are documented and approved by the affected County Departments, are not considered violations of the policy.

City of Los Angeles Restricted Contractor Deliveries

Department of General Services' Supplies Services staff contacted a variety of City employees that are directly involved with the delivery, use and internal distribution of supplies for City use. These employees work in Police, Fire, Transportation, General Services, Recreation & Parks and Library Departments.

Other than minor adjustments to their receiving procedures, these employees have no objections to the adoption of a similar policy for the City of Los Angeles. Their primary concerns dealt with exemptions to the policy for emergencies and extenuating circumstances beyond either the City's control or the contracted supplier's. If the City adopted a policy similar to the County's, these concerns would be addressed.

Before this policy could be established and placed into effect, General Services Procurement staff will need to amend the following documents with the appropriate delivery requirement language:

- All of the approximately 600 commodity related contracts that are currently active;
- All current and future Request for Quotations (RFQ's) that establish both one time Purchase Orders and commodity related annual contracts.

The restricted delivery requirements would also have to be included with every Blanket purchase order (BPO) issued by City employees. (BPO's are one-time purchase orders under \$1,000 for items that are not included in the City's warehouses and are not covered by a City contract.) Every Department has the

authority to request annual Blanket Authorities for the purpose of issuing blanket purchase orders throughout the fiscal year.

In addition, City Departments that have established professional services contracts will need to amend every contract with similar delivery restriction language. This is most critical with services contracts that have miscellaneous deliveries of supplies directly related to the contracted services. Custodial services, building repair services and construction projects are examples of these types of contracts.

The County of Los Angeles has drafted contract modification language related to the restricted deliveries of commodities. This contract change was sent to each current County contractor. The contractor signed the change, and returned it to the County. By agreeing to the contract changes, the contractor will deliver between the hours of 9:00 a.m. and 3:30 p.m. The City could adopt similar language and procedures. (A copy of the County's contract change agreement is attached.)

City of Los Angeles Restricted Internal City Deliveries

Since the county of Los Angeles does not have warehouses, the County's restriction of deliveries by contracted suppliers to off-peak hours has no affect on the internal distribution of goods and equipment. However, if the City of Los Angeles were to institute a similar policy but take it one step further so that internal deliveries by City employees using City vehicles were also restricted to the hours of 9:00 a.m. and 3:30 p.m. work productivity would be seriously affected.

Currently the Department of General Services, Supply Services Division controls 72 staffed and un-staffed commodity warehouses that supply City Departments with parts and supplies so that these Departments can efficiently perform their mandated duties. All Departments are in some way connected to these warehouses, but the primary customers of these GSD warehouses are Police, Fire, Transportation, Public Works, Recreations and Parks and General Services.

Each of these seven Departments has expressed concerns with the concept of restricting internal deliveries and supply movements by their staff during regular working hours. These Departments, as well as all of the other City Departments, need the flexibility of moving staff, supplies and equipment throughout the City during normal working hours in order to complete routine work and special projects.

For example, the Department of General Services, Supply Services Division, has a fleet of 15 delivery trucks of varying sizes that are used for deliveries of warehoused supplies to hundreds of locations throughout the City. This is in addition to moving supplies, equipment and staff so that the Division's 72 warehouses can be properly stocked and managed. 15 drivers use these trucks to make deliveries to customers during working hours. These drivers start at 6 a.m. and are finished working by 3:30 p.m. In an average month, these drivers

make 219 deliveries that vary in size from small boxes to stacked pallets and from filled vans to completely filled stakebed trucks. If internal deliveries were restricted to the hours of 9:00 a.m. and 3:30 p.m., as with contracted suppliers, the delivery fleet size and number of drivers would have to be increased in order to meet the current workload.

Similar staff and vehicular increases could be requested by other Departments that move their supplies, staff and equipment throughout the City on any working day.

Recommendation #1: Restricted Contractor Deliveries - GSD Contracts

Restricting the deliveries and pick-ups by City contractors to/from City Departments to the hours of 9:00 a.m. and 3:30 p.m. would not have a serious negative impact on City work and projects.

It is recommended that the Department of General Services, Supply Services Division, amend all current Purchasing Agent annual contracts and include updated language in future Purchasing Agent annual contracts, Request for Quotations (bids) and one-time Purchase Orders with the requirement that restricts the delivery (and pick-up) of supplies and equipment to City Departments to the hours between 9:00 a.m. and 3:30 p.m.

Recommendation #2: Restricted Contractor Deliveries – Blanket Purchase Orders

Every Department has the authority to issue blanket purchase orders (BPO's) for items that are not included in the City's warehouses and are not covered by a City contract. Each BPO cannot exceed \$1,000.

It is recommended that Council direct all Departments to include updated language in their Blanket Purchase Orders that restricts the delivery (and pick-up) of supplies and equipment to City Departments to the hours between 9:00 a.m. and 3:30 p.m.

Recommendation #3: Restricted Contractor Deliveries – Service Contracts

Department Heads have the authority to issue contracts for professional services. By definition, these contracts can be for professional services (such as architectural, legal and medical services) or can include a combination of services and equipment/supplies, (such as landscaping, construction, building repair and janitorial services). Contracts that include deliveries of equipment and supplies should not be excluded from the delivery and pick-up restrictions.

It is recommended that Council direct all Departments to amend their current professional services contracts and included updated language in their future professional services contracts that restricts the delivery (and pick-up) of supplies and equipment to City Departments to the hours between 9:00 a.m. and 3:30 p.m.



Los Angeles County
BOARD OF SUPERVISORS POLICY MANUAL

Policy #:	Title:	Effective Date:
3.025	Off-Peak Delivery of Commodities	08/29/06

PURPOSE

Establishes County criteria and procedures to be used in encouraging vendors doing business with Los Angeles County to schedule deliveries, pickups, and other required vehicle trips during off-peak hours as a means of reducing congestion and vehicular emissions during morning and afternoon commute periods.

REFERENCE

October 25, 2005, Board Order 10

August 29, 2006, Board Order 20

POLICY

It is the policy of the Board of Supervisors that County departments promote off-peak deliveries and pickup of all commodities by County vendors between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, during regularly scheduled County business days. The purpose of this policy shall be to reduce vehicle trips and vehicle emissions during the morning and afternoon commute periods. For purposes of this Board Policy, the trip shall be deemed to be compliant if the actual time of delivery provides for arrival at the County facility or location on or after 9:00 a.m. and the delivery or pickup is initiated at the County facility or location on or before 3:30 p.m.

I. Solicitation Documents/Contract Awards

The Internal Services Department (ISD) shall include language in solicitation documents for the acquisition of commodities, as appropriate, that acknowledges the Off-Peak Delivery of Commodities Board Policy. Subsequent contract awards for commodities shall include language that requires each vendor, unless otherwise instructed by authorized County department personnel, to confer with County

departments to schedule, as appropriate, regularly planned trips to County facilities and locations between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday. County departments shall be responsible for determining the need to include similar language in agreements utilizing the department's delegated authority for services that contemplate regular deliveries to County facilities.

II. County Department Responsibilities – Delivery and Pickup Scheduling

County departments shall promote the Off-Peak Delivery of Commodities Board Policy by ensuring that vendors comply with mutually agreed upon schedules related to off-peak deliveries and pickups. Departments, as needed, shall advise ISD of any ongoing violations of any specific terms related to off-peak deliveries that are included in contract awards.

County departments co-located at facilities that are serviced by the same vendor shall make every effort to coordinate off-peak deliveries and pickups between the vendor and other County departments at the facility.

Emergency, special orders, and other non-conforming deliveries and pickups specifically requested by County departments shall not constitute a violation of the Board Policy. In addition, circumstances documented by the vendor to the satisfaction of the affected County department that are outside of the control of the vendor that preclude adherence to the Board Policy shall not constitute a violation of the Board Policy.

If circumstances related to department operations preclude regularly scheduled deliveries between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, the department shall notify the vendor of any exception(s) allowable under the Board Policy. If such circumstances are permanent in nature, the department shall notify the Chief Administrative Office and ISD of their intent to exclude the affected contract(s) and/or commodities from the provisions of the Board Policy.

County departments doing business with non-commodity related vendors that schedule regular trips to County facilities shall, to the extent feasible and appropriate, encourage such vendors to schedule such trips to their facilities between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, during regularly scheduled business days.

RESPONSIBLE DEPARTMENT

The Chief Administrative Office shall provide oversight for the Off-Peak Delivery of Commodities Board Policy. The Chief Administrative Office shall coordinate the implementation of the Board Policy with the Internal Services Department and other affected County departments to ensure effective operation of the program.

DATE ISSUED/SUNSET DATE

Issue Date: August 29, 2006

Sunset Review Date: June 30, 2010

PAGE < PAGE >

OFF-PEAK (HOURS) - DELIVERY OF COMMODITIES

It is the policy of the Los Angeles County Board of Supervisors that County departments promote off-peak deliveries and pickup of all commodities by County vendors between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, during regularly scheduled County business days. The purpose of this policy is to reduce vehicle trips and vehicle emissions during the morning and afternoon commute periods. For purposes of the Board Policy, the trip shall be deemed to be compliant if the actual time of delivery provides for arrival at the County facility or location on or after 9:00 a.m. and the delivery or pickup is initiated at the County facility or location on or before 3:30 p.m.

Noncompliance with this policy may result in cancellation of a Purchase Order or termination of contract and/or agreement between the County and the awarded vendor.

Unless otherwise instructed by authorized County department personnel, vendors shall be required to confer with County departments to schedule, as appropriate, regularly planned trips to County facilities for deliveries and/or pickup of commodities within the designated off-peak periods. County departments co-located at facilities that are serviced by the same vendor shall make every effort to coordinate off-peak deliveries and pickups between the vendor and other County departments at the facility.

Emergency, special orders, and other non-conforming deliveries and pickups specifically requested by County departments shall not constitute a violation of the Board Policy. In addition, circumstances documented by the vendor to the satisfaction of the affected County department that are outside of the control of the vendor that preclude adherence to the Board Policy shall not constitute a violation of the Board Policy.

If circumstances related to department operations preclude regularly scheduled deliveries between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, the department shall notify the vendor of any exception(s) allowable under the Board Policy. If such circumstances are permanent in nature, the department shall notify the Chief Administrative Office and ISD of their intent to exclude the affected contract(s) and/or commodities from the provisions of the Board Policy.

County departments doing business with non-commodity or service-related vendors that schedule regular trips to County facilities shall, to the extent feasible and appropriate, encourage such vendors to schedule such trips to their facilities between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, during regularly scheduled business days.

By signature below, Vendor acknowledges receipt and understanding of this Board policy, and agrees to adhere to above requirements regarding Off-Peak Delivery of Commodities.

Vendor's Company

Address

city

State & Zip Code

Printed Name

Signature

Date

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
pymt*

Subject: **REPORT BACK ON GENERAL CITY PURPOSES LINE-ITEM - THE DOWNTOWN ON ICE AND FESTIVAL OF LIGHTS**

The Budget and Finance Committee requested a report on the feasibility of the Department of Water and Power (DPW) fully funding the Downtown on Ice and Festival of Lights.

Funding of \$242,600 is provided in the General City Purposes (GCP) budget for this line-item, of which \$100,000 funds the Griffith Park Festival of Lights. This event is organized by LA Inc. to provide the citizens of Los Angeles with an opportunity to view or drive through an exhibit of holiday themes and major Los Angeles landmarks crafted out of multi-colored lights. The program began in 1999-2000.

In 2002-03, the Downtown on Ice program was added to this line-item. The Department of Recreation and Parks sponsors the event and funding of \$142,600 is transferred to the department upon request.

At the suggestion of the Budget and Finance Committee, the Department of Water and Power (DWP) was contacted on the feasibility of providing full funding for the Festival of Lights event. The DWP states that \$512,000 is allocated in their 2007-08 proposed budget for this event. Expenditures include set-up and take-down fees, contractors, equipment rental and other coordination costs. They feel that this is a joint effort event and they will not provide additional funding.

KLS:CMC:01070072c

Budget and Finance
Committee
Budget Memo

230

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CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 231

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS mt*

Subject: **TASER DEPLOYMENT AND POSSIBLE DEBT FINANCING**

During the discussion of Memo No. 22, Police Department Request for Additional Resources, the Committee requested an evaluation of the possibility of debt financing the purchase of tasers for the Police Department, and possible options for deployment other than as regular uniform equipment.

This Office consulted with Bond Counsel and, while there does not appear to be any legal barrier to using MICLA, the City's primary debt financing vehicle, to finance tasers, it was discouraged as a questionable asset to secure the required lease. Tasers are not capital assets or equipment, which is a requirement for debt financing. According to the Government Finance Officer Association (GFOA) recommended practices, capital assets are defined as tangible property, including durable goods, capital equipment, buildings, improvements and land that have a value of \$5,000 or more. Any item with a short useful life or a small monetary value would be considered an "expense" item. GFOA publications on tracking capital assets state that using MICLA financing would require inventory controls and tracking by the Police Department, not the Controller, which are not currently in use by the Police Department, adding administrative requirements that could prove burdensome and costly. Finally, the use of MICLA financing for tasers is not consistent with the City's Financial Policies, which state that the issuance of debt is an appropriate method of financing capital projects and major equipment acquisition to preserve the City's credit strength.

The Police Department's original request, which came through the Police Commission as an interim budget request early in 2006-07, requested funds for purchase of 6,780 tasers, at a total cost of almost \$7 million. Due to the cost and questions regarding deployment, no action was taken. In their budget proposal for 2007-08, and in their letter to the Budget and Finance Committee, the Department proposed purchasing 780 tasers, enough for each of the recruits to be hired in 2007-08, at a cost of \$794,000.

There are a number of different deployment options for tasers, should funds be identified to purchase them. These include:

- Deploy one taser with each officer in a field assignment;
- Deploy one taser with each patrol officer;
- Deploy one or two tasers with each patrol vehicle; and
- Deploy one taser to each patrol shift.

Due to time constraints, there is not sufficient time to develop and analyze each of these possible options. It is recommended that the Department be instructed to report back to the Public Safety Committee on possible alternate deployment options, including number of tasers required, cost and operational advantages and disadvantages.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 232

Date: May 8, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **MAYOR'S OFFICE SMALL BUSINESS ASSISTANCE**

Attached is the Mayor's Office response relative to small business assistance.

Attachment (1)

KLS:DP:08070357c

MEMORANDUM

TO: SALLY CHOI, DEPUTY MAYOR
FROM: ROBERT R. OVROM, DEPUTY MAYOR
SUBJECT: SMALL BUSINESS ASSISTANCE
DATE: MAY 8, 2007

The functions of an office of small business are carried out in the Mayor's Office of Housing and Economic Development (MOHED) primarily through the joint efforts of the Los Angeles Business Team (LABT) and the Los Angeles Minority Business Opportunity Center (MBOC).

These efforts have been in organizational flux in FY06-07, but under the Mayor's recently announced restructuring of MOHED, additional effort and focus are going to be placed on strategically promoting and assisting small business during the remainder of FY06-07 and FY07-08.

MBOC's contribution to helping small businesses in Los Angeles include:

California Construction Expo – Los Angeles Unified School District, August 16, 2006 – Los Angeles Convention Center

- **Event Purpose** – to provide construction industry leaders and professionals with opportunities to meet with public sector agencies about future bid opportunities.
 - LA MBOC sent information out to its clients and attended event to gather information to refer to its clients.

Making Business EZ - Business Resource Seminar - December 13, 2006 at Charo in Los Angeles

- **Event Purpose** – an opportunity for MBE's and Small Businesses to meet with and hear from representatives of Community Development Department, WorkSource Centers, City of Los Angeles Business Team, and the Minority Business Opportunity Center.

- LA MBOC spoke about Center services and was on-hand to provide answers and information to attendees.

12th Annual MED Week Awards Dinner and Celebration – February 2, 2007 at the Biltmore Hotel in downtown Los Angeles.

- **Event Purpose** - L.A. MBOC and U.S. SBA co-hosted this award celebration to honor MBE and business leaders supportive of MBEs. The event boosted more than 700 attendees and received overwhelming positive feedback on its planning and execution.

Southern California Minority Business Development Council's - Minority Business Opportunity Day - February 22, 2007 – Pacific Conference Center in Azusa

- **Event Purpose** – The Minority Business Opportunity Day provided MBEs with on-site training workshops, face-to-face meetings with buyers, and exhibitor opportunities and access.
 - LA MBOC was present to disburse Center information and to connect with MBEs in need of our services.

CRA/Los Angeles - Pre-Bid Conference - March 22, 2007 - Biltmore Hotel in Los Angeles

- **Event Purpose** – CRA/LA provided MBE's/Small Businesses with Request for Qualifications (RFQ) for upcoming bid opportunities from over 70 CRA/LA departments. Several LA MBOC clients attended and responded to the RFQ.
 - LA MBOC provided support in announcing this event through our electronic network and to its clients. The Center also had presence at event and provided MBOC information.

Greater Los Angeles Vendor Fair – April 11, 2007 – Los Angeles Convention Center

- **Event Purpose** – Hosted by: Metropolitan Transportation Authority, Metropolitan Water District, Los Angeles Unified School District, County of Los Angeles, and the City of Los Angeles, this unique event provided MBEs and Small Business enterprise attendees, estimated at 2,100 persons, with the platform to meet face-to-face with the host agency buyers, attend business development workshops to learn more about doing business with these host agencies, and get first hand information relative to doing business with several public and private agencies/companies.

- LA MBOC held an Access to Capital workshop at this event and participated in the planning and execution of the Vendor Fair. Additionally, several LA MBOC clients attended the event. The Center also had visible presence at the Fair and gathered information for disbursement to its clients.

Los Angeles World Airports – Business Opportunity Fair - April 12, 2007 at the Ontario Airport in Ontario, Ca.

- **Event Purpose** – Several airport departments were on-hand to provide attendees with upcoming bid opportunities. Additionally, there were workshops specifically designed to empower MBEs in how to do business with the airport.
 - LA MBOC provided Center information and met with LAWA departments to gather bid opportunity information. Several MBOC clients attended event.

LA MBOC Business Mixer – April 26, 2007 at City Hall in Bradley Tower

- **Event Purpose** – to provide MBOC clients an opportunity to meet n' greet with each other and business leaders from public and private agencies like: Los Angeles World Airports, Los Angeles Unified School District, Turner Construction, Nestlé, Latin Business Association, Black Business Association, Metropolitan Transportation Authority, and lenders (e.g. Wells Fargo, Bank of America, Certified Federal Credit Union, Wachovia).
 - An estimated 150 LA MBOC clients and partners attended event.

Metropolitan's Connect 2 MET – May 4, 2007 – Huntington Library and Gardens

- **Event Purpose** – hosted by Metropolitan Water District this business-to-business outreach event provides educates local businesses on how to do business with public agencies and provides access to purchasing department staff from a variety of public agencies within the local community, including the Port of Los Angeles, The City of Pasadena, the Port of Long Beach, Los Angeles Community College District, and the Los Angeles Unified School District.
 - LA MBOC attended and provided Center information and to speak about Access to Capital and Procurement/Contracting opportunities.

Future Events

Cal Trans District 7 & 12 Business Procurement Fair – May 15, 2007 at Caltrans in Los Angeles.

- Event Purpose – The Los Angeles and Orange county Caltrans offices are hosting this on-the-spot purchase expo for the purpose of opening up greater opportunities for minority business enterprises (MBEs), small business enterprises (SBEs) and disabled veteran business enterprises (DVBEs) to do business with Caltrans.
 - LA MBOC Clients will attend to sell their products and services directly to Caltrans.

Business Outreach Event – June 14, 2007 at the Los Angeles City Hall.

- Event Purpose – The Los Angeles Department of Water and Power will host this outreach event to provide information and access to LADWP contracting opportunities.
 - LA MBOC will participate and provide information to its clients.

10th Annual African American Business Summit/Turning Point Urban Business Expo 2007 – June 20-23, 2007 at the Los Angeles Convention Center in downtown Los Angeles

- **Event Purpose** – To provide minority business enterprises with access to business development information and to provide a platform to educate entrepreneurs about Access to Capital and Contracts.
 - LA MBOC will conduct an Access to Capital workshop and participate in the Business Expo.
 - The Center is also providing outreach to its clients for the event.

Helping MBE's and Small Business with Access to Capital

In December 2006, the Los Angeles MBOC began its "Quick Loan" program to broaden awareness of financing services and to expedite access to capital for its clients who are looking for funding sources to grow their companies.

The Center developed and uses a Quick Loan application to capture basic borrower information, which is then forwarded to several financial institutions. Once the Quick Loan applications are received LA MBOC provides follow up with the financial institutions and clients to ensure the clients' applications are being

attended to and moving forward through the borrowing process. The Quick Loan program serves as a support to both the clients and the financial institutions.

The following is a list of financial institutions MBOC is currently working with:

1. 1st PMF Bancorp ▪ Stephen Pearl ▪ 310 858-6696 x 204
9701 W. Pico Blvd, 1st Floor ▪ Los Angeles, CA 90035
2. Certified Credit Union ▪ Scarlet Timphony ▪ 323 859-2279
5601 E. Washington Blvd ▪ City of Commerce, CA 90040
3. Comerica ▪ Ricardo Arcaro ▪ 213 486-6239 and Miguel Juarez ▪ 213 300-1667, 201 North Figueroa Street ▪ Los Angeles, CA 90012
4. Bank of America ▪ Albert Gomez ▪ 213 324-2339
600 Wilshire Boulevard, 5th Floor ▪ Los Angeles, CA 90017
5. Los Angeles Community Redevelopment Agency ▪ Ron Nagai ▪ 213 977-1894, 354 S. Spring Street, Suite 800 ▪ Los Angeles, CA 90013
6. Wells Fargo ▪ Teodoro Ramirez ▪ 213 598-5935
333 S. Grand Avenue, 20th Floor ▪ Los Angeles, Ca 90071

Additionally, LA MBOC is working on finalizing MOUs and strategic partnerships with Metropolitan Water District, the Latin Business Association, General Services Administration, the Disney Company, U.S. Small Business Administration, the County of Los Angeles Public Works department, and the Southern California Minority Business Development Council to further broaden marketing efforts.

The **L.A. Business Team** focuses on promoting both small and larger development/construction projects (not listed) but also assists small businesses through its business **retention/attraction** efforts, including:

East Valley

Living Spaces
Hawker Pacific
Keyes Motors
Klune Industries
Anthony International
Southwest Moulding (retention)
NES Studio Rentals (attraction)
Roscoe & Van Nuys Office Bldg / Various Tenants
Pacoima Shopping Center / Centro Watt
Color FX

Cenergie

West Valley

Intuit/Warner Center
CountryWide/Warner Center
Quest Diagnostic

SOUTH LOS ANGELES

South Coast Metal
Integrated Solar Technology
Forever 21
Urgent Gear

WILMINGTON/SAN PEDRO

Sunrider
Juanita's Foods
American Soccer
California Coil/Abtoss International
Cal Cartage
Ace Roofing

WEST LOS ANGELES

ABRAXIS (Dr. Shiang-Soon)
Annenberg Foundation
Imperial Capital
First Look Studios
Comerica Bank
Public Storate
Saint-Marc Café

HOLLYWOOD/WISLHIRE CENTRAL/KOREATOWN

BAFTA (British Academy of Film and Television Arts)
CNN
East/West and Alley Cat Recording Studios
Post Group

EAST LOS ANGELES/INDUSTRIAL DOWNTOWN

E & C Fashion
Earl Security
L.A. Bread Company
Morgan Services, Inc.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 14, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
by mt*

Subject: **BUREAU OF STREET SERVICES - OFF-BUDGET CONSTRUCTION WORK FUNDED BY GRANTS - ADDENDUM TO MEMO 145 (MAY 7, 2007)**

The Budget and Finance Committee requested the City Administrative Officer (CAO) to report on off-budget construction projects in Street Services that are funded by grants. The Committee also requested information on the total budget amounts, proposed project start and end dates and any required limitations or restrictions, so that the City does not lose grant dollars due to inactivity, backlog or lack of staff.

Street Services is requesting a revision of the 26 positions in the 2007-08 Proposed Budget to 13 positions for design work only. CAO Memorandum 145, dated May 7, 2007, recommended 11 positions (three Landscape Architectural Associate III, one Landscape Architectural Associate IV, three Civil Engineering Associate III, one Civil Engineering Associate IV, two Civil Engineer/Landscape Architect and one Civil Engineer/Landscape Architect).

We recommend approval of two additional positions (one Senior Management Analyst I and one Senior Systems Analyst I) for a total of 13 positions. The 2007-08 cost of the 13 positions is \$1.2 million. The positions are recommended without funding. Street Services will seek a loan from the Public Works Trust Fund to front fund the positions. Street Services expects to obtain reimbursement from grantors for costs within each fiscal year. Any funding lags will be managed within Street Services' budget. However, it is unknown if these grants will cover all direct and indirect costs.

Recommendation

In addition to the 11 positions we previously recommended (Memo 145), we recommend approval of one Senior Management Analyst I and one Senior Systems Analyst I subject to classification by the Personnel Department. We also recommend that Street Services provide an annual report on the reimbursement for 13 positions to the CAO.

KLS:BLT:06070227

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 7, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **BUREAU OF STREET SERVICES - OFF-BUDGET CONSTRUCTION WORK FUNDED BY GRANTS**

The Budget and Finance Committee requested the City Administrative Officer (CAO) to report on off-budget construction projects in Street Services that are funded by grants. The Committee also requested information on the total budget amounts, proposed project start and end dates and any required limitations or restrictions, so that the City does not lose grant dollars due to inactivity, backlog or lack of staff.

Street Services currently has approximately 70 projects at a total value of \$51 million for off-budget construction work through 2010-11. The sources of funding include the Transportation Grant Fund, Metropolitan Transit Authority Annual Work Program, Community Development Block Grant, Community Redevelopment Agency and Safe, Accountable, Flexible, Efficient Transportation Equity Act. Typical projects include work related to street improvement, pavement, street print, sidewalks, medians, bus benches and shelters, landscaping and trees. The projects are distributed throughout the City. Street Services will work with each Council District as projects are designed and implemented. (Attachment).

Ninety-six resolution authority positions, including 12 engineering positions are provided in the 2006-07 Personnel Authority Resolution and are expected to be continued in 2007-08 for these projects. An additional 26 unfunded resolution authority positions (3 engineering and 23 construction) are provided in the 2007-08 Proposed Budget to address the increase in off-budget projects over the past five years.

Street Services is requesting a revision of the 26 positions in the 2007-08 Proposed Budget to 13 positions. The 13 positions are for design work only and consist of three Landscape Architectural Associate III, one Landscape Architectural Associate IV, three Civil Engineering Associate III, one Civil Engineering Associate IV, two Civil Engineer/Landscape Architect Project Manager (PM) I, one Civil Engineer/Landscape Architect PM II, one Senior Management Analyst I and one Senior Systems Analyst I. The 2007-08 cost of the positions is \$1.2 million. Street Services will seek a loan from the Public Works Trust Fund to front fund the positions. Street Services expects to obtain reimbursement from grantors for costs within each fiscal year. Any funding lags will be managed within Street Services' budget. However, it is unknown if these grants will cover all direct and indirect costs.

Street Services expects to implement the projects over a three-year period. The requested design team will design projects. Construction crews will be requested the second and third year to ensure maximum efficiency and reimbursement.

Recommendation

We recommend approval of 11 positions subject to classification by the Personnel Department and review and approval of the paygrades by the CAO Employee Relations Division (ERD). At this time, we do not recommend the addition of a Senior Management Analyst I and a Senior Systems Analyst I. Street Services has vacancies in the Senior Management Analyst and Management Analyst classifications. The need for these positions should be further evaluated. Additionally, we do not recommend the addition of Project Manager (PM) bonuses for the three positions as requested. The projects need to be defined to determine if they meet the qualifications under the established guidelines for the PM designation. The CAO's ERD will work with Street Services to evaluate the duties of the position and the scope of the projects under these established guidelines. Additionally, the CAO will report to the Council within 90 days regarding the disposition of the remaining positions and costs.

KLS:BLT:06070175

Attachment

**STREET SERVICES
OFF-BUDGET CONSTRUCTION PROJECTS
MAY 2007**

CD	Project Name	Project Budget (\$000s)	Funding Source	Grant Start Date	Grant End Date					Project Status**
					2006-07	2007-08	2008-09	2009-10	2010-11	
MTA CALL FOR PROJECTS - Transportation Block Grant (TGF)										
8,9	Angels Walk - Figueroa Street - 7th Street to Exposition Park	\$ 204	TGF	2005-06			6/30/09			Inactive
1,10	Angels Walk - Wilshire	100	TGF	2005-06			6/30/09			Inactive
8	Broadway/Figueroa Transit Corridor Enhancements	1,900	TGF	2001-02		6/30/08				
11	Century Boulevard Median Enhancement (Aviation to La Cienega)	1,163	TGF	2001-02		6/30/08				
1	Chinatown Streetscape Improvements	2,314	TGF	2001-02		6/30/08				
13	East Hollywood Shared Street Pedestrian Circulation Improvements	478	TGF	2003-04			6/30/09			Inactive
9	Fashion District Streetscape	1,471	TGF	2003-04					6/30/11	Inactive
4,5,13	Hollywood Media District Pedestrian Improvements	500	TGF	2005-06					6/30/11	Inactive
9	Little Tokyo Pedestrian Linkage (1st Street to 3rd Street)	1,000	TGF	2003-04				6/30/10		
1	Northeast LA Community Linkages Phase III	720	TGF	2001-02		6/30/08				
10	Pico Boulevard Corridor Enhancement (Crenshaw to La Brea)	875	TGF	2001-02		6/30/08				Inactive
1	Pico Boulevard Corridor Enhancement (I-110 to Hoover)	706	TGF	2003-04					12/7/09	Inactive
3	Sherman Way Median Island Installation - De Soto to Topanga Canyon	264	TGF	2003-04					12/7/09	
6	Sun Valley- Sunland Boulevard between San Fernando and Strathern	578	TGF	2003-04					6/30/10	Inactive
1,8	Vermont Avenue and Jefferson Boulevard Transit Avenida	882	TGF	2003-04					6/30/10	Inactive
	Subtotal	<u>\$ 13,155</u>								
SAFE ROUTES TO SCHOOL PROJECTS										
14	Bridge Elementary School (ES) and San Antonio de Padua ES (Cycle 2)	\$ 200	TGF	2002-03	6/30/07					
6, 13	Cohasset Street ES, Rosemont Avenue ES, Valerio Street ES (Cycle 3)	1,129	TGF	2003-04	6/30/07					Inactive
9,13,15	Smart Crosswalk Package 1 (Cycle 3)	100	TGF	2003-04	6/30/07					
4,5,8	Smart Crosswalk Package 2 (Cycle 3)	100	TGF	2003-04	6/30/07					
9, 10, 12, 15	Smart Crosswalk Package 1 (Cycle 4)	100	TGF	2004-05		6/30/08				Inactive
7, 9, 12	Smart Crosswalk Package 2 (Cycle 4)	100	TGF	2004-05		6/30/08				Inactive
9, 10, 12	Smart Crosswalk Package 3 (Cycle 4)	100	TGF	2004-05		6/30/08				Inactive
4, 9	Smart Crosswalk Package 1 (Cycle 5)	100	TGF	2005-06			6/30/09			Inactive
8, 9, 10	Smart Crosswalk Package 2 (Cycle 5)	100	TGF	2005-06			6/30/09			Inactive
5, 9, 15	Smart Crosswalk Package 3 (Cycle 5)	180	TGF	2005-06			6/30/09			Inactive
1, 6, 9, 15	Ascot, Bassett, Braddock and Hooper ES, Gompers MS (Cycle 6)	1,000	TGF	2006-07					6/30/10	Inactive
	Subtotal	<u>\$ 2,209</u>								
Neighborhood Block Grant Projects (NBG)		\$ 3,500								
15	East Wilmington Park Green		NBG	ongoing						
1	Lincoln Heights		NBG	ongoing						
9	Old Bank		NBG	ongoing						
Community Development Block Grant (CDBG)		7,000								
6	CD 6 Sidewalk Construction - El Dorado		CDBG	ongoing						
4	North Hollywood Beautification		CDBG	ongoing						
10	CD 10 Sidewalk Improvements		CDBG	ongoing						
2	CD 2 Sidewalk Construction		CDBG	ongoing						
4	CD 4 Senior Citizen Parking Lot (Las Palmas Youth Center)		CDBG	ongoing						
14	Broadway Sidewalk Reconstruction Phase 2		CDBG	ongoing						Inactive

**STREET SERVICES
OFF-BUDGET CONSTRUCTION PROJECTS
MAY 2007**

CD	Project Name	Project Budget (\$000s)	Funding Source	Grant Start Date	Grant End Date					Project Status**
					2006-07	2007-08	2008-09	2009-10	2010-11	
	Community Redevelopment Agency (CRA)									
1	Pico Boulevard, 110 to Hoover	2,000	CRA	ongoing						Inactive
14	11th Street from Grande Vista Avenue to Soto Street	5,000	CRA	ongoing						
	Pedestrian Safety Program (PSP)									
1	Herrick Avenue Elementary School	390	PSP	2003-04		12/31/07				
	Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU)									
		5,771								
2	Laurel Canyon Boulevard - Hamlin to Victory		SAFETEA-LU	2007-08				6/30/11		Inactive
9	Central Avenue Historic Corridor		SAFETEA-LU	2007-08				6/30/11		Inactive
10	Olympic Boulevard - Vermont to Western		SAFETEA-LU	2007-08				6/30/11		Inactive
13	Temple Street - Hoover to Glendale		SAFETEA-LU	2007-08				6/30/11		Inactive
	Street Furniture Revenue Fund (SFRF)									
10	Washington Boulevard Beautification	3,500	SFRF	ongoing						
12	Tampa Sidewalk W/S Plummer to Lassen		SFRF	ongoing						
15	Downtown Wilmington Streetscape		SFRF	ongoing						
9	California Hospital Medical Center									
	Demonstration Funds (DEMO 21)									
3	Sherman Way - Topanga Canyon to De Soto	310	DEMO 21	2005-06				6/30/09		Inactive
	Transportation Community & System Preservation (TCSP)									
7	Vaughn Next Century Learning Center	500	TCSP	2005-06		6/30/08				
14	Duratherm on Broadway		TCSP	2005-06		6/30/08				
	Los Angeles Unified School District New Sidewalk Program									
6, 7, 12	Valley Region ES #4, #6, #7, #8, #9, Maclay ES, Monroe Span	7,000		Pending	2006-07					Inactive
5	Santa Monica Boulevard Neighborhood Traffic Management Plan	1,000			2007-08					
	Los Angeles Dept. of Transportation (LADOT) Misc Projects									
4	Wilshire Bl at Highland Southbond Left Turn	400								
4	Hollywood Media Dist Bus Stop Sidewalk Improvements									
2,3,6,12	Metro Orange Line Bikeway Alignment Improvements									
	Subtotal	\$ 36,371								
	ESTIMATED TOTAL FUNDING AVAILABLE THROUGH 2011		\$51 million							

* Grant/Funding end date for some projects has not been determined
**inactive projects are pending the addition of staffing

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: May 14, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
b7mf*

Subject: **INFORMATION PROVIDED BY THE MAYOR'S OFFICE REGARDING THE PERFORMANCE MANAGEMENT UNIT IN THE 2007-08 PROPOSED GENERAL CITY PURPOSES (GCP) BUDGET**

The Mayor's Office has provided the attached information regarding the function of the Performance Management Unit.

KLS:CMC:01070077c

MEMORANDUM

TO: Members of the Budget and Finance Committee
FROM: Sally Choi, Deputy Mayor for Finance and Performance Management
SUBJECT: PERFORMANCE MANAGEMENT UNIT
DATE: May 7, 2007

This memo is provided in response to your May 2, 2007 request for information regarding the Mayor's Performance Management Unit (PMU).

Purpose & Scope

The PMU is modeled after the successful unit developed over six years by Prime Minister Tony Blair of the United Kingdom to ensure that a) large-scale Citywide goals are well conceptualized and achieved and b) to elevate overall City performance through improved management systems and processes. By integrating these efforts, we will be able to measure progress towards City goals and hold General Managers accountable for efficient delivery of city services.

Focus Areas

The Mayor has established strategic priorities in these focus areas: 1) Energy and the Environment, 2) Transportation, 3) Public Safety, 4) Housing & Economic Development, and 5) Education. An additional citywide focus area, Financial Responsibility, was also established.

Each focus area has an overall goal and aspiration as well as specific outcomes. Within each outcome area, specific initiatives have been developed. These initiatives have numerous internal and external stakeholders, multi-layered delivery chains, and correspondingly complex timelines. As a result, the PMU facilitates the development of a viable action plan for a specific goal or initiative. This action plan includes the following basic components: lead staff, goals and objectives, theory of change, scope of work, timelines and trajectories, responsibilities, milestones, and metrics or means to measure future effectiveness.

Upon development of an action plan, the PMU analyst functions as an independent third party to evaluate the plan's quality and viability, work with policy and operational staff to identify and resolve initiative issues, and recommend improvements such as efficiencies through streamlined processes, realignment of responsibilities, leveraging efforts of another initiative, consolidation, etc. The PMU analyst continually monitors the plan's progress against its established trajectory, reports on obstacles, devises innovative solutions, makes recommendations to improve performance, and performs any other tasks necessary to ensure progress towards the desired outcome.

Mayor's PMU Dashboard

To report on the progress of initiatives and outcomes, the PMU along with policy staff currently meets with the Mayor on a quarterly basis for each focus area. The PMU presents a dashboard which details the progress of an initiative as follows:

- **STATUS:** PMU evaluation of the initiative's overall status to date in relation to the likelihood of achieving goals within established timelines. Status categories are: Complete, Exceeds Target, Meets Target, Improvement Needed, or Unsatisfactory.
- **MILESTONES / ACHIEVEMENTS:** Recent noteworthy accomplishments.
- **ISSUES:** Problematic areas, identified by the PMU analyst, that can or have impeded progress on the initiative.
- **RECOMMENDATIONS:** Specific action items to resolve stated issues and/or improve overall initiative performance.

Attached is an example of a PMU Dashboard – the 1,000 Officers initiative presented to the Mayor on December 27, 2006. Also attached is a chart with updated hiring projections. In evaluating this initiative, the PMU performed the following analysis:

- PMU independently reviewed and mapped the hiring and selection process; resulting in the identification of specific problematic issues
- PMU identified viable hiring/attrition data sources now used to measure performance during bi-weekly working group meetings consisting of LAPD, Personnel, HSPS, and PMU staff.
- PMU reviewed LAPD's Strategic Hiring Plan and provided suggestions for revising metrics.

Inaugural PMU Unit Accomplishments

The first PMU unit has been active for eight months (September 2006 to April 2007). In that time, the unit has:

- Developed the overall PMU reporting format, process, and operational boundaries.
- Activated four focus areas (Energy & Environment, Transportation, Housing & Economic Development, and Homeland Security & Public Safety).
- Trained numerous policy and operational staff on the planning and performance measurement processes.
- Undergone nine quarterly focus area reviews with the Mayor during which 27 fully-developed strategic plans were presented and evaluated. Progress on each plan was reported along with problematic issues and recommended solutions.
- Twelve new action plans are scheduled for presentation and evaluation by June 30, 2007.

- Evaluated departmental budget and efficiency proposals for congruency with citywide goals.

Next Steps

- Present 36 new action plans to the Mayor by December 31, 2007.
- Begin systematically including General Managers responsible for the implementation of components of the action plans in the quarterly meetings with the Mayor.
- Activate a web-based internal informational database that can be used by all participants to manage initiatives and standardize progress reporting.
- Activate the Fiscal Responsibility focus area with six citywide dashboards that analyze a department's effectiveness at fiscal, risk, and resource management as follows:
 1. ACCOUNTS RECEIVABLE: Tracks both a department's ability to generate and collect revenue.
 2. PAYROLL: Tracks projected versus actual expenditures in major payroll accounts.
 3. WORKER'S COMPENSATION: Tracks operational staffing impact, new claims rate, and new claims by potential liability
 4. LIABILITY CLAIMS: Under development – will be tied to the type of claim, originating department, and potential liability impact.
 5. ACCOUNTS PAYABLE: Under development - Ensuring that all invoices are processed timely to capture early payment discounts and avoiding penalties.
 6. CONTRACTUAL SERVICES: Under development – tracking how a department utilizes the contracting process, beginning with contracts under \$100,000.
- Develop department-specific criteria or metrics that evaluate General Managers on the efficient and effective delivery of core services. Initial goal is to have ten sets of Department-specific metrics completed by December 31, 2007.

The PMU's accomplishments during its first eight months have effectively set the foundation for its long-term mission: a.) Aligning departmental operations and resources with Citywide goals; and b.) Institutionalizing an effective means to continually measure, evaluate, and improve departmental operations and utilization of City resources.

Please contact me at (213) 922-9772 if you have additional questions.

cc: City Administrative Officer
Chief Legislative Analyst

MAYOR'S PMU DASHBOARD

HOMELAND SECURITY & PUBLIC SAFETY

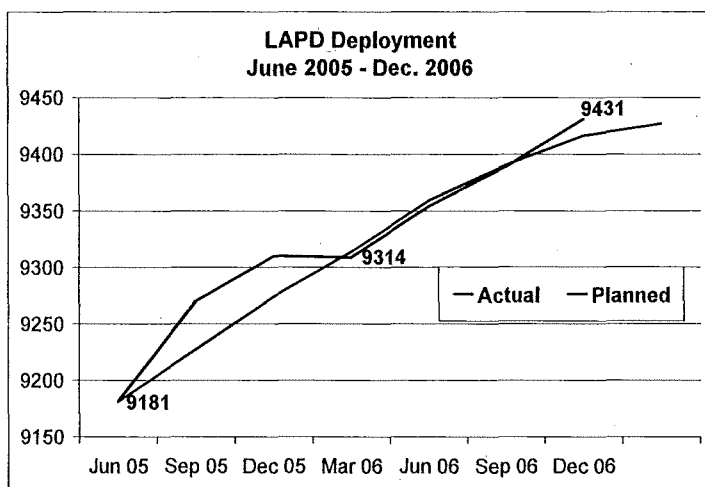
Outcome 1: Reduce crime & improve City's capability to reduce crime

12/27/06

Initiative 1a: Hire & strategically deploy 1,000 additional police officers

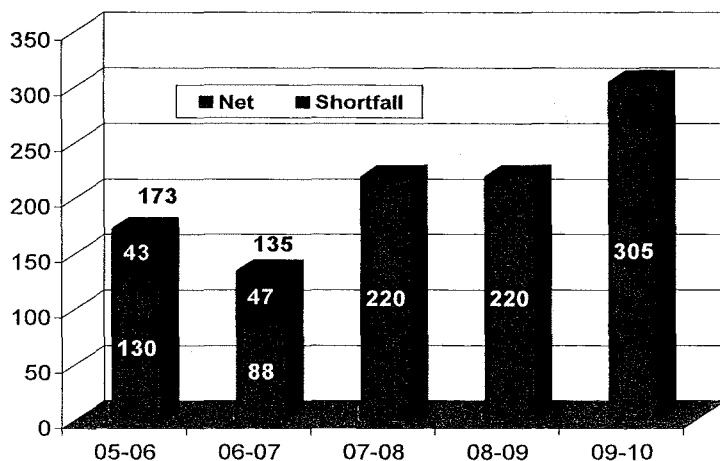
STATUS

- From July 1, 2005, through December 23, 2006, LAPD has increased by 250 officers:
 - 929 hired
 - 679 departed



- Given its current pace, LAPD will be **90 officers short of its projected goal of 308 net additional officers by June 30, 2007.**

**5-Year LAPD Hiring Plan
FY2006-2010**



MILESTONES / ACHIEVEMENTS

- **November 2006** - Police Recruitment Working Group (Mayor's Office, LAPD, & Personnel Department) began targeting hiring/selection processes to determine areas for change.
- **December 2006** - Contract pending for an outside evaluation of LAPD's entire recruitment & hiring strategy.

ISSUES

- Current recruitment and hiring efforts are unlikely to keep pace with hiring goals and attrition in last 3 years of hiring plan.
 - Plan assumes 60+ new hires in each deployment period for last 3 fiscal years.
 - 126 DROP participants will retire by May 2007.
- The hiring plan overemphasizes candidate selection but neglects targeted recruitment, academy attrition, & department retention.
- In some processes, accountability for hiring is bifurcated between the Personnel Department and the LAPD.

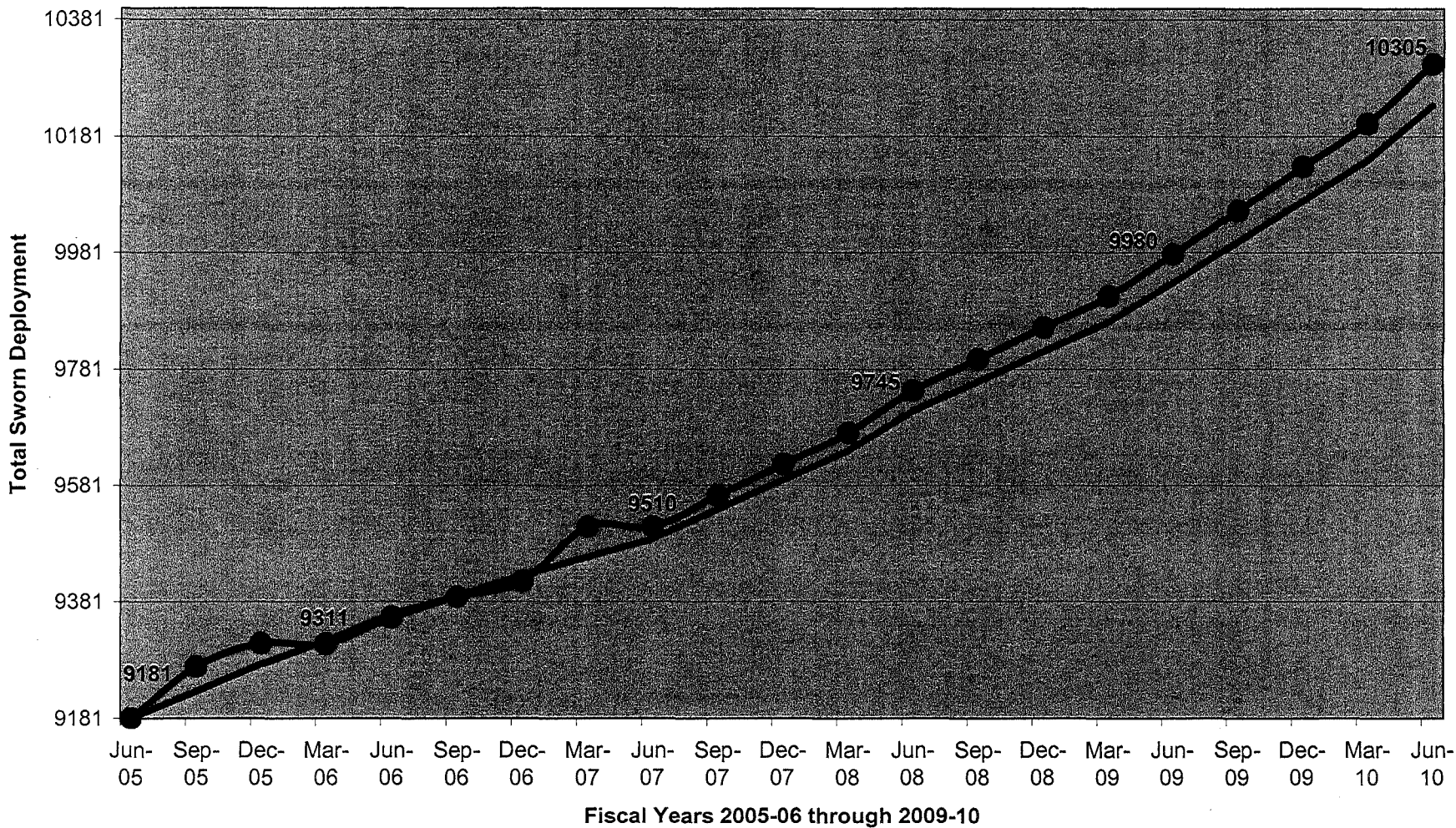
RECOMMENDATIONS

The Mayor's HSPS staff and key stakeholders should report back to the Mayor in 30 days on the status of the following issues:

- Recruitment.
- Selection.
- Academy attrition.
- Department attrition.
- Deployment, including:
 - Civilianization of sworn positions.
 - Civilian hiring.
 - The impact of deployment on crime reduction.

LAPD Hiring Projection as of March 28, 2007

Actual/Revised Hiring Plan
 Original Hiring Plan



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 235

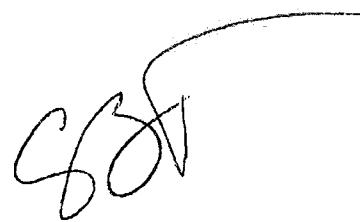
Date: May 14, 2007**To:** Budget and Finance Committee**From:** Karen L. Sisson, City Administrative OfficerKLS
by mt**Subject: DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT INPUT ON
PROJECTS CURRENTLY IN THE PLANNING PHASE**

Your Committee instructed the Department of Neighborhood Empowerment (Department) to report on projects currently in the planning phase for which funds have not been spent. The Department reports that the Neighborhood Council's budget proposals are due by June 15, 2007 and will review all information provided for any proposed projects. The Department will report back to the Budget and Finance Committee within 60 days.

*Attachment (1)**KLS:DP:08070359c*

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 8, 2007
TO: Karen L. Sisson, City Administrative Officer
FROM: Carol Baker Tharp, General Manager
Department of Neighborhood Empowerment



SUBJECT: BUDGET AND FINANCE 2007-08 BUDGET HEARING, BUDGET MEMO #336

Budget Memo No. 336 states:

"DONE to provide input on projects in planning phase for which funds have not been spent."

There are 86 neighborhood councils currently participating in the Neighborhood Council Funding Program. Each participating neighborhood council typically prepares a budget document which would contain general information concerning any proposed projects. Neighborhood council budget proposals for fiscal year 2007-08 are due to the Department by June 15, 2007. The Department will review all information provided in the various budget proposals and will search specifically for any proposed projects.

We will then compile the information received regarding proposed projects and, after providing the Board of Neighborhood Commissioners with an opportunity to review the data, we will forward the report to the Budget and Finance and Education and Neighborhoods Committees. We expect that completing this activity will require approximately 60 days.

Please contact Mike Vitkiewicz of my staff at (213) 485-1822 or mike.vitkiewicz@lacity.org with any questions, or contact me directly at (213) 485-1360. Thank you.

CBT:MV

c: Paul Girard
Delilah Puche

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 236

Date: May 14, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
6/1/07*Subject: **DEPARTMENT OF FIRE AND POLICE PENSIONS' RESPONSE TO BUDGET
REDUCTION INFORMATION REQUEST**

The Department of Fire and Police Pensions' transmittal dated May 8, 2007 to Budget and Finance Committee on the budget cut exercise is attached. The Board of Fire and Police Pension Commissioners (Board) heard Budget and Finance Committee's budget reduction request on May 3, 2007. In addition to providing several points of information, the Board indicates that the final budget deliberation in June 2007 will ensure that only those resources necessary to meet their legal and fiduciary responsibilities will be budgeted.

KLS:TAB:01070078c

Attachment.

DEPARTMENT OF
FIRE AND POLICE
PENSIONS

360 EAST SECOND STREET
SUITE 400
LOS ANGELES, CA 90012-4203
(213) 978-4545
FAX (213) 978-4450
TDD (213) 978-4455

PENSIONS@LACITY.ORG

CITY OF LOS ANGELES

CALIFORNIA



2007 MAY -9 PM 3:41

CITY ADMINISTRATIVE OFFICER
ANTONIO R. VILLARAIGOSA
MAYOR

MICHAEL A. PEREZ
GENERAL MANAGER

D. EDWARD GRIFFITHS
RHONDA A. PETERSON
ASSISTANT GENERAL MANAGERS

TOM LOPEZ
CHIEF INVESTMENT OFFICER

TAB ①
~~DDL~~
~~RPC~~

May 8, 2007

The Honorable Budget & Finance Committee
City Council, City of Los Angeles
Room 395, City Hall
Los Angeles, CA 90012

Honorable Members:

**Re: Response to Request by Budget and Finance Committee to reduce
Department of Fire and Police Pensions' Budget**

At the Budget and Finance Committee meeting of April 30, 2007, the General Manager of the Department of Fire and Police Pensions provided a summary of the preliminary budget for FY 2007-08.

Over each of the last three years, the fund has had double digit returns. The market value of assets is up over \$1.5 billion from the previous year. With an operating budget of nearly \$1 billion in 2007-08, over 55% of the \$1 billion is paid from fund assets, i.e., past employer and employee contributions, and earnings on assets. Our funded status of pension benefits improved to 94.6%, one of the highest in the state.

With the understanding that the City has no authority over the budget of Fire and Police Pensions (FPP), the General Manager of FPP was asked by the Budget and Finance Committee to undertake a 1-3% budget reduction exercise, equivalent to the reductions being requested from other City departments.

At the regular meeting of the Board of Fire and Police Pension Commissioners of May 3, 2007, the General Manager reported the Budget and Finance Committee's request to the FPP Board. The Board indicated a number of points to relay to the City Council, including the Board's interest in helping the City while also fulfilling the Board's fiduciary responsibility to the System.



May 8, 2007

Page 2

The FPP budget of \$230 million is a single line item in the City's budget. It is calculated by applying percentage amounts from the actuary valuation of 6/30/06 against sworn Fire, Police and Harbor payroll. Since the mid 1990s, the administrative costs of running the system are included in this line item, so reducing administrative costs for 2007-08 will not reduce the line item amount the City pays for 2007-08.

In addition, the Board has taken a number of actions that have assisted the City in its budgeting. For example, for many years the System has taken an actuarially reduced City contribution, at the beginning of the fiscal year, rather than the full City contribution over the course of the fiscal year. This allows the FPP System to invest the monies at the start of the fiscal year, a benefit for the System, and for the City to contribute a smaller amount, a benefit for them. In the 2007-08 budget, this amounts to a savings to the City of nearly \$14 million. Also, within the last year, the Board approved a phased in change to implement modified actuary assumptions, consistent with actions taken by past FPP Boards. This reduced the amount the City would have to contribute in 2007-08 by \$20 million.

In its final deliberation over the FPP budget in June, the Board and Staff will insure the budget is thoroughly analyzed and reviewed, with only those resources budgeted that are required to provide the prompt delivery of benefits to members required by the City Charter and the California Constitution (Charter Section 1106 attached), and to meet our other fiduciary responsibilities. Please call me at (213) 978-4550, if we can provide any additional information.

Very truly yours,



Michael A. Perez
General Manager

MAP:mz
Attachment

c: Sally Choi, Deputy Mayor, Mayor's Office
Karen L. Sisson, CAO
Gerry F. Miller, CLA

Official City of Los Angeles Charter (TM) and Administrative Code (TM)

CHARTER / VOLUME II EMPLOYMENT PROVISIONS / ARTICLE XI PENSION AND RETIREMENT SYSTEMS / GENERAL PROVISIONS FOR PENSION AND RETIREMENT SYSTEMS / Sec. 1106. Powers and Duties of Pension and Retirement Boards.

Sec. 1106. Powers and Duties of Pension and Retirement Boards.

Consistent with Article XVI, Section 17 of the California Constitution, and any successor constitutional provision, and subject to the limitations set forth elsewhere in the Charter concerning anything other than pension and retirement system administration and control over system investments, each pension and retirement board of the City shall:

(a) **Administration of the Pension or Retirement System.** Have sole and exclusive responsibility to administer its system for the following purposes:

- (1) to provide benefits to system participants and their beneficiaries and to assure prompt delivery of those benefits and related services;
- (2) to minimize City contributions; and
- (3) to defray the reasonable expenses of administering the system.

The duty to system participants and their beneficiaries shall take precedence over any other duty.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 237

Date: May 14, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS
hmt*

Subject: **DEPARTMENT OF NEIGHBORHOOD EMPOWERMENT LIST OF OUTREACH
ACTIVITIES**

Your Committee instructed the Department of Neighborhood Empowerment (Department) to report on a list of outreach activities available for neighborhood councils. The Department is requesting additional time to permit them to gather this information from all City departments. The Department estimates that it will take approximately 90 days to compile the necessary information and forward the report to the Budget and Finance Committee.

Attachment (1)

KLS:DP:08070358c

System ID:33

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 8, 2007

TO: Karen L. Sisson, City Administrative Officer

FROM: Carol Baker Tharp, General Manager
Department of Neighborhood Empowerment



SUBJECT: BUDGET AND FINANCE 2007-08 BUDGET HEARING, BUDGET MEMO #335

Budget Memo No. 335 states:

"Report back on a list of outreach activities conducted by all city departments which should be provided to DONE and neighborhood councils."

The Department of Neighborhood Empowerment has not been provided with a list of outreach activities conducted by all city departments. However, the Department will request all departments to provide this information.

We will then compile the information received and we will forward the report to the Budget and Finance and Education and Neighborhoods Committees. We expect this activity will require approximately 90 days to complete.

Please contact Mike Vitkiewicz of my staff at (213) 485-1822 or mike.vitkiewicz@lacity.org with any questions, or contact me directly at (213) 485-1360. Thank you.

CBT:MV

c: Paul Girard
Delilah Puche

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 238

Date: May 14, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer *KLS by mt*

Subject: **POLICE DEPARTMENT RESPONSE TO QUESTIONS ON PHOTO RED LIGHT INTERSECTION SELECTION AND TASER DEPLOYMENT OPTIONS**

The Committee requested information from the Police Department regarding the selection process for photo red light locations and possible taser deployment options.

Attached is the Department's response.

KLS:MC:04070188

Attachment

LOS ANGELES POLICE DEPARTMENT

Photo Red Light Program Location Selection Process

The Department uses the following criteria for the selection of photo red light locations:

- Traffic collision patterns were analyzed which included red light running, left turns, speeding, and following to close;
- Traffic volume on both streets;
- Parking restrictions;
- Traffic engineering deficiencies;
- Traditional enforcement efforts;
- Subjective safety as perceived by the Department;
- Engineering and reconfiguration options; and,
- Design and constructions issues.

Three year TASER Phase-in Plan

The one-time purchase plan was for 7,200 to 7,500 TASER Model X26s.

Training Divisions 3-year Purchase Plan is for 7,500 TASERs; 2,500 for each year over three years. The number has been modified from 7,200 to include expected growth in the Department.

Phase One (Year One)

- Purchase 2,500 TASER Model X26s.
- The cost is approximately \$2,945,516.00 (estimate based one of the original price quotes for 5,000 TASERs)
- The cost includes enough practice cartridges to train the whole Department.
- Assign the TASERs to the Patrol Divisions, Metropolitan Division, and Traffic Divisions (some TASERs would go to specialized units based on need).
- Have the Divisions assign the TASER to individual officers (officers would return the TASER to the Division upon transfer or separation).
- Assign TASERs to the divisions proportionate to the number of officers working in field assignments.
- This will be more efficient than having the TASERs in the Kit Room and checked each shift by different officers. (See below)

Phase Two (Year Two)

- Purchase 2,500 TASER Model X26s.
- The approximate cost is \$2,885,500.00 (estimate based on original price quote for 5,000 TASERs, minus training cartridges).
- Assign the TASERs to the Patrol Divisions, Metropolitan Division, and Traffic Divisions (some TASERs would go to specialized Divisions and units based on need).
- Have the Divisions assign the TASER to individual officers (officers would still return the TASER to the Division upon transfer or separation).
- Assign TASERs to the divisions in proportionate numbers.
- Maintain the balance of TASERs at Training Division to assign to graduating recruit officers.

Phase Three (Year Three)

- Purchase 2,500 TASER Model X26s.
- The approximate cost is \$2,885,500.00 (estimate based on original price quote for 5,000 TASERs, minus training cartridges).
- Transfer assignment of TASERs from Divisions to the Department.
- The TASERs that had been assigned by Divisions would now become assigned to the individual officer that had the TASER in his possession.
- TASER assignment would be tracked by the Department Armory as are issued handguns.

- Assign and issue TASERs to officers that had not yet been issued a TASER.

Issuing TASERs versus Kit Room TASERs

The Department wants to issue the TASERs to individual officers even with the three year phase-in plan. Our experience with issuing TASERs from the Kit Rooms has shown that the TASERs do not last as long and are subjected to more wear and tear. Also, the officers would be continually "spark checking" the TASERs. That would drain the batteries more frequently and reduce the battery life. Issuing TASERs from the Kit Room also would cause more wear on the holsters.

An advantage of issuing the TASERs to individual officers is that it would make it easier to download information from the TASER after a reportable use of force. An investigator would be able secure the TASER used and not have to identify it from all the TASERs in a Kit Room (as has happened in the past during a Categorical Use of Force Investigation). It would be recommended to the Divisions to issue the first TASERs to Field Training Officers and other officers so that usual partners do not each have a TASER. To facilitate having TASERs in the field, a certain number of the older TASER Model M26s would be left in the Kit Rooms to issue to officers that are not yet assigned an X26.

Date: May 14, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
K m 7*

Subject: **NEW GRANT GUIDELINES**

The Department of Cultural Affairs (Cultural Affairs) submitted a second memo to the Budget and Finance Committee dated May 10, 2007 regarding Department grant guidelines.

Cultural Affairs will revise its grant publication to include the following requirements in the City of Los Angeles Fellowships 2008-09 grant guideline publication.

- (1) Selected artists must be residents of Los Angeles County and present projects that benefit City residents and tourists.
- (2) Selected artists must have prior history of having provided goods and services to the City.
- (3) Selected artists are required to register their work with a City Business Tax Registration Certificate before receiving City funding.

KLS: DM: 08070365d

Attachment

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

To: The Budget and Finance Committee

From: Karen Constine, Interim General Manager
Cultural Affairs Department (DCA)

Re: Stronger clarification of eligibility for individual artists grants

Date: May 10, 2007 (Revised)

As requested, DCA will be placing the following new language in the individual artist grant guidelines for the City of Los Angeles (COLA) Fellowships starting with the City's 08-09 grant publication. Guidelines and results for 07-08 have already printed and announced.

Specific language: Artists residing in L.A. County with a history of working in L.A. City.

With this language, the COLA Fellowship Program will more clearly **serve the City's needs in three ways:**

- 1) Quality services are proposed by artists residing in Los Angeles County to provide specific projects that are presented within the City of L.A. for the benefit of L.A. City residents and/or tourists.** In this way, the process draws practitioners from the region to tour or operate (and in some instances relocate) within the City of L.A. Projects are compared across districts and communities so that, as in other City bidding programs, the best projects are secured.
- 2) The selected artists have a history of providing goods and services to the City of Los Angeles.** All demonstrate by their resume that they have worked in the City providing creative experiences and products for theaters, clubs, stores, galleries or museums.
- 3) All DCA grantees are required to register their work with a City of L.A. Business Tax Registration Certificate (BTRC) before receiving City funds.**

Note: DCA staff will review candidates that demonstrate a history of participating in the general economy or creative economy of Los Angeles according to the three options below and related possibilities. Creative artists are mobile and multi-source wage earners. The qualification of "a history of working in the City" can be met by musicians, actors, dancers, poets, visual artists and independent filmmakers in several ways:

- o applicants may show they have a shared business or separate studio in the City of L.A.
- o applicants may demonstrate via their resume that they have worked in the City as producers of creative experiences or products for theaters, clubs, galleries, or stores.
- o applicants may show they have full-time or part-time employment in non-arts jobs (manager, teacher, etc.) in the City of LA.

Thank you for your consideration.

cc: CAO
Mayor's Office
Council District 12

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Memo No. 240

Date: May 18, 2007

To: Budget and Finance Committee

From: Karen L. Sisson, City Administrative Officer

*KLS
3/21/07*

Subject: **RESPONSE FROM DEPARTMENT OF WATER AND POWER**

The Department of Water and Power (DWP) has submitted written responses to questions posed by members of the Budget and Finance Committee on May 3, 2007. The attached response correspondence from DWP is transmitted to Budget and Finance Committee for your consideration and appropriate action.

KLS:AVM:10070198

Attachment



ANTONIO R. VILLARAIGOSA
Mayor

Commission
H. DAVID NAHAI, *President*
EDITH RAMIREZ, *Vice President*
MARY D. NICHOLS
NICK PATSAOURAS
FORESCEE HOGAN-ROWLES
BARBARA E. MOSCHOS, *Secretary*

RONALD F. DEATON, *General Manager*

2007 MAY 17 PM 2:15
CITY ADMINISTRATIVE OFFICER

May 15, 2007

Ms. Karen L. Sisson
City Administrative Officer
Room 1500, City Hall East
Mail Stop 130

Dear Ms. Sisson:

Subject: Supplemental Information Relative to the Los Angeles Department of Water and Power's (LADWP) Proposed FY 2007-08 Budget

On May 3, 2007 LADWP presented its proposed Fiscal Year 2007-08 Budget to the City Council's Budget and Finance Committee. During the presentation and ensuing discussion, a number of questions were raised. Following are the questions posed and their corresponding answers. For consistency and ease of review the City Administrative Officer's numbering identification will be used for each question.

System ID #137

Provide information relative to the LADWP loan/rebate program as it relates to the traffic signal LED program.

The LADWP can provide a loan to the City to convert existing incandescent bulbs in traffic signals to the more energy efficient LED bulbs. Additionally, LADWP would provide an energy credit in the form of an Energy Efficiency Rebate. This rebate would be based on the kilowatt reduction, compared to the current incandescent lights. The energy efficiency rebate funds could then be used to reduce the loan balance. It is estimated that the kilowatt-hour reduction resulting from the installation of the LED lights is 4,340 kWh. This reduction equates to a significant annual energy savings.

System ID #454

Report back on agreements with the Bureau of Sanitation (BOS) on renewable power supply and why an RFP is needed.

The LADWP looks forward to the Waste to Energy Program. This program will assist LADWP in meeting its goal of supplying 20% of total customer energy from renewable resources by 2010. The BOS had asked LADWP to agree to purchase power from proposed facilities without price certainty. Once a price range has been determined

Water and Power Conservation ... a way of life

LADWP can then execute a power purchase agreement. Additionally, a revised RFP extending an option for operation of the power block by IBEW-Local 18 represented members has been issued by the BOS.

System ID #459

Report back on Waterless Urinals.

There are outstanding issues relative to waterless urinals on the stated basis of health and safety concerns. However, the PIPE Trades Council has agreed not to oppose the technology (as long as each fixture has a potable supply), the Los Angeles Department of Building and Safety's position has remained unchanged.

System ID #463

Report back on a comparison regarding water and power rates and distribute this information to Neighborhood Councils.

The LADWP compares its rates on a monthly basis with neighboring utilities (i.e. Anaheim, San Diego Gas and Electric, Burbank, Pasadena and Southern California Edison). This information will be provided to the Neighborhood Councils via the LADWP's Neighborhood Newswire within 30 days.

System ID #487

Verify whether the LADWP is the funding source for the Recreation and Parks programs listed on pages 468 and 472 of the Blue Budget Book.

LADWP is the funding source for three (3) Recreation and Parks programs:

1. Smart Irrigation Projects
2. Open Spaces
3. Camp Redford Renovation

System ID #489

Report back on repair/replacement of transformer located at Via de la Paz

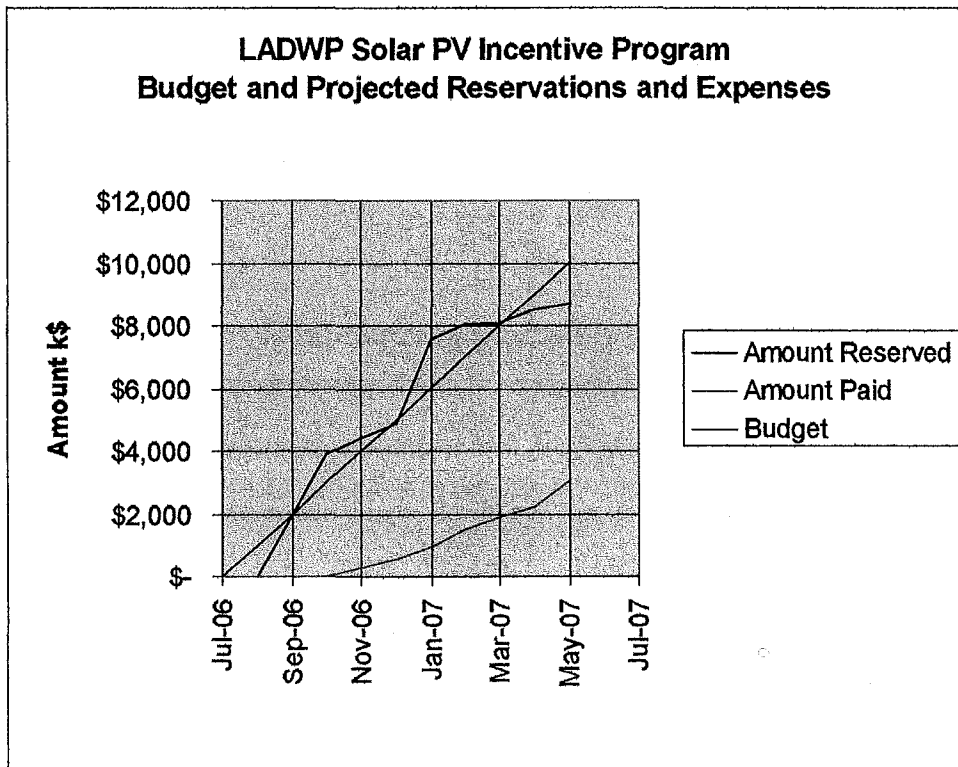
LADWP has issued a job and ordered the necessary materials to upgrade the transformer located at 660 Via de la Paz on or about May 31, 2007.

System ID#462

Report back on the operations of the solar energy program.

- The initial solar program was established September 1, 2000 as a five year, \$75 Million program. The program has since been extended to a ten year, \$150 Million program.
- This funding level includes both the Customer Incentive Program (~\$120M) as well as LADWP PV Projects (~\$30M).
- To date, more than \$50M has been expended for customer incentives, with about \$50M remaining.
- LADWP customer solar photovoltaic installations represent about 10MW of installed solar capacity.
- The Program is presently funded by the Public Benefits Charge.
- The current Program, approved July 25, 2006, requires incentives to be based on expected PV system performance.

The following graph shows the present status of LADWP's solar program as it relates to incentive payments:



System ID #488

Report back on natural gas hedging program. Also discuss program with the General Services Department (GSD).

On July 30, 2002, the City Council adopted Ordinance No. 174755 which added Section 10.5.3 to the LAAC establishing the natural gas hedging program for LADWP. In a related action based on the LAAC Section 10.5.3, the Board adopted LADWP's Retail Natural Gas Risk Management Policy at its January 21, 2003 meeting. This policy, consistent with LAAC Section 10.5.3 sets forth the authority, limits, and controls necessary to ensure that the volatility in cost of natural gas and related risks are effectively managed.

The purpose of LADWP's Hedging Program is to attain a level of price certainty for its future fuel costs. This is accomplished by locking in prices for up to 75% of future planned purchases for retail customers for a period of up to 10 years. Once LADWP fixes the price for a future volume of gas, the market value of the transaction continues to change until expiration but the actual cost to LADWP remains fixed. The goal of the program is not to achieve savings, but to establish price certainty of future gas purchases for budgeting and financial planning purposes.

The City may consider folding the GSD gas volumes into LADWP's hedging program to provide savings on GSD's future gas purchases. However, LADWP utilizes its hedging program to provide price certainty and not savings. As a result, the GSD will either benefit or incur additional costs by participating in LADWP's hedging program versus purchasing their gas on the spot market.

System ID #452

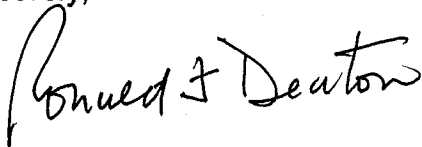
Report back on whether the City shares in any LADWP profits on the leasing of the fiber optic system.

The City receives a transfer from LADWP, 7% of Power System Surplus Revenue and 5% Water System Surplus Revenue, neither of which can exceed net income. LADWP will discuss with the CAO during the negotiations further opportunities for the City to share in any profits.

Ms. Karen L. Sisson
Page 5
May 15, 2007

If you have any questions or if further information is required, please call me at (213) 367-1338, or have your staff contact Ms. Winifred Yancy, Government Affairs Representative, at (213) 367-0025.

Sincerely,

A handwritten signature in cursive script that reads "Ronald F. Deaton". The signature is written in black ink and is positioned above the typed name.

Ronald F. Deaton
General Manager

Enclosure

c/enc: Councilmember Bernard Parks, Chair, Budget and Finance Committee
Mr. Gerry Miller, Chief Legislative Officer
Ms. Sally Choi, Mayor's Office
Mr. William Koenig, City Administrative Office
Ms. Winifred Yancy