

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 5, 2007

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Council File No. 06-0600
Council District: All

To: Antonio R. Villaraigosa, Mayor
Eric Garcetti, Council President
Bernard C. Parks, Chair, Budget and Finance Committee

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

Reference: 2006-07 Adopted Budget

Subject: Mid-Year Adjustment and Financial Status Report

SUMMARY

The Office of the City Administrative Officer monitors the budget and transmits periodic reports detailing the City's current financial condition to both the Mayor and Council. As instructed in the 2006-07 Adopted Budget, this Office is transmitting the Mid-Year financial status report for 2006-07. This report provides the status of the Reserve Fund, projected revenue data and employment levels and makes recommendations for budgetary adjustments.

We are projecting over-expenditures of approximately \$41.3 million. The departments/bureaus with the largest projected over-expenditures are Police, Fire, General Services and Transportation. The largest portion of the deficit is attributable to an \$8 million shortfall in the Civilian Flex Account, due to significant increases in health care costs and a steady increase in the hiring of City employees, and a \$9.7 million shortfall in the Worker's Compensation Account. This report includes recommendations to transfer and appropriate \$3.07 million in surplus funds from departments, \$3.96 million from the Unappropriated Balance, and \$17 million from the Reserve Fund to partially address the most urgent shortfalls. Recommendations to instruct Departments to disencumber and unappropriate uncommitted MICLA funds are contained in this report and are discussed in Section 4B of this report. In addition, Attachment 9 of this report identifies \$9.7 million of prior-year General Fund encumbrances that are no longer needed. We will continue to look for additional savings for the Year-End report to address the remaining projected shortfall of \$17.2 million.

Reserve Fund

The Contingency Reserve Account in the Reserve Fund has a current available balance of \$59 million. However, this report recommends that \$17 million of the Reserve Fund be transferred and appropriated to help balance the 2006-07 budget. With this transfer, and \$1.16 million in Reserve Fund Loans recommended in this report, the Contingency Reserve Balance is \$40.92 million (see Attachment 1a).

Further transfers from the Reserve Fund of approximately \$17.2 million may be needed to offset remaining 2006-07 shortfalls. To help increase the Reserve Fund balance, we are recommending that \$9.7 million in prior year encumbrances that are no longer needed revert to the Reserve Fund. This would increase the total non-emergency Reserve Fund to \$50.6 million. These funds can be used to cover current year shortfalls if necessary.

The use of 2006-07 Reserve Funds to balance the current year budget is expected to be offset by \$44.86 million in additional, unanticipated revenues.

Two Reserve Fund loans are recommended in this report. The City Attorney requests \$1,100,000 from the Reserve Fund for non-funded attorney salaries, which will be repaid upon reimbursement from the proprietary departments. The Environmental Affairs Department requests \$60,000 from the Reserve Fund to be repaid upon reimbursement of State grant funds.

Monies held in the Emergency Reserve Account, which can only be used in the event of a declared emergency, total \$108.5 million. Attachment 1b projects a total Reserve Fund Balance (Contingency Reserve plus Emergency Reserve) of \$186.7 million at year-end.

Revenue

General Fund receipts at February were close to plan and we now project receipts will exceed the budget by \$45 million -- about one percent. As reported in earlier Financial Status Reports, the County Auditor-Controller remitted approximately \$44 million in property tax receipts in July 2006 which we anticipated receiving before June 30, 2006, as a result of a system conversion. The City's financial system recorded these receipts as Fiscal Year 2006-07 revenue. With the exception of the one-time shift in property tax receipts, aggregate General Fund receipts are expected to be very close to budget, although a number of offsetting positive and negative adjustments in individual accounts are likely. Attachment 2 summarizes variances to the budget plan at February and identifies recommended revisions to revenue estimates. The 'Revenue Outlook, Supplement to the Fiscal Year 2007-08 Proposed Budget' is currently being prepared. It will include updated revenue information on each General Fund revenue account and will also provide the usual detail by revenue line-item. It will include historical perspective and current economic and industry trends which affect major revenue sources.

Budgetary Adjustments

Budgetary adjustments recommended in this report, include:

- \$16.5 million for transfers between accounts within various departments and funds;
- \$7.5 million for transfers between various departments and funds;
- A transfer of \$17 million from the Reserve Fund to the Unappropriated Balance, Reserve for Economic Uncertainties Account;
- Transfers of \$2.7 million in surpluses to the Unappropriated Balance, Reserve for Economic Uncertainties Account;
- Transfers of \$3.9 million from the Unappropriated Balance to the Unappropriated Balance, Reserve for Economic Uncertainties Account
- Appropriations of \$24 million from the Unappropriated Balance, Reserve for Economic Uncertainties Account to offset deficits;
- Appropriations of \$7.9 million from the Unappropriated Balance for budgeted items; and,
- Over \$11.5 million for bond and construction projects.

Additional Details

The Discussion Section of this report and the following attachments provide additional details:

1. Status of the Reserve Fund
2. Fiscal Year 2006-07 General Fund Receipts
3. Transfers between Accounts within Departments and Funds
4. Transfers between Departments and Funds
5. Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties
6. Appropriations from the Unappropriated Balance
7. Status of the Unappropriated Balance (Non-General Account)
8. Status of the Unappropriated Balance (General Account)
9. Prior Year Encumbrances
10. Transfers between Bond Funds and Departments
11. Employment Level Report

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Request the Controller to establish a new account within the Unappropriated Balance, Fund 100/58, entitled "Reserve for Economic Uncertainties";

2. Transfer \$24,035,742 from Departments, the Unappropriated Balance Fund 100/58, and the Reserve Fund to the Unappropriated Balance Fund 100/58, Reserve for Economic Uncertainties Account, as specified in Attachment 5;
3. Appropriate \$31,948,477 from various line items within the Unappropriated Balance, Fund No. 100/58, and from the Unappropriated Balance Fund 100/58, Reserve for Economic Uncertainties Account, to various departments, as specified in Attachment 6;
4. Transfer \$16,502,502 between accounts within various departments and funds as specified in Attachment 3;
5. Transfer \$7,460,926 between various departments and funds, as specified in Attachment 4;
6. Instruct departments to unencumber prior year General Funds totaling \$7,781,559 as indicated in the "General Funds to be Unencumbered" column of Attachment 9 and instruct the Controller to revert \$9,713,084 to the Reserve Fund;
7. Authorize the Controller to transfer \$1,100,000 from the Reserve Fund to the Unappropriated Balance and appropriate a like amount therefrom to the City Attorney, Fund 100/12, Salaries Proprietary Account No. 1080, to be repaid upon reimbursement from the proprietary departments;
8. Authorize the Controller to increase the appropriation in Fund 100/48 Convention Center as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1010	Salaries General	\$ 42,000
1070	Salaries As-Needed	\$601,000
1090	Salaries Overtime	\$186,000
3040	Contractual Services	\$ 71,000
3160	Maintenance Materials	\$ 7,000
3380	Electrical Services	\$ 5,000
6020	Operating Supplies	<u>\$ 10,000</u>
	Total	\$922,000

9. Authorize the Controller to transfer funds from Fund 725 Convention Center Account No. 148A to the General Fund on an as needed basis;
10. Instruct the Convention Center to recognize revolving receipts in Fund 725 and make funds available to transfer to Convention Center Account 148A;
11. Authorize the Controller to increase the appropriation in Fund 100/48 Convention Center, Contractual Services Account 3040 by \$74,073 from available balances in the Convention Center Revenue Trust Fund No. 725;

12. Request the Controller to reappropriate \$5,000 from the Council District 7 Real Property Trust Fund No. 689/Dept 14, to the following accounts within the Department of Environmental Affairs Fund 100/Dept 37, for the Sun Valley Air Quality Outreach and Education project:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1090	Salaries, Overtime	\$ 2,500
6010	Office and Administrative	<u>2,500</u>
	Total	\$ 5,000

13. Instruct the Controller to transfer appropriations of \$25,117 within LAHD State Grant Fund No. 47G, from Account W140, General Services-LAHD, to Account W143, Housing;

14. Instruct the Controller to transfer expenditures of \$25,117 from Fund No. 41M, Account W143, Housing, to Fund No. 47G, Account W143, Housing;

15. Authorize the Controller to increase appropriations to the Personnel Department Fund 100/66, Account No. 9600 Employee Transit Subsidy in the amount of \$120,000 from the Rideshare Trust Fund 525/66 Transit Subsidy Account No. 166A;

16. Instruct the Controller to appropriate \$613,310.22 from available monies from Fund 47E Planning Department Expedited Permit Trust Fund to the following accounts:

Fiscal Year 2006-07 Expenditures

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
A178	PW/Engineering	\$37,911.49
A194	Transportation	8,787.73
A138	Fire Department	<u>11,684.00</u>
	Total	\$58,383.22

Fiscal Year 2005-06 Expenditures

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
Y268	Planning	\$420,790.62
Y278	PW/Engineering	97,799.79
Y294	Transportation	17,540.59
Y238	Fire Department	<u>18,796.00</u>
	Total	<u>\$554,927.00</u>

17. Authorize the Controller to transfer from Fund 47E Planning Department Expedited Permit Trust Fund and appropriate a like amount to the following departments and accounts to reimburse the General Fund for direct costs incurred in 2006-07 by the Department of Public Works, Bureau of Engineering from July 1, 2006 to August 31,

2006 and direct costs incurred by the Department of Transportation and the Fire Department from July 1, 2006 to September 30, 2006:

<u>From Fund/Account</u>	<u>To Fund/Account</u>	<u>Amount</u>
F47E/ 68/ A178	F100/ 78/ 1010, Salaries General	\$26,910.91
F47E/ 68/ A178	F100/ 78/ 1090, Overtime	11,000.58
F47E/ 68/ A194	F100/ 94/ 1090, Overtime	8,787.73
F47E/ 68/ A138	F100/ 38/ 1092, Overtime Sworn	<u>11,684.00</u>
	Total	<u>58,383.22</u>

18. Instruct the Planning Department to transfer the cash related to the appropriations identified in Recommendations 16 and 17 above to the General Fund, upon receipt of funds and invoices from the Department of Public Works, Bureau of Engineering, Department of Transportation and Fire Department;

19. Instruct the Planning Department to reimburse the General Fund, upon receipt of funds for direct costs incurred in 2005-06 by the Planning Department, Department of Public Works, Bureau of Engineering, Department of Transportation and Fire Department from March 1, 2006 to June 30, 2006 with funds received in the Expedited Permit Trust Fund:

<u>From Fund/Account</u>	<u>To Fund/ Revenue Source</u>	<u>Amount</u>
F47E/ 68/ Y268	F100/ 68/ 4610	\$420,790.62
F47E/ 68/ Y278	F100/ 78/ 4610	97,799.79
F47E/ 68/ Y294	F100/ 94/ 4610	17,540.59
F47E/ 68/ Y238	F100/ 38/ 4610	<u>18,796.00</u>
	Total	<u>\$554,927.00</u>

20. Instruct the Planning Department to reimburse the General Fund for all associated related costs incurred in 2005-06 by the Planning Department, Department of Public Works, Bureau of Engineering, Department of Transportation, and Fire Department from March 1, 2006, to June 30, 2006, with funds received in the Expedited Permit Trust Fund;

21. Instruct the Planning Department to reimburse the General Fund for all associated related costs incurred in 2006-07 by the Department of Public Works, Bureau of Engineering from July 1, 2006, to August 31, 2006, and related costs incurred by the Department of Transportation and the Fire Department from July 1, 2006, to September 30, 2006, with funds received in the Expedited Permit Trust Fund:

22. Instruct the Controller to transfer appropriations of \$159,043.94 between accounts within the Major Projects Review Trust Fund No. 524:

Playa Vista Project

	<u>Account No. / FY</u>	<u>Account Name</u>	<u>Amount</u>
From:	100Y / 06	Playa Vista	\$116,000
To:	178A / 07	Engineering	\$116,000

LA Arena Project

	<u>Account No. / FY</u>	<u>Account Name</u>	<u>Amount</u>
From:	600W / 06	LA Arena	\$ 8,253.95
	600Y / 06	LA Arena	<u>15,579.05</u>
		Total	\$23,833.00
To:	268Y / 06	Planning	\$14,797.56
	212Y / 07	City Attorney	247.86
	299Y / 07	Related Costs	<u>8,787.58</u>
		Total	\$23,833.00

USC Project

	<u>Account No. / FY</u>	<u>Account Name</u>	<u>Amount</u>
From:	700Y / 06	USC	\$19,210.94
To:	268Y / 06	Planning	\$ 7,814.58
	294Y / 07	Transportation	3,124.99
	299Y / 07	Related Costs	<u>8,271.37</u>
		Total	\$19,210.94

23. Authorize the Controller to transfer \$116,000 from the Major Projects Review Trust Fund No. 524/68, Account 178A and appropriate the same amount to the Bureau of Engineering Fund No. 100/78, Account 1010, Salaries General, for estimated costs incurred in 2006-07 from July 1, 2006 to June 30, 2007;

24. Instruct the Planning Department to transfer the cash related to the appropriation established in Recommendation 23 above to the General Fund, upon receipt of funds and invoices from the Department of Public Works, Bureau of Engineering;

25. Instruct the Planning Department to reimburse the General Fund for all associated related costs incurred in 2006-07 by the Department of Public Works, Bureau of

Engineering from July 1, 2006 to June 30, 2007 for Playa Vista project with funds received in the Major Projects Review Trust Fund;

26. Instruct the Planning Department to reimburse the General Fund, upon receipt of funds for direct costs incurred in 2005-06 by the Planning Department, City Attorney, and Department of Transportation for the LA Arena and University of Southern California (USC) projects from April 1, 2006 to June 30, 2006:

<u>Project</u>	<u>From Fund/Account</u>	<u>To Fund/Revenue Source</u>	<u>Amount</u>
LA Arena	F524/ 68/ 268Y	F100/ 68/ 4610	\$14,797.56
	F524/ 68/ 212Y	F100/ 12/ 4610	\$ 247.86
USC	F524/ 68/ 268Y	F100/ 68/ 4610	\$ 7,814.58
	F524/ 68/ 294Y	F100/ 94/ 4610	\$ 3,124.99

27. Instruct the Planning Department to reimburse the General Fund for all associated related costs incurred in 2005-06 by the Planning Department and the City Attorney from April 1, 2006 to June 30, 2006 for the LA Arena project with funds received in the Major Projects Review Trust Fund;
28. Instruct the Planning Department to reimburse the General Fund for all associated related costs incurred in 2005-06 by the Planning Department and the Department of Transportation from April 1, 2006 to June 30, 2006 for the USC project with funds received in the Major Projects Review Trust Fund;
29. Instruct the Bureau of Contract Administration to revise its 2005-06 reversion worksheet to increase expenditures to the Library Bond, Animal Bond, Fire Bond, Prop Q, and MICLA bond programs and decrease General Fund expenditures by \$270,040 and instruct the Controller to make technical corrections and accounting adjustments as necessary;
30. Reduce the Sewer Capital Fund source of fund appropriation to the Bureau of Engineering, Fund No. 761/50, Account A178 by \$430,763 and increase the General Fund source of fund appropriation to the Bureau of Engineering, Fund 100/78 by \$430,763 with unanticipated revenue receipts deposited in Revenue Source 4610 from the Proposition K Program;
31. Reduce the Sewer Capital Fund source of fund appropriation to the Bureau of Engineering, Fund No. 761/50, Account A178 by \$142,612 and increase the Engineering Special Service source of fund appropriation to the Bureau of Engineering, Fund No. 682/50, Account A178 by \$142,612 with revenue receipts from other departments for architectural, engineering and construction management services;
32. Reduce the Sewer Capital Fund source of fund appropriation to the Bureau of Engineering, Fund No. 761/50, Account A178 by \$63,430 and increase the Public

Works Trust Fund source of fund appropriation to the Bureau of Engineering, Fund No. 834/50, Account A178 by \$63,430 with revenue receipts from other departments for architectural, engineering and construction management services;

33. Authorize the Controller to decrease appropriation within the Sewer Capital Fund 761, Related Costs Account A299 by \$2,518,107 to reduce the amount of related costs reimbursements in 2006-07 from the Sewer Construction and Maintenance Fund funding source to the General Fund by \$2,857,880 for the Bureau of Engineering and (\$339,773) for the Bureau of Contract Administration, to repay the Sewer Capital Fund for prior year over-reimbursement of related costs;
34. Authorize the Controller to decrease appropriation within the Sewer Operation and Maintenance Fund 760, Related Costs Account A299 by \$701,422 to reduce the amount of related costs reimbursements in 2006-07 from the Sewer Construction and Maintenance Fund funding source to the General Fund by \$701,422 for the Bureau of Sanitation, to repay the Sewer Operation and Maintenance Fund for prior year over-reimbursement of related costs;
35. Authorize the Controller, with assistance from the Bureau of Sanitation, to reassign expenditures incurred by the Sewer Construction and Maintenance Fund No. 760/50 to the Proposition O Clean Water General Obligation Bond Fund No. 16F/50 as follows:

- a. Reassign expenditures in the amount of \$266,853 from the accounts listed below within Fund No. 760/50 to Fund No. 16F/50, Account Y200, Program Development/Implementation:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
V282/304	Contractual Services	\$ 15,366
W282/304	Contractual Services	157,662
Y282/304	Contractual Services	<u>93,825</u>
	Total	\$266,853

- b. Reassign expenditures in the amount of \$238,695 from Fund No. 760/50, Account Y282/304, Contractual Services, to Fund No. 16F/50, Account Y307, Concept Report Phase I;

36. Authorize the Controller to increase appropriations by \$321,000 to the following accounts in General Services Fund 100/40 from the Stormwater Pollution Abatement Fund 511/50, Account S459, Clarifier Program:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1014	Construction Salaries	\$192,600
3180	Construction Materials and Supplies	<u>128,400</u>
	Total	\$321,000

37. Authorize the Stormwater Pollution Abatement Fund 511 to reimburse General Services on an as-needed basis, upon review and approval by Street Services and Sanitation of the expenditure reports submitted by GSD;
38. Reduce the Landfill Maintenance Special Fund source of fund appropriation to the Bureau of Sanitation, Fund No. 558/50, Account A182, by \$1.4 million, and simultaneously reduce Fund 100/82, Account 1010, Salaries General;
39. Reduce the Stormwater Pollution Abatement Fund source of fund appropriation to the Bureau of Sanitation, Fund 511/50, Account A182, by \$932,021, and simultaneously reduce Fund 100/82, Account 1010, Salaries General;
40. Authorize the Bureau of Sanitation to revise its 2005-06 reversion worksheet to increase expenditures and encumbrances to the General Fund and decrease special funded expenditures and encumbrances for Fund 760, 761, 508, 567, 558 and 511 by approximately \$1.2 million and authorize the Controller to make technical and accounting adjustments as necessary;
41. Transfer and appropriate, as needed, \$40,000 from the Department of Transportation (DOT), Department No. 94, Proposition A Local Transit Assistance Fund No. 385, Account A411, Metro Rail Annual Work Program, to the Department of Public Works - Bureau of Street Lighting, Department No. 84, General Fund No. 100, Account 1090, Salaries - Overtime;
42. Request the DOT to invoice the Los Angeles County Metropolitan Transportation Authority and Expo Authority, with reimbursement to be deposited by the Controller to the Proposition A Local Transit Assistance Fund No. 385/94;
43. Recognize various reimbursement revenues deposited into Fund No. 305, Department 50 by transferring \$24,648.03 to Fund 100, Department 86, Revenue Source Code 4610 as follows:

<u>Account No. / FY</u>	<u>Account Name</u>	<u>Amount</u>
3734 / 06	SBC Reimbursement for Temple & Alvarado Street Print Street Print Repair	\$20,518.00
4511 / 07	"Believers" Three Productions Inc. for security guard services	102.51
3734 / 07	"Believers" Three Productions Inc. for security guard services	216.00
3734 / 06	Angles Walk L.A. for second temporary removal and installation of stanchion	650.00
3734 / 06	Fast and Furious Tokyo LLC for security guard services	<u>3,161.52</u>
Total		\$24,648.03

44. Recognize reimbursement revenues from the Larchmont Median Project in Council District 4, 2002-03 revenue deposited into Fund 834, Department 50 Account 2535 by transferring \$55,000 to Fund 100, Department 86, Revenue Source Code 4610;
45. Recognize reimbursement revenue from the Department of Airports for 2005-06 asphalt billings and deposited in Fund 305, Department 50, Account Y525 by transferring \$1,689,000 to Fund 100, Department 86, Revenue Source Code 4194;
46. Recognize reimbursement revenue from the Department of Airports for 2006-07 asphalt billings and deposited in Fund 305, Department 50, Account A525 by transferring \$1,200,000 to Fund 100, Department 86, Revenue Source Code 4194. Appropriate \$1,200,000 therefrom to Fund 100, Department 86, Account 3030, Construction Expense;
47. Instruct Departments to unappropriate by April 27 all uncommitted monies in MICLA Funds 289, 291, 292, 293, 294, 295, 296 and 297, and work with the City Administrative Officer to re-appropriate some of these monies, if deemed necessary by the CAO, under Fund 298 (MICLA Commercial Paper);
48. Instruct Departments to disencumber and unappropriate by April 27 all encumbrances in MICLA Funds 289, 291, 292, 293, 294, 295, 296 and 297 unless an encumbrance(s) is required to remain open, as determined by the CAO;
49. In accordance with the above Recommendation No. 48, instruct Departments to work with the CAO to re-encumber some of the open encumbrances into Fund 298 (MICLA Commercial Paper);
50. Transfer appropriations in the amount of \$1,027,208 from Homeland Security Assistance Fund No. 47N/46, Account Y238, Fire, to Fire Department Fund No. 100/38, Account 1098, Firefighters, Sworn Variable Staffing, and authorize the Fire Department to expend funds for UASI '05 grant projects (C.F. 05-1995);

51. In accordance with the above recommendation, authorize the Mayor, upon presentation of proper documentation from the Fire Department, to transfer cash from the UASI '05 Homeland Security Grant, Fund 47N, to Fund 100 to reimburse the General Fund for Fire Department UASI '05 grant-eligible expenditures;
52. Transfer appropriations in the amount of \$96,151.50 from the Homeland Security Assistance Fund No. 47N/46, Account Y238, Fire, to the Information Technology Agency (ITA) Fund No. 100/32, Account 1100, Salaries-Hiring Hall, and authorize ITA to expend funds in support of Fire Department UASI '05 grant projects (C.F. 05-1995);
53. In accordance with the above recommendation, authorize the Mayor, upon presentation of proper documentation from the Information Technology Agency (ITA), to transfer cash from the UASI '05 Homeland Security Grant, Fund 47N, to Fund 100 to reimburse the General Fund for ITA expenditures in support of Fire Department UASI '05 grant-eligible projects;
54. Transfer appropriations in the amount of \$200,702 from Homeland Security Assistance Fund No. 47N/46, Account Y235, Emergency Preparedness Department, to Information Technology Agency Fund No. 100/32, Account 1010, Salaries General, and authorize the Information Technology Agency to expend funds in support of Emergency Preparedness Department UASI '05 grant projects (C.F. 05-1995);
55. In accordance with the above recommendation, authorize the Mayor, upon presentation of proper documentation from the Information Technology Agency (ITA), to transfer cash from the UASI '05 Homeland Security Grant, Fund 47N, to Fund 100 to reimburse the General Fund for ITA expenditures in support of Emergency Preparedness Department UASI '05 grant-eligible projects;
56. Transfer appropriations in the amount of \$21,806.63 from Homeland Security Assistance Fund No. 47N/46, Account Y235, EPD, to Emergency Operations Fund No. 392/34, Account 3040, Contractual Services, and authorize the Emergency Preparedness Department (EPD) to expend funds for UASI '05 grant projects (C.F. 05-1995);
57. In accordance with the above recommendation, authorize the Mayor, upon presentation of documentation from the Emergency Preparedness Department, to transfer cash from the UASI '05 Grant, Fund 47N, to Fund 392 to reimburse the Emergency Operations Fund for UASI '05 grant-eligible expenditures;
58. Transfer appropriations in the amount of \$5,682.50 from Homeland Security Assistance Fund No. 47N/46, Account Y601, Police, to Information Technology Agency (ITA) Fund No. 100/32, Account 9350, Communications Services, and authorize ITA to expend funds in support of Police Department SHSGP '05 grant projects (C.F. No. 05-2675);

59. In accordance with the above recommendation, authorize the Mayor, upon presentation of proper documentation from the ITA, to transfer cash from the SHSGP '05 Grant, Fund 47N, to Fund 100 to reimburse the General Fund for ITA expenditures in support of Police Department SHSGP '05 grant-eligible projects;
60. Transfer appropriations in the amount of \$11,372 from the Homeland Security Assistance Fund No. 47N/46, Account Y601, Police, to the General Services Department (GSD) Fund No. 100/40, Account 3040, Contractual Services, and authorize GSD to expend funds in support of Police Department SHSGP '05 grant projects (C.F. No. 05-2675);
61. In accordance with the above recommendation, authorize the Mayor, upon presentation of proper documentation from the General Services Department (GSD), to transfer cash from the SHSGP '05 Grant, Fund 47N, to Fund 100 to reimburse the General Fund for GSD expenditures in support of Police Department SHSGP '05 grant-eligible projects;
62. Authorize the Controller to increase appropriations to the General Services Department Fund No. 100/40 in the amount of \$2,496,667 from MICLA Fund No. 298/50, new account entitled Topanga Yard, for construction services to complete the Topanga Yard, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1101	Construction Hiring Hall	\$1,020,000
1121	Construction Hiring Hall Fringe Benefits	280,000
3180	Construction Materials and Supplies	<u>1,196,667</u>
	Total	\$2,496,667

63. In accordance with Recommendation No. 62, instruct the Bond Fund Administrator to transfer cash from MICLA Fund No. 298 to reimburse the General Fund on an as-needed basis upon proper documentation from the General Services Department and approval of the City Administrative Officer;
64. Authorize the Controller to increase appropriations to the General Services Department Fund No. 100/40 in the amount of \$1,511,330 from MICLA Fund No. 298, new account entitled City Hall East Fire Life Safety, for fire life safety improvements in City Hall East, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1101	Construction Hiring Hall	\$553,399
1121	Construction Hiring Hall Fringe Benefits	202,266
3180	Construction Materials and Supplies	<u>755,665</u>
	Total	\$1,511,330

65. In accordance with Recommendation No. 64, instruct the Bond Fund Administrator to transfer cash from MICLA Fund No. 298 to reimburse the General Fund on an as-needed basis upon proper documentation from the General Services Department and approval of the City Administrative Officer;

66. Authorize the Controller to increase appropriations to the General Services Department Fund No. 100/40 in the amount of \$850,000, from MICLA Fund 298, for various capital improvements at the El Pueblo Monument, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1014	Construction Salaries	\$125,000
1101	Construction Hiring Hall	250,000
1121	Construction Hiring Hall Fringe Benefits	85,000
3180	Construction Materials and Supplies	<u>390,000</u>
	Total	\$850,000

67. In accordance with Recommendation No. 66, instruct the Bond Fund Administrator to transfer cash from MICLA Fund No. 298 to reimburse the General Fund on an as-needed basis upon proper documentation from the General Services Department and approval of the Program Manager and City Administrative Officer;

68. Authorize the Controller to increase appropriations to various departments in amounts totaling \$93,914 from MICLA Fund No. 26A/50, Account No. A550, Police Administration Building (New Parker Center), Other Direct Costs, for conduit installation work and traffic services, as follows:

<u>Fund/Dept</u>	<u>Dept</u>	<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
100/40	GSD	1014	Construction Salaries	\$14,640
100/40	GSD	1090	Salaries Overtime	40,000
100/40	GSD	3180	Construction Materials & Supplies	12,962
100/32	ITA	1090	Salaries Overtime	16,312
100/94	DOT	1090	Salaries Overtime	<u>10,000</u>
			Total:	\$93,914

69. In accordance with Recommendation No. 68, instruct the Board of Public Works to transfer cash from MICLA Fund No. 26A to reimburse the General Fund on an as-needed basis upon proper documentation from the departments and approval of the Police Administration Building Project Manager and the City Administrative Officer;

- 70. Authorize the Controller to increase appropriations to various departments as delineated in Attachment 10a., in the amount of \$1,929,933, from MICLA Fund No. 26A, for actual and estimated project and construction management support expenses related to construction of the Police Administration Building (New Parker Center);
- 71. In accordance with Recommendation No. 70, instruct the Board of Public Works to transfer cash from MICLA Fund No. 26A to reimburse the General Fund on an as-needed basis upon proper documentation from the departments and approval of the Police Administration Building Project Manager and the City Administrative Officer;
- 72. Authorize the Board of Public Works to transfer \$215,000 within Fund 100/54 from the accounts listed below, to Account A739, Arroyo Seco Feasibility Study:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
F306	Underground Storage Tank	\$125.00
H318	Contaminated Soil	104,427.87
J318	Contaminated Soil	400.00
L003	Asbestos Removal	128.76
L012	Los Angeles Mall Elevators	8,376.00
L013	L A Mall and Parking Structure	3,024.00
L318	Contaminated Soil	50,000.00
L333	Apparatus Door Replacement	1,933.31
M318	Contaminated Soil	<u>46,585.06</u>
	Total	\$215,000

- 73. Transfer \$350,639 within General Services Department Fund 100/40 from the Construction Materials Account No. 3180 to the Contractual Services Account No. 3040 for HVAC repairs at the Public Works Building;
- 74. Authorize the Controller to increase appropriations to various departments totaling \$618,987 as delineated in Attachment 10b. from MICLA Fund No. 26B, for actual and estimated project and construction management support expenses related to tenant improvements at the Public Works Building;
- 75. In accordance with Recommendation No. 74, instruct the Board of Public Works to transfer cash from MICLA Fund No. 26B to reimburse the General Fund on an as-needed basis upon proper documentation from the departments and approval of the Program Manager and the City Administrative Officer;
- 76. Transfer \$524,122.98 from the following accounts within the Zoo Enterprise Trust Fund Department 87, No. 40E, Appropriation Accounts 7700 and 8800, to the Capital Improvement Expenditure Program, Fund 100/54 to a new account entitled "Gorilla Exhibit":

<u>Account No. / FY</u>	<u>Account Name</u>	<u>Amount</u>
7700 / 00	Gorilla Holding and Exhibit	\$300.00
7700 / 02	Gorilla Holding and Exhibit	297,963.98
8800 / 02	Proposition A Cash Flow	<u>225,859.00</u>
	Total	\$524,122.98

77. Authorize the Controller to increase appropriations in the amount of \$58,048 to the General Services Department, Fund 100/40 from Library Bond Program Fund No. 198, Account No. P209, El Sereno Library, for post-construction work, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1100	Hiring Hall Salaries	\$14,579
3160	Maintenance Materials and Supplies	<u>43,469</u>
	Total	\$58,048

78. In accordance with Recommendation No. 77, instruct the Bond Fund Administrator to transfer cash from Fund No. 198 to reimburse the General Fund on an as-needed basis upon proper documentation from the General Services Department and approval of the Program Manager and the City Administrative Officer;

79. Authorize the Controller to increase appropriations in the amount of \$22,625 to the General Services Department, Fund 100/40 from the Library Bond Program Fund No. 198, Account No. P213, Little Tokyo Library, for post-construction work, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1100	Hiring Hall Salaries	\$11,086
1120	Hiring Hall Fringe Benefits	4,751
3160	Maintenance Materials and Supplies	<u>6,788</u>
	Total	\$22,625

80. In accordance with Recommendation No. 79, instruct the Bond Fund Administrator to transfer cash from Fund No. 198 to reimburse the General Fund on an as-needed basis upon proper documentation from the General Services Department and approval of the Program Manager and the City Administrative Officer;

81. Authorize the Controller to increase appropriations to various departments totaling \$501,441 as delineated in Attachment 10c., from the Proposition DD Library General Obligation Bond Fund Nos. 198, 15A and 15E, and instruct the Board of Public Works to reimburse the General Fund on as-needed basis upon proper documentation of the departments and approval of the Program Manager and the City Administrative Officer;

82. Transfer \$12,876 from the Proposition Q, Fund 15N, Balance Sheet Account 2200 – Miscellaneous Deposit, to Fund 305, Subventions and Grants Fund, Revenue Source 4888 – Miscellaneous Deposit, and appropriate the same amount within Fund 305/50 to a new account, titled “Proposition Q Gas Co. Rebate”;
83. Authorize the Board of Public Works to deposit into Fund 305/50, Subventions and Grants Fund, future funds received as a rebate from the Southern California Gas Company for the Proposition Q Program and appropriate the amount received to a new account for the fiscal year in which the funds are received and title the accounts as “Proposition Q Gas Co. Rebate”;
84. Authorize the Controller to increase appropriations in the amount of \$10,110 to the Information Technology Agency, Fund No. 100/32, Account No. 1090, Salaries Overtime, from the Public Safety General Obligation Bond Fund No. 15N/50, Account No. T302, Bomb Squad Facility – Valley;
85. In accordance with Recommendation No. 84, instruct the Board of Public Works to transfer cash from Fund No. 15N to reimburse the General Fund on an as-needed basis upon proper documentation from the Information Technology Agency and approval of the Program Manager and the City Administrative Officer;
86. Authorize the Controller to increase appropriations in the amount of \$800,000 to the General Services Department, Fund 100/40, from Public Safety General Obligation Bond Fund No. 16A/50, Account No. W310, Renovation Police, to retrofit the existing parking structure at the Van Nuys police station, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1014	Construction Salaries	\$100,000
1101	Hiring Hall Salaries	112,000
1121	Hiring Hall Fringe Benefits	38,000
3180	Construction Materials and Supplies	<u>550,000</u>
	Total	\$800,000

87. In accordance with Recommendation No. 86, instruct the Board of Public Works to transfer cash from Fund No. 16A to reimburse the General Fund on an as-needed basis, upon proper documentation from the General Services Department and approval of the Program Manager and City Administrative Officer;
88. Authorize the Controller to increase appropriations in the amount of \$673,000 to the General Services Department, Fund No. 100/40, from Public Safety General Obligation Bond Fund No. 16A/50 Account No. W309, Renovations-Existing Fire Facilities, for renovations at Fire Stations 6 and 33, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1014	Construction Salaries	\$280,600
1101	Hiring Hall Salaries	92,750
1121	Hiring Hall Fringe Benefits	28,450
3180	Construction Materials and Supplies	<u>271,200</u>
Total		\$673,000

89. In accordance with Recommendation No. 88, instruct the Board of Public Works to transfer cash from Fund No. 16A to reimburse the General Fund on an as-needed basis, upon proper documentation from the General Services Department and approval of the Program Manager and City Administrative Officer;

90. Authorize the Controller to increase appropriations to various departments totaling \$4,859,701 as delineated in Attachment 10d. from the Proposition Q Citywide Public Safety General Obligation Bond Fund Nos. 15N, 15U and 16A, and authorize the Board of Public Works to reimburse the General Fund on an as-needed basis upon proper documentation from the Bond Fund Administrator and approval of the Program Manager and City Administrative Officer;

91. Authorize the Controller to increase appropriations to various departments totaling \$3,645,025.99 as delineated in Attachments 10e. and 10f. from the: 1) Proposition F Fire Facilities General Obligation Bond Fund Nos. 15T and 16D; and, 2) Proposition F Animal Facilities General Obligation Bond Nos. 15L, 15G and 15S, and authorize the Board of Public Works to reimburse the General Fund on an as-needed basis upon proper documentation from the Bond Fund Administrator and approval of the Program Manager and City Administrative Officer;

92. Transfer \$244,989 within Sites and Facilities Fund 209/88 from the Contingencies Account V200 into Account A140 entitled General Services Department and appropriate therefrom to the General Services Department, Fund No. 100/40, for Phase II ADA Transition Plan work, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1101	Hiring Hall Salaries	\$100,000
1121	Hiring Hall Fringe Benefits	25,000
3180	Construction Materials and Supplies	<u>119,989</u>
Total		\$244,989

93. Instruct the General Services Department to submit expenditure reports to the Bureau of Engineering, the Department of Recreation and Parks and the City Administrative Officer on a monthly basis;

94. Authorize the Department of Recreation and Parks to transfer cash not-to-exceed \$244,989 on an as-needed basis subject to approval of the expenditure reports;

95. Authorize the Chief Accounting Employee for the Department of Public Works to transfer, by June 30, 2007, \$434,800 from the Sewer Capital Fund No. 761, Department 50, Account W178-Engineering and \$177,600 from the Sewer Operations and Maintenance Fund No. 760, Department 50, Account W182-Sanitation, to Fund 100/53 (Capital Finance Administration Fund), for lease payments related to SCMF occupancy in the Public Works Building;
96. Authorize the Controller to increase appropriations to the General Services Department Fund No. 100/40 in the amount of \$250,000 from MICLA Fund 298, new account entitled Piper Tech Cafetorium, for demolition to the Piper Tech Cafetorium, as follows:
- | <u>Account No.</u> | <u>Account Name</u> | <u>Amount</u> |
|--------------------|--|---------------|
| 1014 | Construction Salaries | \$65,000 |
| 1101 | Construction Hiring Hall | 100,000 |
| 1121 | Construction Hiring Hall Fringe Benefits | 35,000 |
| 3180 | Construction Materials and Supplies | <u>50,000</u> |
| | Total | \$250,000 |
97. In accordance with Recommendation No. 96, instruct the Bond Fund Administrator to transfer cash from MICLA Fund No. 298 to reimburse the General Fund on an as-needed basis upon proper documentation from the General Services Department and approval of the City Administrative Officer;
98. Authorize the Controller to decrease the appropriation within Building and Safety Permit Enterprise Fund No. 48R, Account A299 Reimbursement of General Fund Costs, by \$2,096,459 to reduce the amount of related costs reimbursements in 2006-07 from the Building and Safety Permit Enterprise Fund funding source to the General Fund by \$2,096,459 to repay the Building and Safety Permit Enterprise Fund for prior year over-reimbursement of related costs;
99. Authorize the Board of Public Works to revert any unspent project funds, including staff cost accounts, to Fund No. 305/50, Account R650, Santa Monica Boulevard Transit Parkway;
100. Instruct the City Attorney to amend Ordinance No. 177000, which establishes the Burglar Alarm System Penalty Trust Fund, to restrict transfers to the Fund to only those amounts needed for the replacement and maintenance of the City's False Alarm System, as approved by the Council;
101. Instruct the Police Department to immediately cease transfer of receipts for non-permitted alarm system and false alarm penalties to the Burglar Alarm System Penalty Trust Fund pending revision of Ordinance No. 177000, and transfer \$2.1 million back to the General Fund, consistent with Recommendation No. 100;
102. Authorize the Controller to transfer \$60,000 from the Reserve Fund to the Unappropriated Balance and appropriate a like amount therefrom to the Environmental

Affairs Trust Fund, Fund Number 537, Account 0040 Rooted in Neighborhoods, to be repaid upon reimbursement of State grant funds;

103. Authorize the Controller to reduce the Street Lighting Maintenance Assessment Fund, Special Purpose Fund appropriation for Reimbursement of General Fund Costs, Fund 347/50, Account A299, from \$7,047,256 to \$2,647,000, which will reduce General Fund receipts for the following departments:

<u>Dept</u>	<u>Budgeted Revenue</u>	<u>Revised Revenue</u>	<u>Change</u>	<u>Amount Transferred to be Reversed</u>
City Clerk	\$37,464	\$0	-\$37,464	\$18,732
General Services	175,360	0	-175,360	87,678
Information Technology	25,400	0	-25,440	12,720
Agency Board of Public Works	83,207	0	-83,207	41,604
Contract Administration	90,249	0	-90,249	45,126
Street Lighting	<u>6,635,536</u>	<u>2,647,000</u>	<u>-3,998,536</u>	<u>670,402</u>
TOTAL	\$7,047,256	\$2,647,000	-\$4,440,256	\$876,626

104. Authorize the Controller to reverse previously transferred General Fund receipts for Reimbursement of General Fund Costs in the amount of \$876,626 to match the above revised amounts;
105. Authorize the Controller to reduce the Street Lighting Maintenance Assessment Fund, Special Purpose Fund appropriation for Tree Trimming, Fund 347/50, Account A900 from \$2 million to \$1 million;
106. Authorize the Controller to appropriate \$87,315 from Department of Recreation and Parks Fund No. 302/89, Account 140A General Services Department (GSD), to GSD Fund No. 100/40, Account 1014 Salaries Construction Projects in the amount of \$69,080, and to GSD Fund No. 100/40, Account 3180 Construction Materials in the amount of \$18,235, as approved by the Board of Recreation and Parks Commissioners (File No. 06-339), for facilities enhancements at South Weddington Park, and instruct the Department of Recreation and Parks to transfer cash on an as-needed basis to reimburse the General Fund upon approval of expenditure reports submitted by GSD;
107. Increase appropriations to the Information Technology Agency (ITA) Fund No. 100/32, Account No. 9350 Communication Services in the amount of \$135,632, and to ITA

Fund No. 100/32, Account No. 1090 Overtime General in the amount of \$12,075.30, for fiber optic installation work requested by the Harbor Department, and instruct the Harbor Department to transfer cash on an as-needed basis to reimburse the General Fund upon approval of expenditure reports submitted by ITA;

108. Increase appropriations to the Information Technology Agency (ITA) Fund No. 100/32, Account No. 9350 Communication Services in the amount of \$21,231, for communications services requested by the Department of Recreation and Parks, as detailed below, and instruct the Department of Recreation and Parks to transfer cash on an as-needed basis to reimburse the General Fund upon approval of expenditure reports submitted by ITA:

<u>Fund/Dept</u>	<u>Account No.</u>	<u>ITA Work Order No.</u>	<u>Amount</u>
302/89	460K	88-00349	\$19,721
302/89	460K	88-00350	885
302/89	001M	88-00359	305
302/89	001M	88-00361	<u>320</u>
Total:			\$21,231

109. Authorize the use of \$2.3 million in Municipal Improvement Corporation Los Angeles (MICLA) financing by the Information Technology Agency for the design and construction of the City's 3-1-1 Center;
110. Instruct the City Attorney to present a Reimbursement Resolution for up to \$2.3 million in costs associated with the design and construction of the City's 3-1-1 Center;
111. Authorize the General Manager of the Information Technology Agency to expend \$300,000 from the Telecommunications Development Account, Department 32, Fund 342, in order to replace obsolete computer equipment from account(s) to be determined by the ITA, with the provision that the Agency's 2006-07 General Fund transfer obligation not be reduced;
112. Instruct El Pueblo to report back to the Budget and Finance Committee within 15 days with a plan to reduce expenditures to match its budget appropriation including proposed museum hours for the remainder of the fiscal year and for 2007-08; and,
113. Authorize the City Administrative Officer to make technical corrections, as necessary, to those transactions included in this report to implement the Mayor and Council's intentions.

FISCAL IMPACT STATEMENT

We are projecting over-expenditures of approximately \$41.3 million this fiscal year. The largest portion of the deficit is attributable to an \$8 million shortfall in the Civilian Flex Account, due to significant increases in health care costs and a steady increase in the hiring of City employees, and a \$9.7 million shortfall in the Worker's Compensation Account. This report includes recommendations to transfer and appropriate \$3.07 million in surplus funds from departments, \$3.96 million from the Unappropriated Balance, and \$17 million from the Reserve Fund to partially address the most urgent shortfalls. \$9.7 million of prior-year General Fund encumbrances that are no longer needed are identified. The remaining projected shortfall is \$17.2 million.

DISCUSSION

1. BASIS FOR REPORT

Throughout the course of the fiscal year, the Office of the City Administrative Officer monitors the budget and transmits frequent reports to the Mayor and Council detailing the City's current financial status. This Mid-Year report: 1) reviews the status of estimated City receipts; 2) estimates potential budgetary problems in departments; and, 3) recommends various budgetary adjustments.

2. GENERAL FUND REVENUE

General Fund receipts at February are close to plan and we now project receipts will exceed the budget by \$45 million -- about one percent. As reported previously, the County Auditor-Controller remitted approximately \$44 million in property tax receipts in July 2006 which we anticipated receiving before June 30, 2006. The City's financial system recorded these receipts as Fiscal Year 2006-07 revenue.

With the exception of the one-time shift in property tax receipts, aggregate General Fund receipts are expected to be very close to budget, although a number of offsetting positive and negative adjustments in individual accounts are likely.

The most significant change is recognition that the long-standing transfer from the Water Revenue Fund is unlikely this fiscal year. Loss of this transfer in Fiscal Year 2006-07 will reduce General Fund revenue by \$31.6 million. A recent California Supreme Court case held that transfers from water systems similar to the transfer received by Los Angeles could be viewed as "taxes" and subject to the requirements of Proposition 218. The City Attorney is pursuing legal clarification as to the validity of the City's historic transfer, but it is unlikely the matter will be resolved before June 30.

The City's documentary transfer tax is equivalent to a sales tax on the transfer of real property in the City. Receipts from this tax have grown in recent years, reflecting the very active local real estate market. In anticipation of a turn in the market and the slowing that market is now experiencing, the estimated receipts were reduced by \$24.6 million from the Fiscal Year 2005-06 level. Based on receipts to date, a review of market data, and discussions with local real estate experts, the budget estimate is now reduced by another \$7.5 million. A smaller \$3.4 million-reduction in property tax receipts is also made to reflect current market conditions.

A \$14.5 million reduction in the gas users' tax is made based on a review of receipts to date and market conditions. The revenue estimate was linked to the futures market for California natural gas commodity prices at the time the budget was prepared. The market price this winter is now substantially below the level of the forward market for winter 2007 made last year.

The final significant reduction at this time is a \$4 million drop in sales tax. City cash receipts in the January – March 2007 quarter include Christmas season results. Cash receipts during this

period were only at the level of the previous year. The budget anticipated four-percent growth in this quarter and it is not likely this will be made up before June 30.

Offsetting these reductions are positive adjustments in licenses, permits fees and fines, the business tax and the electric users' tax. The principal positive adjustment is \$31 million in reimbursements for state-mandated programs which was not budgeted because the state has not been funding this program in recent years. This adjustment is included in the licenses, permits, fees and fines account. We are currently reviewing this account on a line-by-line basis and are hopeful other revenue increases can be recognized.

Based on receipts to date, business taxes are anticipated to finish the year \$27.5 million above plan. Much of positive change is the result of stepped-up compliance/collection efforts by Office of Finance staff and the information exchange program with the State Franchise Tax Board. We are hopeful additional positive adjustments will be possible when our preliminary review of the results of the 2007 renewal is completed.

Receipts from the electric users' tax are currently running nearly 7% ahead of last year and information from the Department for Water and Power confirms that underlying electric consumption and revenue support a \$5.3 million increase to the budget estimate.

As we have reported previously, there are several threats to telephone users' tax, although it is not likely that any unfavorable outcome would affect current fiscal year revenue. But some judicial resolution at the appellate level as to challenges to the wireless portion of telephone users' tax could occur in the next several months. Other challenges to the entire telephone users' tax are at earlier stages. We will continue to report separately on threats to the telephone users' tax as new information becomes available.

Attachment 2 summarizes variances to the budget plan at February and identifies recommended revisions to revenue estimates. The 'Revenue Outlook, Supplement to the Fiscal Year 2007-08 Proposed Budget' is currently being prepared. It will include updated revenue information on each General Fund revenue account and will also provide the usual detail by revenue line-item. It will include historical perspective and current economic and industry trends which affect major revenue sources.

3. BUDGETARY ADJUSTMENTS AND POTENTIAL SURPLUSES/SHORTFALLS

The following are brief descriptions by department of budgetary adjustment recommendations included in this report and potential shortfalls.

A. Aging

Attachment 5 – Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

A surplus of approximately \$195,000 is projected in the Salaries General account due to staff vacancies. Approximately \$82,000 of the surplus is General Fund money. This report recommends transferring \$82,000 to offset deficits in other City departments.

B. Animal Services

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 5 – Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

A surplus of approximately \$693,384 is projected in the Salaries General account due to a high number of vacancies. This report recommends transferring \$400,000 of the surplus to offset deficits in other City departments.

A transfer of \$38,000 from the Salaries General account to the Contractual Services account is recommended to allow the Department to contract professional personal services for the development of a community outreach program and a volunteer program. A transfer of \$75,000 from the Salaries General account to the Private Veterinary Care Expenses account is also recommended. Until all Veterinarian positions can be filled, the Department will continue to utilize private veterinary care to meet its current workload. Five of the Department's seven Veterinarian positions are currently vacant.

C. Building and Safety

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 - Transfers between Departments and Funds

Recommendation Nos. 102 and 103

There are no projected deficits or surpluses in the General Fund portions of the Department's budget. However, a \$3.76 million salary surplus is projected due to Enterprise Funded position vacancies. The vacancies are due, in part, to new position authorities approved in the 2006-07 budget that the Department has yet to fill, and staff turnover. In addition, a \$150,000 deficit is anticipated in the Enterprise Funded portion of the Transportation Account. This deficit is the result of continued high levels of construction activity, coupled with a January 1, 2007 increase in the mileage reimbursement rate. A transfer from the Salaries General account to the Transportation account is recommended in order to cover this deficit.

The Enterprise Fund reimburses the General Fund for all overhead costs associated with its activities. Following a review of the 2005-06 actual salary costs associated with Enterprise Funded activities, it was determined that the Enterprise Fund reimbursed the General Fund

\$2,096,459 more than was required in 2005-06 (i.e., \$26,520,140 rather than \$24,423,681). This is largely due to lower than anticipated salary costs associated with the Enterprise Fund's 2005-06 activities. The \$2 million owed by the General Fund will be accounted for by reducing the current Fiscal Year's estimate for the Departments revenue by a like amount.

D. City Administrative Officer

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 - Transfers between Departments and Funds

Attachment 5 – Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

The City Administrative Officer (CAO) is projecting a \$135,000 surplus in its Salaries General account due to vacancies. This amount will be used to partially offset a projected deficit in the Salaries Overtime account. In the 2006-07 Adopted Budget, the CAO did not receive funding for overtime payouts. The CAO projects approximately \$45,000 in overtime payouts as required by law and recommends transferring \$45,000 from the Salaries General account to the Salaries Overtime account. This report recommends transferring the remaining \$90,000 of the surplus to offset deficits in other City departments.

The CAO recommends transferring \$30,366 in FY 05 Homeland Security Urban Areas Security Initiative (UASI) grant funds from the Homeland Security Assistance Fund to reimburse eligible staff costs. In addition, a \$6,000 transfer is also requested from the Capital Finance Administration Fund (CFAF) to the CAO's Travel (\$3,000) and Office and Administrative Expense (\$3,000) accounts. The CFAF provides funds for training, travel, rating agency presentations and investor meetings. The funds are used to train new employees, attend seminars on changes in bond and securities law and to meet with rating agencies and investors concerning the City's Debt Management Program. However, travel cannot be expended directly out of the CFAF, therefore, a transfer of funds is requested.

Lastly, all Risk Management funds are maintained within the Insurance and Bonds Premium Fund except the funding for the Bond Assistance Program Los Angeles (BAPLA) that resides both within the Insurance and Bonds Premium Fund and the Contractual Services account. For consistent and efficient administration of the program funds, we are requesting that the BAPLA funds that currently reside in the Contractual Services account be permanently transferred over to the Insurance and Bonds Premium Fund.

E. City Attorney

Attachment 4 - Transfers between Departments and Funds

Attachment 6 – Appropriations from the Unappropriated Balance Recommendation No. 7

The Department is currently projecting a year-end deficit of \$178,000 mainly due to a \$175,000 shortfall in the Litigation account. This report recommends offsetting the deficit in the Litigation account with a \$175,000 transfer from the UB (Litigation Expense line item). Funding is also recommended for outside counsel expenditures and unfunded positions to be reimbursed by the proprietary departments as follows: a transfer in the amount of \$375,000 from the Liability Claims Fund to the Workers Compensation Outside Counsel account, and

an advance of \$1,100,000 from the Reserve Fund to the Salaries Proprietary account to cover the cost of City Attorney staff assigned to various proprietary departments. The latter amount will be reimbursed by the proprietary departments.

F. City Clerk

Attachment 3 - Transfers between Accounts within Departments and Funds

A deficit of approximately \$124,421 is currently projected in the Salaries General account due to EAA retroactive payments and other personnel related expenses such as retirement and sick leave payouts. This report recommends transferring \$125,000 from the Elections Expense account to the Salaries General account to cover the shortfall.

G. Commission for Children, Youth and their Families

Attachment 5 – Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

The Department projects a year-end surplus of approximately \$228,000 in General Fund money due to staff vacancies. This report recommends transferring this amount to offset deficits in other City departments.

H. Commission on the Status of Women

The Department projects a year-end Special Fund surplus of \$26,798. The surplus will revert to the Schiff-Cardenas special fund.

I. Controller

Attachment 5 – Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

The City Controller's Office projects a year-end surplus of \$600,000 due to a large number of vacancies in the Auditing Division. This report recommends transferring this surplus to offset deficits in other City departments.

J. Convention Center

Recommendation Nos. 8-11

Per the Controller, the Convention Center has changed its accounting practices with respect to how expenditures for extra services and materials requested by clients are tracked in its operating budget. These expenses are paid from the operating budget and reimbursed by the Convention Center Revenue Fund. This change in procedure requires that the department account for money spent on these expenses in its operating budget. In order to comply with this change, the Department now requires an additional appropriation in various accounts for a total of \$922,000. This will allow the Department to utilize the funding in accordance with the Controller's requirements. It is expected that adjustments will also be required in the year end financial status report.

The department projects a shortfall in its Contractual Services account due to \$74,073 in costs incurred earlier this year for the replacement of an escalator step. This was a critical safety component of the escalator operation. The Convention Center Revenue Fund will provide funding to offset the expenditure.

K. Council

Attachment 3 – Transfers between Accounts within Departments and Funds

A transfer of \$600,000 is recommended from the Salaries General account to the As-Needed Salaries account to adjust budgeted funds between accounts to better match personnel authorities.

L. Cultural Affairs

Attachment 6 – Appropriations from the Unappropriated Balance

The Department has projected shortfalls in its Salaries General account (\$21,901) and Salaries As-Needed account (\$76,976) that they will absorb through savings in other accounts.

The 2006-07 Adopted Budget set aside \$107,597 in the Unappropriated Balance for costs the Department would incur while serving as a caretaker for the Nate Holden Performing Arts Center. This Office recommends that \$72,594 be transferred from the Unappropriated Balance (Nate Holden Performing Arts Center line item) to various accounts within the department to pay for expenses incurred for the first half of this fiscal year as well as anticipated expenses for the remainder of the year.

The Cultural Facilities and Services Trust Fund (Fund 480) is experiencing a shortfall due to an inadvertent omission made during the development of the 2006-07 budget of prior year commitments in the calculation of the Fund. Revenues the Fund received for prior year commitments are strictly designated for General Obligation Bond Projects. Additionally, the 2005-06 estimated Transient Occupancy Tax receipts to this fund were lower than anticipated. These changes will result in a reduction of related costs payments from the Fund to the General Fund in 2006-07 and may result in a reimbursement to the Fund of approximately \$100,000. This Office is monitoring this Fund with the Department and does not recommend an appropriation at this time.

M. Disability

The Department projects a year-end deficit of \$16,843 in the Salaries General account. This Office will monitor the condition of the Department's budget and make any necessary adjustments in the Year-end Financial Status Report.

N. El Pueblo

Attachment 3 - Transfers between Accounts within Departments and Funds Recommendation No. 112

The Department is not projecting a year-end deficit as surpluses in some accounts will offset deficits in other accounts.

The Department projects a deficit of \$80,000 in the Salaries As-Needed account as a result of the opening of a new museum and gallery in the Pico House, an increase in operating hours at the four other museums, additional security at the museums, and the addition of a Museum Guide on the weekends. Although the current museum operating schedule has been approved by the El Pueblo Commission, to date, the Mayor and Council have not authorized or funded the expanded museum hours. Until such time that the Mayor and Council have approved the expanded hours and funding, the Department should reduce hours accordingly. It is recommended that the Department report back to the Budget and Finance Committee within 15 days with a plan to reduce expenditures to match its budget appropriation including proposed museum hours for the remainder of this fiscal year and for FY 2007-08.

The Department projects deficits of \$55,000 in the Office & Administration (\$35,000), Overtime (\$5,000) and Special Events (\$15,000) accounts. Included in this report are transfers of surpluses from the Water and Electricity and Operating Supplies accounts to offset the deficits.

O. Emergency Preparedness

This Office projects a deficit of \$29,833 in the Salaries General account. This Office will monitor the condition of the Department's budget and make any necessary adjustments in the Year-end Financial Status Report.

P. Environmental Affairs

Attachment 3 - Transfers between Accounts within Departments and Funds Recommendation Nos. 12 and 102

The Department is requesting that \$15,000 in surplus funds be transferred from their Salaries General account to their Printing and Binding (\$5,000) and Office and Administration account (\$10,000). The transfer is needed to pay for the cost of printing environmental business guides, purchase materials to promote environmental stewardship and to purchase equipment for the new Assistant General Manager position.

The Department requests a reappropriation of \$5,000 for the Sun Valley Air Quality Outreach and Education project to complete the project. The original appropriation of \$100,000 was received in 2005-06 (C.F. No. 04-1393). EAD advised that although a contract award of \$95,000 was encumbered, the balance of \$5,000 intended for project management reverted back to fund No. 689 (CD 7 Real Property Trust Fund) due to delays in awarding the contract.

The Department requests a Reserve Fund Loan in the amount of \$60,000 to front payments to non-profits until grant reimbursements are received from the State of California. The grant project "Rooted in Neighborhoods" ends in March, and the Department requests funds to pay

the invoices from that program within the required 30-day period. The Department states that after submitting receipts to the State, it may take 60 days or more to receive the reimbursement grant funds. The Department will repay the Reserve Fund when they receive the grant reimbursement from the State.

Q. Ethics

Attachment 5 – Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

A year-end surplus of approximately \$73,000 is anticipated due to salary savings. This report recommends reducing the General Fund appropriation to the Ethics Fund by \$73,000 to offset deficits in other City departments.

R. Finance

Attachment 3 - Transfers between Accounts within Departments and Funds

This Office is projecting an overall net shortfall of approximately \$214,000. This shortfall is primarily attributable to printing costs associated with new business accounts, transportation costs associated with increased field audits, and overtime. A \$44,000 transfer from the Office and Administration account to the Transportation account is recommended to partially offset this shortfall. This Office will monitor the condition of the department's budget and make any necessary adjustments in the Year-end Financial Status Report.

S. Fire

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 – Transfers between Departments and Funds

Attachment 6 – Appropriations from the Unappropriated Balance

At this time, a year-end deficit of \$4,183,438 is projected mainly due to deficits in various accounts. However, this deficit is reduced to \$1,183,438 after factoring in the proposed Mid-Year actions of \$2.81 million.

Specifically, deficits are reported in the following accounts: Overtime Constant Staffing (\$5,417,913), Overtime Sworn (\$1,676,577), Firefighter Sworn Bonuses (\$387,297), Field Equipment Expense (\$934,000), Contractual Services (\$234,910) and Office and Administrative (\$29,204). The constant staffing account shortfall is primarily attributed to platoon duty vacancies that must be backfilled. However, surpluses totaling \$2,310,015 from the Salaries General account (\$296,164), Firefighter Sworn account (\$1,843,305), Unused Sick Time account (\$532), Salaries As-Needed account (\$12,261) and Overtime Variable Staffing account (\$157,753) will be used to partially offset the deficits in the aforementioned accounts. Additionally, a \$2.5 million appropriation from the Unappropriated Balance, Reserve for Economic Uncertainties account is recommended to partially offset the deficit in the Overtime Constant Staffing account.

A transfer in the amount of \$85,596 from the UB (New Fire Stations line item) for new fire stations coming online is also recommended. In addition, transfers from the Homeland

Security Assistance Fund 47N totaling \$635,139 are recommended to reimburse the Fire Department for expenditures related to Homeland Security.

T. General Services Department

Attachment 4 - Transfers Between Departments and Funds

Attachment 6 - Appropriations from the Unappropriated Balance

Excluding the petroleum deficit, the Department is projecting a \$4.5 million deficit in various accounts. Specifically, the Department projects shortfalls in the Salaries As Needed (\$925,000), Salaries Overtime (\$1,000,000), Contractual Services (\$500,000), Field Equipment Expense (\$800,000) and Water/Electricity (\$1,371,000) accounts. This Office is recommending appropriations of \$4,596,000 to address these shortfalls (\$3,225,000 from the UB, Reserve for Economic Uncertainties account and \$1,371,000 from the UB, Water/Electricity line item).

Regarding the Petroleum Products account, the Department is now projecting \$3.4 million in monthly expenditures through the end of the fiscal year. As of late December 2006, gasoline and diesel costs were 3.9% and 6% higher, respectively, than the same year to date period last year. Fuel usage for the period June through December is up 6.5% for gasoline and down 1.7% for diesel over the same period last year. As petroleum prices continue to increase, additional funding may be required in the Year-end Financial Status Report. An appropriation of \$4 million from the Unappropriated Balance (Petroleum Products) is recommended to allow the Department to continue managing the purchase of petroleum products until a more accurate year-end projection is available. After factoring in the proposed \$4 million appropriation, it is estimated that the Petroleum Products account deficit is in the range of \$1 million to \$5 million. We will continue to monitor fuel prices and expenses and recommend future appropriations, if necessary, in the year-end financial report.

GSD's Asset Management Division has requested that GSD's Construction Forces Division perform deferred maintenance and renovation work to various City-owned residential properties including roofing, exterior painting and plumbing. A \$114,969 transfer from the Residential Property Maintenance Fund is recommended to renovate a total of nine City properties.

Furthermore, GSD is installing electrical meters at various locations at Sherman Oaks Park in order to allow concessionaires to be billed directly for electricity used at the facility. Completion of this project will yield \$58,000 in annual savings. The scope of work for this project consists of a service change order for underground work and some interior work. An additional \$167,669 is required to complete the project. Funds for this project are included in the projection discussed above for the Water and Electricity Fund.

U. Housing

Attachment 3 - Transfers between Accounts within Departments and Funds

Recommendations Nos. 13-14

The Department has experienced a significant increase in hiring (15 staff in the last two months). The Department currently has 66 vacancies, down from 81 in November. A

\$270,183 special fund shortfall at the end of 2006-07 is projected. This shortfall is expected to be offset by managed hiring and other cost saving measures. The shortfall is primarily the result of the increase between CAP 28 and CAP 29 related cost reimbursement rates. The Department has traditionally used surplus salary funds to fund shortfalls in its expense accounts. A \$461,914 transfer is recommended from the Salaries General account to fund the projected as-needed salary, overtime, travel and contractual services expenses through the remainder of 2006-07.

On June 3, 2005, \$28,320 was appropriated to the General Services Department's (GSD), Account 7300 to purchase a trailer to house code enforcement staff in the event of an emergency or disaster. The trailer was to be funded from LAHD State Grant Fund No. 47G (C.F. No. 03-0473-S1). However, the request to purchase the trailer was inadvertently made to LAHD's Account 7300, in the amount of \$25,117. The invoice for the trailer was paid on February 16, 2006, and funding was made available from the Code Enforcement Trust Fund with the intention of correcting the funding in 2006-07. The amount appropriated to GSD for this purpose was not used and reverted in 2004-05. To correct the funding of the trailer, it is necessary to transfer the grant funds allocated to GSD to LAHD. In addition, the reimbursement made from the Code Enforcement Trust Fund should be transferred to State Grant Fund 47G, Account W143.

V. Human Relations Commission

Attachment 5 – Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

A surplus of \$53,000 is projected in the Salaries General account based on a large number of vacancies earlier in the fiscal year. This Office recommends transferring this amount to offset deficits in other City departments.

W. Information Technology Agency

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 - Transfers between Departments and Funds

Attachment 6 – Appropriations from the Unappropriated Balance

Recommendation Nos. 109-111

The Department is projecting a Salaries General surplus of \$826,686. However, most of this surplus is needed to offset deficits totaling \$785,000 in the Salaries, As Needed (\$135,000), Salaries Overtime (\$300,000) and Hiring Hall (\$350,000) accounts. This report recommends the transfer of \$145,742 from ITA's Communications Services account to GSD, to provide two-way public testimony from the current City Hall to include the Harbor City Hall (C.F. No. 06-0600). This does not include contingency funding which may be necessary due to unforeseen conditions.

We are also recommending an appropriation totaling \$192,000 from the UB (3-1-1 Service Request System line item) to fund demolition, design and permit costs to build out the 10th Floor CHE as the permanent home for 3-1-1. The UB appropriation would be split between BOE and GSD as follows: \$167,000 to the Bureau of Engineering for design and permit costs

and a \$25,000 appropriation from the UB to General Services for demolition costs. The total cost to build out the 10th floor space is estimated to be \$2.3 million. Construction is planned to begin in July 2007. We recommend that Council approve MICLA authority to fund this construction project and that the City Attorney prepare a Reimbursement Resolution to reimburse for any pre-construction expenditures in the current year.

In addition, we recommend that the Department be authorized to expend \$300,000 from the Telecommunications Development Account, in order to replace the obsolete computer equipment, from account(s) to be determined by the ITA, with the provision that the Agency's 2006-07 General Fund transfer obligation not be reduced.

X. Library

Attachment 4 - Transfers between Departments and Funds

The Department is projecting an estimated surplus of \$150,000 at year-end provided that surplus property revenue goals are met. The Department requests a \$50,000 transfer from one of its special funds to the General Services Department (GSD) to reimburse GSD for security overtime related to special events at the Library.

Y. Mayor

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 - Transfers between Departments and Funds

Transfers totaling \$464,994 are recommended between accounts within the Office to the Salaries As-Needed account (\$425,000) and to the Office and Administration account (\$39,994) to ensure that sufficient resources are available in this account.

The Office also requests several transfers between departments and funds to support the Mayor's Homeland Security and Public Safety activities. A transfer of \$5,000 from the Police Department to the Mayor's Office is recommended to reimburse the Office for salary costs incurred during the transition of administrative responsibility for a project from the Mayor's Office to the Police Department.

The Office is projecting a deficit of approximately \$285,000 in the Salaries Grant Reimbursed account due to a delay in transferring funds for administrative costs associated with the 2005 Urban Area Security Initiative Grant. Therefore, a transfer of \$285,000 is recommended from the Homeland Security Assistance Fund to the Salaries Grant Reimbursed account.

Z. Personnel

Attachment 3 - Transfers between Accounts within Departments and Funds

Recommendation No. 15

The Department projects an overall surplus of \$244,000. This report recommends transferring this surplus to offset deficits in other City departments. The Department projects deficits in several accounts. Our Office recommends that these deficits be offset with surpluses in other accounts within the Department. Therefore, no additional appropriations are needed at this time, and the Department is expected to close the fiscal year within budget.

The Department is projecting a deficit of \$500,000 in the Salaries As-Needed account due to an increased use of background investigators for LAPD and LAFD hiring, as well as increased use of physicians and nurses at the City jail dispensaries. This deficit can be offset by a projected surplus in the Contractual Services Account.

The Department is projecting a \$300,000 deficit in the Employee Transit Subsidy account due to increased participation in the program. Participation levels have increased from 2,937 employees in June 2006 to 3,042 employees in November 2006. The Department recommends that this deficit be offset by an additional \$120,000 in parking revenue anticipated in 2006-07 and \$180,000 in surplus funds from the Contractual Services Account.

The Department is projecting a \$55,000 deficit in the Overtime account. This deficit can offset by a projected surplus in the Contractual Services Account.

The Department is projecting a deficit of up to \$57,000 in the Police Officer Recruitment Incentive Program (PORIP) account. This program offers \$1,000 for referrals of police officer and reserve officer candidates. The Department has absorbed the cost of this program which continues to be successful and grow each year. This deficit can be offset by a projected surplus in the Contractual Services Account.

AA. Planning Recommendations Nos. 16-28

The Department of City Planning is projecting a deficit totaling \$46,000. However, the CAO intends to address these projected deficits through the use of other departmental savings as the projections for these deficits and any potential surpluses become more clear toward the end of the Fiscal Year. There is no need for action to address these deficits at this time.

Specifically, a deficit of approximately \$11,000 is anticipated in the Salaries General account. This is largely because the Department has transferred \$286,000 out of this account to cover its overtime deficit and has absorbed the \$438,000 EAA retro pay out.

In addition, a deficit of \$35,000 is also projected in the Salaries Overtime account. The total spending in this account in 2006-07 is projected to be \$530,500 which is \$346,000 more than the budgeted amount of \$184,500. However, \$311,000 of this total deficit has been addressed through prior transfers and appropriations. Overtime is used to address operational demands, backlog reduction, and increased public outreach and is exacerbated by the high number of departmental vacancies. The Department has made an effort to reduce the pace of overtime spending and will continue to do so during 2006-07.

The Department is responsible for administering its Expedited Permit Trust Fund and the Major Projects Trust Fund, and is prepared to appropriate funding from them at this time. The Department has requested appropriations from the Expedited Permit Trust Fund totaling \$613,310.22 and from the Major Projects Trust Fund totaling \$159,043.94. These appropriations will reimburse the Departments and the General Fund for services rendered for projects that are paid for by developers through these two Trust Funds (See

Recommendations 16 through 21). The Major Projects Trust Fund reimbursements are for ongoing work related to the Playa Vista, LA Arena, and USC projects (See Recommendations 22 through 28).

BB. Police

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 - Transfers between Departments and Funds

Attachment 6 – Appropriations from the Unappropriated Balance

This Office projects a year-end expenditure deficit of approximately \$7.3 million in the Sworn Overtime (\$5.8 million in non-reimbursible overtime) and Salaries General (\$1.5 million) accounts. This report appropriates \$3.5 million to the Sworn Overtime account and \$1.3 million to the Salaries General Account. If these recommendations are approved, the remaining projected deficit is \$2.5 million.

The primary factor in the Department's deficit is overtime. This subject is also addressed in Section 8 of this report (Status of Report Backs). In sum, the Department projects a \$5.8 million shortfall that cannot be reimbursed. Additionally, the Department is likely to need loans from the Reserve Fund to meet cash-flow needs for the following reimbursable overtime:

- \$4.2 million of unbudgeted overtime to be reimbursed by LAWA (of which only approximately \$3.7 million is expected to be received in the current fiscal year);
- \$8.5 million to be reimbursed by various grants (most is not expected to be reimbursed in the current fiscal year).

The following transfers are recommended to address the sworn overtime shortfall, as well as shortfalls in other Department accounts.

- Transfers totaling \$2.99 million in surpluses from the accounts identified on Attachment 3 are recommended to address shortfalls in the Civilian Overtime account due to unexpected needs in Motor Transport Division, ECCCS Division, and the Office of the Inspector General (\$600,000), the Sworn Overtime account (\$1.3 million), the Field Equipment Expenses account due to the additional need for DNA testing supplies (\$500,000), the Institutional Supplies account due to cost increases for food supplied to inmates in the jails (\$90,000) and the Office and Administrative Expense account due to increased cell phone usage and a shift in GSD billing practices (\$500,000).
- A transfer in the amount of \$428,414 from the Homeland Security Assistance Fund to the Police Department's Sworn Overtime account is recommended to reimburse the Department for Weapons of Mass Destruction training (OHS #06-737) funded by the Fiscal Year 2005 State Homeland Security Grant Program, consistent with Council File No. 05-2675.

- Appropriations from the UB, Reserve for Economic Uncertainties totaling \$4.8 million are recommended to partially address shortfalls in the Salaries General account due to the EAA retro payment (\$1.3 million) and the Sworn Overtime account (\$3.5 million).
- A transfer of \$172,000 is recommended from the Sworn Bonuses account to the General Services Department to pay for engine overhaul for the Department's fixed-wing aircraft.
- A transfer of \$300,000 is recommended from the Transportation Equipment account to ITA for telephone and data line moves and changes.

CC. Public Works/Board

There is a projected deficit of approximately \$85,795 in the Salaries General account due to retroactive EAA payments, retirement payouts, sick-leave, and three substitute positions.

Additionally, a larger deficit will be incurred due to the second EAA settlement. As a large portion of the Board's staff is housed in the Office of Accounting, these classifications will receive an added two percent increase on top of their two percent increase they received in January.

The Board is holding five unfilled positions vacant to generate savings. However, the resulting savings will not be enough to offset the deficit. Since this deficit is the result of unfunded retro payments, this Office will continue to monitor this issue and determine whether it can generate sufficient savings to cover this expenditure.

DD. Public Works/Contract Administration

Attachment 3 - Transfers between Accounts within Departments and Funds Recommendation No. 29

The Department is projecting a year-end surplus of \$3,233,434 in the Salaries General account. We are recommending transfers from the Salaries account to the Overtime account (\$143,949) and the Transportation account (\$110,247) to alleviate the deficits in those accounts. Also, it is anticipated that \$2,364,400 of the surplus will be reverted back to Sewer Construction Maintenance Fund, Special Gas Tax, St. Lighting Assessment Fund, Stormwater Pollution Abatement Fund, and Propositions A and C. After subtracting these amounts, the net surplus will be \$614,838.

Contract Administration has indicated that the Library Bond, Animal and Fire Bond, Prop Q and MICLA bond programs did not transfer the appropriate amount to the General Fund for 2005-06 for work performed in relation to these special funds. Therefore, we are recommending that the Bureau of Contract Administration revise its 2005-06 reversion worksheet to increase expenditures to the Library Bond, Animal Bond, Fire Bond, Prop Q, and MICLA and decrease General Fund expenditures by \$270,040.

The department is anticipating a \$616,000 deficit in General Fund receipts. The deficits are largely due to delays in LAWA, DWP and other projects.

**EE. Public Works/Engineering
Recommendations No. 30-34**

Due to higher than anticipated vacancy levels, the Bureau is projecting salary surpluses of \$3.9 million in the Sewer Construction and Maintenance Fund (SCM) and \$220,000 in Stormwater Pollution Abatement Fund. However, the Bureau will not be fully reimbursed for municipal facilities and street improvement projects because of insufficient bond and special funds to cover staff costs. The projected shortfall is \$1.2 million. This Office recommends that the shortfall be partially offset with \$636,806 in unanticipated revenue receipts by adjusting the source of funds for salary appropriations. The Bureau received \$430,763 in reimbursements from the Proposition K Program for prior years' services and \$206,043 in reimbursements from several departments for architectural, engineering and construction management services. The need for an additional appropriation to the Salaries General account will be considered at year-end.

Finally, the General Fund owes the SCM approximately \$3.2 million for prior year over-reimbursement of related costs. Of this amount, \$2,857,880 is related to Engineering, \$701,422 is related to Sanitation and \$339,773 is related to Contract Administration. We recommend reducing SCM's current year related cost reimbursement for each Bureau to the General Fund by a like amount to repay the fund.

**FF. Public Works/Sanitation
Attachment 3 - Transfers between Accounts within Departments and Funds
Attachment 4 - Transfers between Departments and Funds
Attachment 6 – Appropriations from the Unappropriated Balance
Recommendations Nos. 35-40**

This Office projects a year-end surplus of \$7 million, which is mostly comprised of special funds. This report recommends various transfers between accounts and funds to offset deficits in some funds with surpluses in others.

This Office recommends transferring from the Salaries General (\$1.3 million), Printing and Binding (\$28,821) and Uniform Expense (\$1,902) accounts to various accounts to make funding source adjustments and to cover increased As-Needed and Overtime expenditures by the Solids Division. The transfers will also address increased costs for security services, translation services and fund the assessment of the Collection Information System used by the Solids Division.

The 2001-02 Adopted Budget provided \$421,000 for the Bureau of Street Services (BSS) Clarifier Program in the Stormwater Pollution Abatement Fund (SPA). Of this amount, \$321,000 remains to be expended. The BSS and General Services (GSD) have entered into

an Agreement for clarifier improvements at the Southwest, Bel Air and East Yards. An appropriation is required for GSD to perform the work. Reimbursement for actual expenditures will be provided from SPA.

The Bureau requests an appropriation of \$2 million from the Unappropriated Balance to fund the second year of a contract with URS for the Alternative Technology Project. Funds are from the Integrated Solid Waste Management Fund (ISWM).

The Bureau requests a reassignment of expenditures from the Sewer Construction and Maintenance Fund (SCM) to the Proposition O Clean Water General Obligation Bond Fund (Prop O) totaling \$505,548. The Bureau was authorized to use consultant services to provide technical assistance and conduct public outreach for program development and implementation and development of the Concept Report for Phase I of the Prop O program (C.F. 04-1034-S3). In order to meet the imposed time constraints, the Bureau utilized existing contracts from the Wastewater Program which required payment by SCM until amendments could be executed allowing for payment by other funding sources. The amendments were recently approved, and future expenditures will be directly charged to Prop O. Expenditures incurred by SCM prior to execution of the amendments must be reimbursed by Prop O.

In addition to the transfers listed above, the Bureau is requesting action on the following items:

- A transfer of \$13,236 from SPA to the City Attorney to fund project-related litigation;
- A transfer of \$339,198 from the Central Los Angeles Recycling Transfer Station (CLARTS) Fund and the Bureau's contractual services account to the CLARTS Amenities Trust Fund as reimbursement for first and second quarter expenses;
- A transfer of \$10,780 from the Solid Waste Fee to the Engineering Special Service Fund for consultant services related to the preparation of the North Central Yard Master Plan;
- A transfer of \$87,872 from the Los Angeles Regional Agency Fund to the Bureau's Salaries General account to correctly fund a position inadvertently funded by the ISWM Fund;
- A transfer of \$123,581 from the Citywide Recycling Trust Fund to the Bureau's As-Needed account to mitigate a projected deficit;
- A transfer of \$472,464 from the CLARTS Trust Fund to the Bureau's Contractual Services account to reimburse the Bureau for private hauling disposal costs incurred before the special fund appropriations could be established;
- A transfer of \$1,239,404 from the Bureau's SCM-funded Salaries General account to the Field Equipment Expense account within SCM to cover increased maintenance expenses and equipment replacements resulting from cost escalation and unanticipated deterioration;

- An adjustment in the amount of \$1,230,433 to various special funds for 2005-06 reversions that were incorrectly credited to the General Fund. The Bureau submitted the Final Reversion Worksheet to the Controller's Office on November 30, 2006 which identified the necessary corrections. It is recommended that the Council authorize the Controller to make the corrections necessary for Funds 760, 761, 508, 567, 558 and 511;
- A transfer of \$82,000 from the Alternative Fuel Fund to the Bureau's Contractual Services account to fund a consultant to provide programming assistance for the Solid District Office Assistant database; and,
- A transfer of \$60,000 within the SPA for the lease payment on the Bureau's office at Media Center Drive.

GG. Public Works/Street Lighting Recommendations Nos. 41-42 and 103-105

The Bureau of Street Lighting requires funding to cover overtime costs incurred for projects in the Los Angeles County Metropolitan Transportation Authority (MTA)/Expo Authority Annual Work Program, as approved and allocated in the Proposition A Local Transit Assistance Fund by Council in the 2006-07 Adopted Budget. We are recommending a transfer of \$40,000 from the Proposition A Fund to the Salaries Overtime account for Street Lighting. The Department of Transportation should seek reimbursement from the MTA for this work.

The Street Lighting Maintenance Assessment Fund primary revenue source is assessments to property owners for the operation and maintenance of street lights. With the passage of Proposition 218, the majority of the assessments were frozen and the Bureau of Street Lighting has not yet put these assessments out to vote for an increase. In order to ensure sufficient funds are available in 2007-08 to fund ongoing street lighting construction and operation and maintenance activities, reductions to current year expenses are needed. Reductions are recommended for two special purpose fund appropriations as well as the Bureau of Street Lighting's salary account.

The special purpose fund appropriations recommended for reduction are Reimbursement of General Fund Costs (\$4.4 million) and Tree Trimming (\$1 million). The Bureau's salary account is reduced by \$600,000 based on current salary savings projections. For the reduction to the Reimbursement of General Fund Costs Account, approximately \$3.5 million has already been transferred to the General Fund. In order to effectuate the total recommended reduction, approximately \$876,626 will need to be returned to the Assessment Fund.

HH. Public Works/Street Services

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 - Transfers between Departments and Funds

Attachment 5 - Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties

Recommendation Nos. 43-46

A year-end surplus of \$2.8 million is projected in the Salaries General account. This Office recommends that \$1.7 million of this surplus be used to offset a projected deficit of \$1.7 million in the Department's Salaries Overtime account. This report also recommends transferring \$1 million of the surplus to offset deficits in other City departments.

The Bureau is also requesting action on the following items:

- Transfer \$3,700 from Transportation to reimburse the Bureau for landscape maintenance work associated at various parking lots;
- Transfer \$116,995 from the Street Furniture Revenue Fund, Fund 43D to perform work on the Tampa Sidewalk Project in Council District 12;
- Transfer \$51,256 from the Subventions and Grants Fund, Fund 305. This transfer is required to reimburse Street Services for off-budget work performed to repair a water blow-out caused by the Metropolitan Water District (MWD). A check from MWD has been deposited into Fund 305;
- Transfer \$175,000 from the Subventions and Grants Fund, Fund 305. This transfer is required to reimburse Street Services for off-budget work associated with sidewalk repair at 48th Place for the Community Redevelopment Agency (CRA). A check from CRA has been deposited into Fund 305;
- Transfer \$15,129 from the Subventions and Grants Fund, Fund 305 for reimbursement for work related to the Ventura Boulevard Street Print projects;
- Transfer \$10,000 from the Subventions and Grants Fund, Fund 305 for reimbursement for work related to the Ventura Boulevard Street Print projects;
- Transfer \$1,672,353 Subventions and Grants Fund, Fund 305 as a result of citizen contributions for the 50/50 Sidewalk Repair Program. Funds are deposited into the Subventions and Grants Fund, Fund 305 and transferred to the Bureau's current budget to perform the work; and,
- Street Services requests reappropriations totaling \$140,991 from the Subventions and Grants Fund, Fund 305. In April 2006, the Council acted to transfer \$407,562 from the Subventions and Grants Fund to Street Services (CF 04-0275) for construction work related to the ongoing Taylor Yard Park Project. These funds were not fully expended

in 2005-06. Street Services is in the third year of construction of the project and action is needed to reappropriate the available remaining budget of \$140,991 in 2006-07 for the project.

There is a projected revenue shortfall of \$1.1 million in Departmental Receipts for the current fiscal year. The shortfall is due mostly to the difficulty the Bureau has in collecting citations for illegal signs, a \$1 million decrease in reimbursement from other departments and funds, and a decrease in Prop A Local Transit Related Costs.

II. Recreation and Parks Recommendation No. 106

A year-end surplus of approximately \$300,000 is anticipated due to salary savings. This report recommends reducing the General Fund appropriation to the Recreation and Parks Fund by \$300,000 to offset deficits in other City departments.

The Department projects a \$2.2 million shortfall in Griffith Observatory revenues and a \$953,000 shortfall in its Contractual Services account due to the Griffith Observatory Visitor Access Program. However, salary savings and a revenue surplus from the Department's other revenue categories are available to offset both the Griffith Observatory revenue shortfall and the Contractual Services account shortfall.

The 2006-07 Griffith Observatory revenue projection was based on the Observatory being open seven days a week. After the four-year, \$93 million renovation was completed in 2006, the Department considered a seven-day operation for the Griffith Observatory due to anticipated high visitor demand. However, after a review and analysis of operational needs, the Department determined that a six-day operation would be optimal. Mondays are reserved for special events, filming, lectures, presentations and conferences. The Department also schedules various repairs, equipment tests and installations on Mondays.

The Department requests that \$87,315 be appropriated to GSD for facility enhancements at South Weddington Park, as approved by the Board of Recreation and Parks Commissioners (Board Report No. 06-339).

JJ. Transportation

Attachment 3 - Transfers between Accounts within Departments and Funds

Attachment 4 - Transfers between Departments and Funds

Attachment 6 – Appropriations from the Unappropriated Balance

The Department is projecting year-end deficits totaling \$4,494,000, however, the majority of these deficits will be offset by the proposed Mid-Year actions. Deficits are projected in the following accounts: Overtime (\$2,964,000), Construction Materials (\$400,000), Field Equipment (\$450,000), and Paint and Sign Maintenance and Repair (\$550,000). In addition, the Department is in need of \$130,000 to transfer to GSD to purchase a thermoplastic truck. The additional funds are needed to purchase the truck, as the purchase of the vehicle has been delayed to this fiscal year which has resulted in additional costs of \$130,000.

We are recommending that surpluses totaling \$2,417,000 in the Contractual Services account (\$217,000) and the Signal Supplies and Repairs account (\$2,200,000) be used to partially offset the deficits in the aforementioned accounts. In addition, a \$750,000 appropriation is recommended from the UB, Reserve for Economic Uncertainties to partially address the Department's overtime deficit. These transfers would provide a total of \$3,167,000 to offset the Department's deficits.

The \$2.96 million deficit in the overtime account is largely due to the deployment of Traffic Officers for special events. On March 7, 2007, the Department released a report to the Council regarding its management of overtime usage (C.F. 06-1232). The deficits in the Construction Materials and Field Equipment accounts are due to increases in work load. The deficit in the Paint and Sign Maintenance and Repairs account is due to an increase in the cost of traffic signs.

In addition, due to shortfalls within various special fund accounts, various transfers are recommended within these funds.

The Department is also projecting deficits totaling \$1,310,000 in the Central City DASH (\$208,000) and Community DASH Area 2 (\$592,000) line items in Proposition A due to increased operating costs and fuel costs. Additionally, the Metropolitan Transportation Authority (MTA) has recently closed its downtown transit store and DOT Transit Store sales have significantly increased. The budgetary impact of the closing of the MTA transit store closing is a deficit of \$500,000 from the increase in the transit store sales is \$10,000. DOT also requests to increase its transit-related subscriptions and memberships. Funding in the amount of \$250,000 is available in the Automated Paratransit System Account and in the Community DASH Area 3 Account in the amount of \$1,060,000 to offset the aforementioned deficits.

Also, the purchase of Technology and Communication Equipment items has exceeded expectations within the Proposition C Fund. We are recommending a transfer in the amount of \$25,000 from the Environmental Studies account to the Technology and Communication Equipment account to offset the deficit in that account.

The Department requests that funds totaling \$320,000 be transferred from the Projects to be Designated account within the Special Parking Revenue to address a deficit in the Collection Services account. This transfer is necessary because previous fiscal year (May and June 2006) invoices were paid with current 2006-07 funds. Additionally, funds are also required due to increase contractual services costs per the existing contract.

KK. Treasurer

This Office projects a shortfall of \$228,000 at year-end primarily due to unplanned and unbudgeted expenditures. Several workers' compensation claims have resulted in the need to purchase ergonomic supplies and equipment. The department is currently using its Office and Administrative account appropriation to front fund this expense. This Office will work with the Department to resolve any fiscal issues within existing resources and will recommend a future transfer in the Year-end Financial Status Report if warranted.

LL. Zoo

Attachment 3 - Transfers between Accounts within Departments and Funds

The Department projects deficits in the Salaries As-Needed account (\$135,000), Salaries Overtime account (\$99,000), and Veterinary Supplies and Expense account (\$10,000), which can be offset by a surplus of \$589,000 in the Salaries General account. The surplus in salary funds is due to delays in hiring.

The additional funding recommended for the Salaries As-Needed account is necessary to provide full staff coverage during the Zoo's peak and seasonal schedules starting with hiring in the Spring, and on-going coverage for special events, which is typically reimbursed by the Greater Los Angeles Zoo Association. Additional Salaries Overtime funding is required primarily to cover overtime for special events and accumulated overtime payouts. The increase to the Veterinary Supplies and Expense account is due to increased laboratory expenses as a result of an increase in clinical cases in the last six months.

4. OTHER BUDGETARY ADJUSTMENTS

A. Reversion of Unspent MICLA Bond Proceeds Recommendations Nos. 47-49

The City's Financial Policies (C.F. 04-1822-S5) dictate that unspent bond proceeds that are three years or older are subject to reversion to pay down the original debt. This policy was developed, in part, to address federal regulations regarding the timely expenditures of bond proceeds. A recent review of the City's unspent bond proceeds issued through the Municipal Improvement Corporation of Los Angeles (MICLA) indicates that there are several million dollars that are three years or older. Accordingly, departments should review all MICLA accounts that are three years or older and unappropriate all Uncommitted Monies (i.e. monies not encumbered). If deemed necessary by the CAO, some of these Uncommitted Monies should be re-appropriated under Fund 298 (MICLA Commercial Paper). Additionally, departments should review all encumbrances that are three years or older and unencumber these monies. If an encumbrance(s) needs to remain open, then departments must indicate to the CAO the reason and for how long the encumbrance should remain open. If deemed necessary by the CAO, some of the open encumbrances should be disencumbered and re-encumbered under Fund 298 (MICLA Commercial Paper).

B. Homeland Security Grants Recommendations Nos. 50-61

The Homeland Security Urban Areas Security Initiative (UASI) Grant Program and the State Homeland Security Grant Program (SHSGP) award grant funding for assessments and development of security strategies, equipment, training, exercises, administrative costs of administering the grant funds, and the building of an enhanced and sustainable capacity to prevent, respond to, and recover from threats or acts of terrorism. The FY05 UASI grant award is approximately \$56 million and is administered by the City on behalf of Los Angeles Urban Area participants. The City's allocation of the FY05 SHSGP grant award is \$5.9 million

and is administered by the County of Los Angeles. This report recommends transactions that will allow grant funds to reimburse the General Fund for expenditures relating to UASI and SHSGP projects for which work has been completed. Departments are required to submit documentation on grant-eligible costs pertaining to project activities and purchases prior to reimbursement.

C. Human Resource Benefits Attachment 6

The Personnel Department projects the overall deficit in the Human Resources Benefits Fund to be \$19.5 million. The deficit includes an \$8 million shortfall in the Civilian Flex Account due to significant increases in health care costs and a steady increase in the hiring of City employees. The Personnel Department projects a \$9.7 million deficit in the Workers Compensation Account as monthly expenditures continue to exceed budgeted amounts. There are approximately 50 more new workers compensation claims and \$8 million more in costs through February than a year ago at this time.

The following are also included in the HRB deficit. A deficit of \$400,000 in the Police Health and Welfare Program is partly due to the hiring of additional officers and an increase in medical and dental subsidies that took effect July 1, 2006 as part of negotiated benefits with the union. The Personnel Department projects a deficit of \$1.3 million in the Fire Health and Welfare Program due to an increase in medical and dental subsidies that took effect January 1, 2007 pursuant to the new negotiated MOU. The Personnel Department projects a \$125,000 deficit in the Employee Assistance Program due to the recent negotiated contract that provides for an increase in civilian employee cost. The Personnel Department is also projecting a \$200,000 surplus in the Unemployment Insurance account due to lower than expected payments.

This Office recommends a transfer of \$14.8 million from the Reserve Fund to the Unappropriated Balance, Reserve for Economic Uncertainties Account, and appropriations of the same amount therefrom, to the Human Resources Benefits Fund Civilian Flex (\$7 million) and Worker's Compensation (\$7.8 million) accounts. This Office will monitor the status of the accounts within the Human Resources Benefits Fund and provide recommendations on further transfers and appropriations to offset the remaining deficit in the Year-end Financial Status Report.

D. Burglar Alarm System Penalty Trust Fund Recommendations Nos. 100 and 101

The Burglar Alarm System Penalty Trust Fund (Trust Fund) was established in 2005-06 (Ordinance No. 177000). General Fund receipts for false alarm penalties are transferred to the Trust Fund to finance replacement of the City's False Alarm Response System. No other expenditures are authorized by the Ordinance. The Trust Fund is administered by the Police Department, and expenditures from the Fund are authorized by the Council.

To date, \$4.6 million has been transferred to the Trust Fund and it is estimated that replacement of the City's False Alarm Response System will not exceed \$1.5 million. In light

of the City's financial condition, this Office recommends that the Trust Fund Ordinance be amended to allow any revenues in excess of the replacement cost of the City's False Alarm Response System to remain as General Fund receipts. If approved, it is estimated that \$2.1 million in 2006-07 and \$3 million in 2007-08 would not be transferred to the Trust Fund and would remain as General Fund receipts. An additional amount would be transferred back to the General Fund from the Trust Fund estimated at \$3.2 million, leaving the Trust Fund with the \$1.5 million considered sufficient to fund the new burglar alarm system.

E. Communication Services Requests Recommendations No. 107 and 108

This Office recommends that appropriations to the Information Technology Agency be increased by \$168,938.30 for communications services requested by the Harbor Department (\$147,707.30) and the Department of Recreation and Parks (\$21,231). The Harbor Department and the Department of Recreation and Parks will reimburse the General Fund upon approval of the work to be performed.

5. BOND AND CONSTRUCTION PROJECTS

A. Street Services Topanga Yard MICLA Funds Recommendation Nos. 62 and 63

The General Services Department (GSD) is continuing capital improvements to the Topanga Canyon Yard for the Bureau of Street Services. The construction budget for the project is \$6 million. To date, \$3.4 million in MICLA funding has been provided to GSD for this project (C.F. Nos. 04-0600-S56 and 05-0600-S34). Council approval is now required to appropriate \$2,496,667 to GSD for construction services to complete the project. MICLA funds have been authorized and will be borrowed through the commercial paper program.

B. Phase III City Hall East Fire Life Safety MICLA Funds Recommendation Nos. 64 and 65

The Mayor and Council initially authorized the City Hall East project in December 2001 (C.F. 00-0512-S1). Since then, fire life safety and tenant improvements have occurred in both the high rise and parking levels of City Hall East. In 2004, additional work in the parking levels and four additional floors (one, mezzanine, 19, and 20) were identified as being needed to bring the building into compliance with City codes. Some of the construction work is now being performed by General Services Department's (GSD's) construction forces, while the remaining work is being designed by the Bureau of Engineering. This work was initially estimated to cost \$3.4 million. In February 2004, \$1.1 million in savings was identified from "Phase II" of the City Hall East and C. Erwin Piper Technical Center (Piper Tech) fire life safety projects. The 2003-04 budget also included an additional \$2.3 million in MICLA monies for fire life safety improvements in City Hall East. In October 2005, upon completion of plans, GSD began this work. Appropriations are being provided to GSD incrementally based on the detailed schedule of work to be performed. Council approval is now required to appropriate

\$1,511,330 to continue work through the end of the fiscal year. It is anticipated that subsequent appropriations will be made to GSD, as required, in 2007-08 to complete the project. MICLA funds have been authorized and will be borrowed through the commercial paper program.

C. El Pueblo Improvements

MICLA Funds

Recommendation Nos. 66 and 67

El Pueblo Improvements

In April 2005, the Mayor and Council authorized \$12 million in MICLA authority for various capital improvements at the El Pueblo Monument (C.F. 05-0577) to supplement the approximately \$6 million already in place from various sources, including grant funding and City budget funds. Council approval is now required to appropriate \$850,000 to the General Services Department (GSD) for work at the Monument. It is anticipated that subsequent appropriations will be made to GSD, as required, to complete the project. Appropriations are being provided to GSD incrementally based on the detailed schedule of work to be performed. MICLA funds will be borrowed through the commercial paper program. The program manager for this project is the Bureau of Engineering (BOE). BOE will approve and authorize GSD to perform the construction work.

La Placita Renovation

In September 2005, GSD received \$1.5 million in funding from the California Arts Council for renovation work at La Placita de Delores. The project is now complete and the funding from the California Arts Council has been exhausted. An additional \$168,000 in MICLA funding is required to pay for additional work that was not included in the original construction budget, as well as multiple change orders, and unforeseen conditions that exceeded the contingency budget.

Winery

In October 2005, GSD received \$374,000 to perform renovations to the Winery restroom. The scope of work consisted of the construction of a new multi-occupancy Americans with Disabilities Act-compliant restrooms and the installation of a water fountain in the existing art gallery at the winery. The project is now complete. An additional \$42,000 in MICLA funding is required to pay an outside vendor for archaeological mitigation work that was not included in the original construction budget. In addition, there were multiple change orders and unforeseen conditions that exceeded the contingency budget.

Puesto Renovation

Work on the Puesto Renovation project is scheduled to begin in June 2007 and will last approximately 18 months. GSD was authorized to performed ancillary work for the Puesto Renovation during the La Placita renovation in the amount of \$140,000 and covered this cost in anticipation of being reimbursed. An amount of \$140,000 in MICLA funds is needed to reimburse GSD for these expenditures. Further, GSD is now being requested to perform additional pre-construction work on the Puesto Renovation. Council approval is required to appropriate \$500,000 to the Department of General Services for pre-construction work for the Puesto Renovation project.

**D. Police Administration Building
MICLA Funds
Recommendation Nos. 68 through 71
Attachment 10a.**

In order to proceed with various aspects of work at the Police Administration Building (PAB), appropriations totaling \$93,914 are now required for GSD (\$67,602), ITA (\$16,312), and DOT (\$10,000). GSD Construction Forces will install a new conduit for the Main Street Parking/Motor Transport Division project component of the PAB project. The existing conduit lies beneath an alley vacated for construction and will be removed. GSD, ITA and DOT will receive overtime funds to expedite work to prevent any delays to the project construction schedule. GSD Standards Division will perform materials testing, and ITA will perform conduit fiber optic work. DOT services include plan review of traffic plans, traffic relocation and testing of controllers, to prepare for the impact on adjacent streets from construction work and the planned street widening of Second Street. Since this project is financed through MICLA, actual cost reimbursement will occur after review and approval of GSD, ITA, and DOT cost reports by the Project Manager.

The sum of \$1,929,933 is recommended to be appropriated to various departments to offset costs associated with the Police Administration Building Project as delineated in Attachment 10a. Positions for these programs are authorized by resolution, and funding for those resources that directly support the program is provided on a reimbursement basis consistent with MICLA requirements. At the February 22, 2007 meeting, the Municipal Facilities Committee approved the amount of MICLA funds to be allocated this year for staff costs. This amount of \$1.9 million reflects actual expenses for the six month period from July 2006 to December 2006 and estimated expenses for the six month period from January to June 2007.

Services provided by City staff include program, project and construction management, project control, property acquisition and specialized support.

**E. Arroyo Seco Watershed
Capital Improvement Expenditure Program
Recommendation No. 72**

The U.S. Army Corps of Engineers and the Los Angeles County Flood Control District (District) are currently conducting the Arroyo Seco Waste Management and Feasibility Study to determine flood management and environmental restorations needs for the Arroyo Seco Watershed. The City of Los Angeles has been requested to provide \$270,000 to cover its share of feasibility study costs. The Mayor and Council previously authorized \$20,000 for the Arroyo Seco feasibility study (C.F. No. 06-1831) and instructed various departments to identify savings and in-kind services for the remaining amount (\$250,000). Council authority is now requested to transfer \$215,000 in savings within the Capital Improvement Expenditure Program to the Arroyo Seco Feasibility Study Account.

**F. Public Works Building
Recommendation Nos. 73-75 and 95
Attachment 10b**

In 2005-06, Council appropriated \$11 million to the General Services Department (GSD) for tenant improvements at the Public Works Building (C.F. 05-0600-S56), which included approximately \$5.3 million for construction materials. Recent repair work to the heating and air conditioning system (HVAC) system has required the services of an outside vendor, for which invoices in the amount of \$350,639 were paid from GSD's Contractual Services account. To prevent a deficit in this account, it is recommended that HVAC system repair costs be reimbursed with the tenant improvement funds that are available in GSD's Construction Materials account. The Bureau of Engineering as the Project Manager and GSD both concur in the need for this transfer.

The sum of \$618,987 is recommended to be appropriated to various departments to offset costs associated with the Public Works Building Project as delineated in Attachment 10b. Positions for these programs are authorized by resolution, and funding for those resources that directly support the program is provided on a reimbursement basis consistent with MICLA requirements. This amount of \$618,987 reflects actual expenses from July 1, 2006 to January 20, 2007 and estimated expenses for the remainder of fiscal year 2006-07. Services provided by City staff include program, project and construction management, project control, and specialized support.

The Mayor and Council previously approved the acquisition, renovation and financing of the Public Works Building (C.F. Nos. 03-0063-S7 and 06-2627). Currently, 25% of the occupants in the Public Works Building are Department of Public Works employees whose duties involve the Sewer Construction and Maintenance (SCM) Fund. Accordingly, 25% of the financing costs attributable to the Public Works Building should be paid by the SCM Fund, and should be considered a lease payment. For 2006-07, this totals \$612,400. Because Fund 100/53 (Capital Finance Administration) is responsible for paying the financing costs on the Public

Works Building, the SCM Fund should transfer \$612,400 to Fund 100/53, by June 30, 2007. In future fiscal years, the budget for the SCM Fund will include an allocation to Fund 100/53 for lease payments due on the Public Works Building. This supersedes the instructions given in C.F. 03-0063-S7 authorizing a one-time \$20,000,000 transfer from the SCM as a capital purchase of part of the Public Works Building.

**G. Zoo – Gorilla Exhibit
Capital Improvement Expenditure Program
Recommendation No. 76**

The City is in the midst of a capital program at the Los Angeles Zoo, which is estimated to cost \$169 million. One of the projects in this program is construction of a new Gorilla exhibit. The total project cost is \$19.3 million and is funded through Proposition CC (\$5.0 million), proceeds from the Municipal Improvement Corporation of Los Angeles (MICLA - \$7.3 million), and funds raised by the Greater Los Angeles Zoo Association (GLAZA - \$7.0

million). The City previously established an account in the Capital Improvement Expenditure Program to account for project monies being provided by GLAZA (C.F. No. 05-0600-S78). GLAZA has provided \$1.2 million to the Zoo Enterprise Trust Fund for the Gorilla Project (C.F. No. 03-1204-S2) and, of that amount, \$524,122.98 remains and is available to be transferred to the Capital Improvement Expenditure Program to complete the construction funding. Construction is estimated to be complete in September 2007. The exhibit would then open to the public in November after a period of testing and adjustment for the gorillas.

H. Proposition DD - Library Bond Program Recommendation Nos. 77-81 Attachment 10c

El Sereno Branch Library

In January, 2007, the Library Bond Oversight Committee authorized \$58,048 for post-construction work at the El Sereno Branch Library. This Library was constructed within its budget of \$4.396 million in Proposition DD (1998 Library Bond) funds. The additional post-construction work, which consists of a fence and gate, and the related signage, electrical and hardware components, will be performed by the General Services Department. GSD now requires an appropriation, with actual cost reimbursement to occur on a monthly basis after review and approval of expenditure reports by the Program Manager.

Little Tokyo Branch Library

In January 2007, the Library Bond Oversight Committee authorized \$22,625 for post-construction work at the Little Tokyo Branch Library. This Library was constructed within its budget of \$7.7 million in Proposition DD (1998 Library Bond) funds. The additional post-construction work, which consists of window modifications to reduce sun exposure, will be performed by the General Services Department (GSD). GSD now requires an appropriation, with actual cost reimbursement to occur on a monthly basis after review and approval of expenditure reports by the Program Manager.

Staff Costs

The sum of \$501,441 is recommended to be appropriated to various departments to offset costs associated with the Proposition DD – Library General Obligation Bond Program as delineated in Attachment 10c. Positions for these programs are authorized by resolution and funding for those resources directly supporting the programs is provided on a reimbursement basis consistent with bond requirements. Services provided by City staff include program, project and construction management (including design and community outreach), project control (including monitoring of expenditures), property acquisition (including relocation assistance) and specialized support (including Information Technology Agency and the Library Department). On January 23, 2007, the Library Facilities Construction Program Oversight Committee approved the amount of bond funds allocated this year for staff costs. The amount of \$501,441 reflects the estimated costs for the first six months of 2006-07.

I. Proposition Q - Public Safety Bond Program
Recommendation Nos. 82-90
Attachment 10d

Savings by Design Program

In March 2002, the voters approved the Proposition Q Public Safety Bond Program (Proposition Q), a \$600 million General Obligation bond program to fund the construction and renovation of public safety facilities throughout the City. The construction program consists of eleven projects with a combined budget of \$584 million.

The Bureau of Engineering, in collaboration with the Southern California Gas Company (SCGC), enrolled Proposition Q construction projects in SCGC's "Savings by Design" Program, which encourages the design and construction of high performance nonresidential buildings by offering design assistance and financial incentives in the form of a cash rebate. The Proposition Q program has received letters of commitment from SCGC totaling approximately \$250,000 in rebates for enrolled projects: Hollenbeck, Mid-City, Rampart, Valley and West Valley Area stations, Harbor Area station and jail, Metro and Valley bomb squad facilities, the Metro Detention Center, the Emergency Operations Center/Police Operations Center/Fire Dispatch facility, and the Valley Traffic Division and Bureau Headquarters. Rebates will be received as individual construction projects are completed. To date, the City has received \$12,876 from SCGC for the completed West Valley Police Station. The rebate has been deposited in Proposition Q Fund 15N in anticipation of Council action to create a receiving account.

The Office of the City Attorney has advised that the rebates from the SCGC should not be commingled with the Proposition Q bond funds, as the bond funds have more restrictions placed upon their use. The Administrative Oversight Committee (AOC) for the Proposition Q program recommends that Council approve the creation of an account to receive the rebate funds. These funds will be used for those costs connected to the opening of the Proposition Q-funded facilities that are not eligible for bond funding. It is therefore recommended that the \$12,876 rebate and the future rebates from SCGC for the Proposition Q Program be deposited in an account within the Public Works Subventions and Grants Fund.

Valley Bomb Squad Facility

Construction of the new Valley Bomb Squad facility is nearly complete. In order to meet the construction schedule, an appropriation in the amount of \$10,110 to the Information Technology Agency for overtime salaries is now required. ITA will pull and terminate outside fiber optic cable and telephone tie-cable between the Valley Bomb Squad and the EVOG facilities; costs for this work were included in the project budget.

Van Nuys Police Station

The Proposition Q Police Renovation and Capital Improvement Project provides \$45 million in funding for work to be performed at 14 police facilities, including the Van Nuys Police Station. While the bulk of the renovation work at Van Nuys is complete, additional funds are required to retrofit the Sallyport in order to accommodate Los Angeles Police Department and County Jail buses on the existing parking structure. On November 16, 2006, the AOC approved the

use of project contingency to fund the structural retrofit which was not included in the original scope of work. At this time, an appropriation of \$800,000 to GSD is required.

Fire Facilities

The Proposition Q Program also includes \$25 million for renovation of Fire Department facilities located throughout the City to be performed by the General Services Department (GSD). Notices to Proceed authorizing the work are issued incrementally, and specify the work that GSD is to undertake on each project. At present, an appropriation to GSD totaling \$673,000 from the Proposition Q Bond funds is required to complete current and future projects at Fire Stations 6 and 33. The appropriation, with cost reimbursement on an as-needed basis, will provide GSD with the ability to complete the pending Phase II and III fire renovation projects for which Notices to Proceed and Change Orders will be issued in the near future. The appropriation includes \$200,000 for apparatus storage and \$100,000 for station expansion at Fire Station 6 and \$300,000 for apparatus storage, \$70,000 for station expansion and \$3,000 for the apparatus door switch at Fire Station 33. Actual cost reimbursement will occur on a monthly basis after review and approval of the GSD cost reports by the Proposition Q Program Manager.

Staff Costs

The sum of \$4,859,701 is recommended to be appropriated to various departments to offset costs associated with the Proposition Q-Citywide Public Safety General Obligation Bond Program as delineated in Attachment 10d. Positions for these programs are authorized by resolution, and funding for those resources that directly support the program is provided on a reimbursement basis consistent with bond requirements. At the July 2006 meeting, the Proposition Q AOC approved the amount of bond funds to be allocated this year for staff costs. This amount of \$4.9 million reflects the estimated expenses for the six month period from January to June 2007 and current rates for related cost reimbursement. Services provided by City staff include program, project and construction management, project control, property acquisition and specialized support.

J. Proposition F - Fire and Animal Facilities Bond Programs

Recommendation 91

Attachments 10e and 10f

The combined sum of \$3,645,025.99 is recommended to be appropriated to various departments to offset costs associated with the Proposition F Fire and Animal Bond Programs as delineated in Attachments 10e and 10f.

Specifically, the sum of \$2,441,595.50 is attributable to the Fire Facilities Bond Program (Attachment 10e.) and \$1,203,430.49 is attributable to the Animal Facilities Bond Program (Attachment 10f.). Positions for these programs are authorized by resolution; funding for those resources directly supporting the programs is provided on a reimbursement basis consistent with bond requirements. The amount of \$3,645,025.99 represents the actual costs incurred during the first six months of 2006-07. Services provided by City staff include program, project and construction management (including design and community outreach), project control (including monitoring of expenditures), property acquisition (including relocation assistance) and specialized support (including Information Technology Agency and departments that will

be housed at facilities being built). At the January 25, 2006 meeting, the Proposition F Administrative Oversight Committees approved the allocation of funding needed for the reimbursements identified above.

**K. Sites and Facilities Fund
Recreation and Parks Facilities
Recommendations 92-94**

The Department of Recreation and Parks (RAP) and General Services Department (GSD) have executed two Memoranda of Understanding (MOUs) for a total of \$3,979,951 to perform necessary accessibility modification work in accordance with the Americans with Disabilities Act (ADA) Phase 2 Transition Plan at specified facilities. Under the first MOU approved by the Recreation and Parks Board on January 8, 2003 (Board Report No. 03-21), which was executed September 8, 2003, GSD completed accessibility work on five facilities and was provided appropriations totaling \$1,285,069. The second MOU approved by the RAP Board on June 4, 2004 (Board Report No. 04-183), which was executed on September 1, 2004, allowed for ADA work on 14 to 16 additional facilities for a total of \$2,694,882. To date, GSD has received \$2,449,893 for work done on 14 of the facilities but now requires the remaining \$244,989 to complete the last two facilities for 16 total facilities. Funds in the amount of \$244,989 were set aside in a contingency account within the Sites and Facilities Fund. Council approval is now required to appropriate these contingency funds to GSD.

**L. City Clerk Elections Division Space
MICLA FUNDS
Recommendations 96 and 97**

At the January 22, 2007 meeting of the Municipal Facilities Committee (MFC), the Committee approved the allocation of 18,000 square feet of space at Piper Technical Center to the City Clerk's Election Division. The 18,000 square feet includes Space 375 and the Cafetorium at the Piper Technical Center. Renovations are required to make the space usable by the City Clerk. The exact costs have not yet been determined but are estimated to be \$5.0 million. It is necessary at this time to authorize the General Services Department (GSD) to provide demolition services at the site. The estimated cost of demolition is \$250,000, according to GSD. While there are some savings in other projects financed with MICLA funds, it is recommended that MICLA Commercial Paper be utilized at this time because it is a more cost-effective method to perform these demolition activities. MICLA savings from other projects will be used to pay off the higher rate debt. Financing for other elements of the project will be addressed in a separate report.

**M. Santa Monica Boulevard Transit Parkway Project
Recommendation No. 99**

The Santa Monica Boulevard Transit Parkway project budget included funding for staff costs that was appropriated annually to various departments. Since the project is near completion, it is recommended that any unspent appropriations be returned to the project account to reconcile project funding and expenditure.

6. SPECIAL EVENT FEE WAIVERS

The Budget and Finance Committee instructed this Office to periodically report on the number and amount of Council-approved fee waivers (subsidies) associated with special events and with convention center meetings and events. For July 1, 2006 to February 28, 2007, the total number of fee waivers is 620 at an estimated amount of \$3 million.

7. EMPLOYMENT LEVEL REPORT

Citywide employment authority from all funding sources totaled 39,389 at the end of January 2007. Filled positions increased by 693 from 34,879 at the end of July to 35,572 at the end of January. Departments reported a total of 3,817 vacant positions, 3,346 General Fund and 471 special funded. (see Attachment 11).

8. STATUS OF REPORT BACKS

As part of the First Financial Status Report, this Office and other City departments were instructed to report back to Council with respect to the below issues.

Police Overtime

The Council instructed the CAO, with the assistance of LAPD, to report back on Police sworn overtime usage by obligatory and discretionary categories and on the supplemental questions relative to Police sworn overtime provided by the Chair of the Budget and Finance Committee on November 13, 2006 to the CAO. A report from the Police Department on Sworn Overtime and Recruit Hiring was approved by the Police Commission on February 27, 2007 and is pending scheduling at the Budget and Finance Committee.

The 2006-07 Adopted Budget provides \$76.2 million for sworn overtime expenditures. The Council and Mayor previously approved a \$4 million transfer from the Sworn Salaries account to the Overtime Sworn account as part of the 2nd Financial Status Report which increased the Department's overtime budget to \$80.2 million. The Department is currently projecting a shortfall of approximately \$18.5 million in the Overtime Sworn account (resulting in sworn overtime expenditure projections of \$98.7 million through the end of the fiscal year). Of the \$18.5 million, \$4.2 million is unbudgeted overtime to be reimbursed by LAWA and \$8.5 million is overtime to be reimbursed by various grants. The remaining \$5.8 million shortfall is due to non-reimbursable overtime, reflecting approximately 168,000 hours over the Police Department's 1.2 million hour overtime cap. The 168,000 hour overage is due to both discretionary and non-discretionary overtime. The major non-discretionary causes include Court Directed Reporting (26%) and Use of Force Investigations (3%). The major discretionary causes include Department Administration (4.6%), Narcotics Enforcement activities (6.3%), and Gang Enforcement (2.7%). It is the Department's stated opinion that the 1.2 million hour cap is insufficient to meet the public safety needs of the Department and the City.

Police Recruits

The Council instructed the LAPD to report back on the possibility of having more than 13 classes of 50 police recruits this fiscal year. A report from the Police Department on Sworn

Overtime and Recruit Hiring was approved by the Police Commission on February 27, 2007 and is pending scheduling at the Budget and Finance Committee. The budgeted recruit hiring plan was 50 recruits per 13 Academy classes, or 650 officers for the fiscal year. To date, the LAPD has hired 600 recruits, with two more classes to go this fiscal year. The most recent class size (deployment period beginning April 1, 2007) is 65 officers. LAPD is currently on target to hire up to 730 recruits in FY 2006-07.

Outside Counsel Expense

As part of the First Financial Status Report, the Council requested the City Attorney to provide the Budget and Finance Committee with an expenditure plan for outside counsel expenses for the remainder of FY 2006-07. The City Attorney was not provided with a 2006-07 appropriation to pay for outside counsel services. Instead, \$2.7 million was placed in the UB, under an account entitled Outside Counsel Including Workers' Compensation. All but \$106,200 of this amount has been appropriated to the City Attorney to pay for these services. Additionally, Council has approved a \$1 million transfer from Liability Claims to the City Attorney to pay for outside counsel services (C. F. 04-0893). The City Attorney recently requested \$2.6 million from various funding sources for outside counsel expenses through the end of the fiscal year (C.F. 07-0577). This request and the accompanying CAO report are pending scheduling at the Council's Budget and Finance Committee.

Additionally, the City Attorney is required to provide quarterly reports regarding Citywide outside counsel expenditures. The last report was submitted by the City Attorney on March 29, 2007, which addressed Citywide outside counsel expenditures for FY 2006-07 as of December 31, 2006 (C.F. 07-0959). Total Citywide outside counsel expenditures as of that date were \$14 million.

Prior-Year MICLA

The Budget and Finance Committee instructed the CAO to review with departments all unspent, prior-year MICLA monies that are over three years old and provide recommendations on sweeping those unspent, prior-year monies to the Budget and Finance Committee. Recommendations to instruct Departments to disencumber and unappropriate uncommitted MICLA funds are contained in this report and are discussed in Section 4B of this report. In addition, Attachment 9 of this report identifies \$9.7 million of prior-year General Fund encumbrances that are no longer needed.

Budget Instructions to City General Managers

General Managers were instructed to take the below-listed actions to improve the financial condition of the City:

- Limit the filling of vacancies;
- Defer any new initiatives;
- Reduce expenditures to generate internal savings to cover anticipated deficits;
- Meet revenue targets;
- Ensure Reserve Fund loans are paid back on time (Departments reported back on the status of Reserve Fund loans to the CAO. The CAO will present its report to Budget and Finance Committee before the year-end);
- Attain full cost recovery of special services;

- Conduct a thorough review of all prior-year encumbrances.

On December 18, 2006, the CAO transmitted the Council's instructions to General Managers, under separate cover, to help convey the importance of complying with the Council's instructions.

In February, at the direction of the Mayor's Office, the CAO with assistance from City departments:

- Conducted budget balancing exercises that generated \$3 million in salary savings to offset deficits this fiscal year;
- Reviewed the Unappropriated Balance to generate \$7 million to offset deficits this fiscal year;
- Identified \$9.7 million in prior-year encumbrances that can revert to the Reserve Fund;
- Developed hiring plans for those departments with deficits.

The Council's financial policies have helped ensure that new initiatives are not approved without a permanent source of funding. Achieving full cost recovery of special services can be achieved over time, and the Mayor's Office and CAO have focused on partial gains that can be achieved in the short-term in the 2007-08 Proposed Budget.

Marla B. Bleavins

Marla B. Bleavins, Finance Specialist

APPROVED:

Raymond P. Quinn

Assistant City Administrative Officer

KLS:RPC:DDL:MBB:01070054c

Attachments

ATTACHMENT 1a
STATUS OF RESERVE FUND AS OF 4/04/07

Council File No.	Item Description	Amount
	Balance Available, 7/1/06	\$179,137,097
	Emergency Reserve Account	(108,468,000)
Contingency Reserve Account		\$ 70,669,097
Loan Repayment and Other Receipts		\$ 41,921,601
03-0063-S5	Police Headquarters	(30,600,000)
06-0100-S9	CBDO Certification	(1,408,747)
04-2341-S1	Verdugo Mountain Park Acquisition Project	(1,106,800)
06-0600-S59;1st FSR	Safe Corridors Project	(206,041)
04-0423	Internet Crimes Against Children Grant	(138,651)
05-1583	Spousal Abuse Prosecution Program Grant	(59,395)
04-0011-S1	Project Safe Neighborhood Grant Program	(40,000)
07-0057	C/Atty. Family Violence Unit Case management system (NOT UB)	(32,000)
04-0011-S1	Project Safe Neighborhood Grant Program	(26,172)
02-1820	Victim Assistance Program Grant	(10,800)
01-1401	Special Emphasis Victim Assistance Grant	(7,270)
06-0600-S59;1st FSR	Police (reappropriation)	(6,088,885)
06-0600-S59;1st FSR	LINX Replacement	(3,312,000)
06-1800-S3	Affordable Housing GO Bond Special Election	(2,500,000)
06-0600-S59;1st FSR	Information Technology Agency (reappropriation)	(1,860,656)
06-0600-S59;1st FSR	General Services Dept. Building Management System (reappropriatic	(1,086,698)
06-0600-S59;1st FSR	Controller Audit	(642,500)
01-0147	Chinatown Blossom Plaza Project	(531,376)
06-0600-S59;1st FSR	Sanitation (reappropriation)	(400,000)
05-1196	77th Street Police Station	(383,000)
06-2648	Pensions Retirement Systems Audit	(222,000)
06-0600-S59;1st FSR	Project Restore Trust Fund	(200,000)
Treasurer JV	Escheated Bond Claims	(192,308)
06-0600-S59;1st FSR	Revenue Requirement Study - DWP	(160,000)
06-1828-S1	Clean and Safe Program	(150,000)
CAO Memo	LACVB Quarterly Payment	(135,165)
06-0600-S59;1st FSR	Finance (reappropriation)	(90,000)
06-0600-S33	Homeless Shelter Program	(50,000)
04-0010-S9	Special Reward Trust Fund (Sergio Reyes)	(25,000)
03-0010-s24	Special Reward Trust Fund (R. Groetken)	(25,000)
06-0600-S59;1st FSR	Disability AIDS Program (reappropriation)	(9,000)
05-1614	Ecuadorian Independence	(2,528)
06-2740	Harbor Reception	(663)
06-1741	International Cancer Symposium	(611)
06-2552	LA's BEST Reception	(530)
06-1925	Leadership Accountability Training Tom Bradley Tower	(428)
06-2676	UCLA Reception	(428)
06-2667	US District Court Reception	(407)
06-2605	LA Superior Court Reception	(362)
05-2071	Jewish Federation Reception	(326)
07-0061	African American History Heritage Month Celebration	(234)
04-2669	Forensic Casework DNA Backlog Reduction Program	(498,570)
06-1828-S1	Clean and Safe Program	(150,000)
05-1358	Joint Powers of Verification Unit	(586,038)
06-3237	DNA Capacity Enhancement Grant	(564,048)
Loans and Transfers Approved by Budget and Finance Committee		\$ (53,504,637)
Mid-Year	Transfer to UB, Reserve for Economic Uncertainties	(17,000,000)
Mid-Year	Rooted in Neighborhoods Grant	(60,000)
Mid-Year	City Attorney Proprietary Salaries	(1,100,000)
Proposed Loans and Transfers		\$ (18,160,000)
Contingency Reserve Available Balance as of 4/4/2007		<u>\$ 40,926,061</u>

ATTACHMENT 1b
2006-07 SUMMARY OF BUDGET STATUS

	FINANCIAL STATUS
<hr/>	
AVAILABLE FUNDS	
Emergency Reserve Fund	\$ 108,468,000
Reserve Funds Contingency Account	
Reserve Fund, Contingency Account (as of 4/4/2007)	59,086,061
To UB, Reserve for Economic Uncertainties (Mid-Year)	(17,000,000)
Reserve Fund Loans (Mid-Year)	(1,160,000)
	40,926,061
Prior Year Encumbrances (Mid-Year)	9,713,084
Adjusted Reserve Funds Contingency Account	\$ 50,639,145
 PROJECTED BUDGETARY STATUS	
Remaining Mid-Year Departmental Deficits After Adjusting for \$17 Million Reserve Fund Transfer	(24,279,438)
Transfers Recommended from: UB, Reserve for Economic Uncertainties (Mid-Year)	7,035,742
Net Projected Departmental Deficit	\$ (17,243,696)
Additional Projected Revenue (Mid-Year)	\$ 44,865,000
PROJECTED RESERVE FUND BALANCE, JUNE 30, 2007	\$ 186,728,449

Fiscal Year 2006-07 General Fund Projection
As of February 28, 2007
(Thousand Dollars)

	Fiscal Year Budget	Variance from Budget Plan at February	Recommended Changes to Budget at Mid Year	Revised Estimate at Mid Year	
Property Tax (Excluding \$44 million 2005-06 Carryover)	\$1,298,371	(\$10,249)	(\$3,391)	\$1,294,980	Property tax estimate may still be achievable. Much depends on how fast real estate market slows. Adjustment reflects lower-than-anticipated first installment receipts.
Property Tax Carryover		44,000	44,000	44,000	This counts as 2006-07 revenue.
Utility Users' Tax	613,448	(8,782)	(9,200)	604,248	While pending legal issues are not expected to affect 2006-07 telephone tax receipts, an early adverse court decision could reduce revenue. Declining natural gas commodity prices will reduce the gas users' tax.
Licenses, Permits, Fees and Fines	526,841	38,917	29,117	555,958	Unanticipated revenues such as State mandated reimbursements, liability claims, and capital financing account for the positive adjustment. This account is still under review.
Business Tax	421,720	23,818	27,481	449,201	Based on 2005-06 receipts to date, additional revenue is likely.
Sales Tax	338,097	(390)	(4,053)	334,044	Christmas-quarter cash receipts were below projection and only at same level as same period in prior year. It is unlikely this variance will be turned around before June 30.
Transfer from Reserve Fund	231,304			231,304	
Documentary Transfer Tax	192,500	(13,783)	(7,500)	185,000	This account is soft and will fall below budget.
Power Revenue Transfer	175,000	(116,132)	(253)	174,747	Nearly the full budgeted amount will be received, but later in the fiscal year than originally anticipated.
Transient Occupancy Tax	133,600	(140)	400	134,000	} Each of these accounts is close to target and should finish near budget.
Parking Fines	122,328	(723)		122,328	
Parking Users' Tax	82,350	40		82,350	
Franchise Income	50,946	(8,055)	(2,781)	48,165	Most of variance is only a delayed payment. Declining natural gas commodity prices will lower gas franchise income.
Interest Income	44,060	20,367	907	44,967	Current cash receipts include reserves for interest to be allocated to special funds. Variance is not meaningful.
Water Revenue Transfer	31,600	(21,060)	(31,600)		No transfer is expected in FY 06-07.
State Motor Vehicle License Fees	25,000	4,754	3,100	28,100	\$3.1 million of variance is due to one-time adjustment by the State.
Grant Receipts	17,061	(4,808)		17,061	The variance to date is in COPS Universal Hiring grant reimbursements.
Transfer from Tax Reform Fund	14,390			14,390	
Tobacco Settlement	10,473	86	(1,512)	8,961	Several tobacco companies withheld from their annual payments.
Transfer from Telecommunications Fund	5,364			5,364	
Residential Development Tax	4,250	225	150	4,400	
General Fund	\$4,338,703	(\$51,915)	\$44,865	\$4,383,568	

The variance from the plan at February would be positive except for delayed receipt of the transfer from the Power Revenue Fund. The recommended increase from the General Fund budget is primarily attributed to a \$44 million property tax carryover which should have been received in FY 2005-06. Adjustments in other accounts are offsetting: it is now anticipated that the water revenue transfer will not be made before June 30. The business tax and the 'licenses, permits, fees and fines' account are doing well, but the gas users' and documentary transfer taxes figure to fall short.

**ATTACHMENT 3
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

TRANSFER FROM		TRANSFER TO		
DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Animal Services	<u>Fund 100/06, Animal Services</u>		<u>Fund 100/06, Animal Services</u>	
	1010, Salaries General	\$ 113,000	3040, Contractual Services	\$ 38,000
			4460, Private Veterinary Care Expenses	\$ 75,000
			Subtotal	<u>\$ 113,000</u>
Building and Safety	<u>Fund 100/08, Building and Safety</u>		<u>Fund 100/08, Building and Safety</u>	
	1010, Salaries General	\$ 150,000	3310, Transportation	\$ 150,000
City Administrative Officer	<u>Fund 100/10, City Administrative Officer</u>		<u>Fund 100/10, City Administrative Officer</u>	
	1010, Salaries General	\$ 45,000	1090, Salaries Overtime	\$ 45,000
City Clerk	<u>Fund 100/14, City Clerk</u>		<u>Fund 100/14, City Clerk</u>	
	4170, Elections Expense	\$ 125,000	1010, Salaries General	\$ 125,000
Council	<u>Fund 100/28 Council</u>		<u>Fund 100/28 Council</u>	
	1010, Salaries General	\$ 600,000	1070, Salaries As Needed	\$ 600,000
El Pueblo	<u>Fund 100/33, El Pueblo</u>		<u>Fund 100/33, El Pueblo</u>	
	3340, Water and Electricity	\$ 27,000	1090, Salaries Overtime	\$ 5,000
	6020, Operating Supplies	\$ 28,000	6010, Office and Administrative	\$ 35,000
	Subtotal	<u>\$ 55,000</u>	6900, Special Events	\$ 15,000
			Subtotal	<u>\$ 55,000</u>
Environmental Affairs	<u>Fund 100/37, Environmental Affairs</u>		<u>Fund 100/37, Environmental Affairs</u>	
	1010, Salaries General	\$ 15,000	2120, Printing and Binding	\$ 5,000
	Subtotal	<u>\$ 15,000</u>	6010, Office and Administration	\$ 10,000
		Subtotal	<u>\$ 15,000</u>	
Finance	<u>Fund 100/39, Finance</u>		<u>Fund 100/39, Finance</u>	
	6010, Office and Administration	\$ 44,000	3310, Transportation	\$ 44,000
	Subtotal	<u>\$ 44,000</u>	Subtotal	<u>\$ 44,000</u>
Fire	<u>Fund 100/38, Fire</u>		<u>Fund 100/38, Fire</u>	
	1010, Salaries General	\$ 296,164	1030, Firefighter Sworn Bonuses	\$ 387,297
	1012, Firefighter Sworn	\$ 1,843,305	1090, Salaries Overtime	\$ 237,141
	1050, Unused Sick Time	\$ 532	1092, Overtime Sworn	\$ 976,577
	1070, Salaries As Needed	\$ 12,261	3040, Contractual Services	\$ 209,000
	1098, Overtime Variable Staffing	\$ 157,753	3090, Field Equipment Expense	\$ 500,000
	Subtotal	<u>\$ 2,310,015</u>	Subtotal	<u>\$ 2,310,015</u>
Housing	<u>Fund 100/43, Housing</u>		<u>Fund 100/43, Housing</u>	
	1010, Salaries General	\$ 461,914	1070, Salaries As-Needed	\$ 66,769
	Subtotal	<u>\$ 461,914</u>	1090, Salaries Overtime	\$ 117,055
			2130, Travel	\$ 18,090
			3040, Contractual Services	\$ 260,000
		Subtotal	<u>\$ 461,914</u>	

**ATTACHMENT 3
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

TRANSFER FROM		TRANSFER TO			
DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT	
Information Technology	<u>Fund 100/32, Information Technology</u>		<u>Fund 100/32, Information Technology</u>		
	1010, Salaries General	\$ 785,000	1070, Salaries As-Needed	\$ 135,000	
			1090, Salaries Overtime	\$ 300,000	
	Subtotal	<u>\$ 785,000</u>	1100, Hiring Hall	\$ 350,000	
			Subtotal	<u>\$ 785,000</u>	
Mayor	<u>Fund 100/46, Mayor</u>		<u>Fund 100/46, Mayor</u>		
	3040, Contractual Services	\$ 425,000	1070, Salaries As Needed	\$ 425,000	
	6020, Operating Supplies	\$ 13,402	6010, Office and Administration	13,402	
	7300, Equipment	\$ 26,592	6010, Office and Administration	\$ 26,592	
	\$ 464,994		\$ 464,994		
Personnel	<u>Fund 100/66, Personnel</u>		<u>Fund 100/66, Personnel</u>		
	3040, Contractual Services	\$ 735,000	1070, Salaries As Needed	\$ 500,000	
		Subtotal	1090, Overtime General	55,000	
		<u>\$ 735,000</u>	9600, Employee Transit Subsidy	180,000	
			Subtotal	<u>\$ 735,000</u>	
	<u>Fund 100/66, Personnel</u>		<u>Fund 100/66, Personnel</u>		
	3040, Contractual Services	\$ 57,000	9590, Police Recruitment Initiative	\$ 57,000	
	Subtotal	<u>\$ 57,000</u>	Subtotal	<u>\$ 57,000</u>	
Police	<u>Fund 100/70, Police</u>		<u>Fund 100/70, Police</u>		
	1012, Salaries Sworn	\$ 1,975,000	1090, Salaries Overtime	\$ 600,000	
	1030, Sworn Bonuses	\$ 15,000	1092, Overtime Sworn	\$ 1,300,000	
	2120, Printing and Binding	\$ 300,000	3090, Field Equipment Expense	\$ 500,000	
	3040, Contractual Services	\$ 400,000	3110, Institutional Supplies	\$ 90,000	
	4440, Reserve Officer Expense	\$ 100,000	6010, Office and Administrative	\$ 500,000	
	6020, Operating Supplies	\$ 200,000		Subtotal	<u>\$ 2,990,000</u>
	Subtotal	<u>\$ 2,990,000</u>			
PW/Contract Administration	<u>Fund 100/76 Contract Administration</u>		<u>Fund 100/76 Contract Administration</u>		
	1010, Salaries General	\$ 254,196	1090, Salaries Overtime	\$ 143,949	
	Subtotal	<u>\$ 254,196</u>	3310, Transportation	\$ 110,247	
			Subtotal	<u>\$ 254,196</u>	
PW/Sanitation	<u>Fund 100/82, Sanitation</u>		<u>Fund 100/82, Sanitation</u>		
	1010, Salaires General	\$ 1,300,660	1010, Salaries General	\$ 1,902	
	2120, Printing & Binding	\$ 28,821	1070, Salaries As-Needed	\$ 31,228	
	4430, Uniform Expense	\$ 1,902	1090, Salaries Overtime	\$ 795,607	
	Subtotal	<u>\$ 1,331,383</u>	1100, Hiring Hall Salaries	\$ 110,044	
			1120, Hiring Hall Benefits	\$ 82,602	
			2120, Printing & Binding	\$ 12,000	
			3040, Contractual Services	\$ 217,000	
			3310, Transportation	\$ 37,000	
			6010, Office & Administration	\$ 34,000	
			6020, Operating Supplies	\$ 10,000	
		Subtotal	<u>\$ 1,331,383</u>		

**ATTACHMENT 3
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
PW/Street Services	<u>Fund 511/50, Stormwater Pollution Abatement Fund</u> Y357, Maintenance Hole Resetting	\$ 60,000	<u>Fund 511/50, Stormwater Pollution Abatement Fund</u> A516, Media Center Tech	\$ 60,000
	<u>Fund 100/86 Street Services</u> 1010, Salaries General	\$ 1,700,000	<u>Fund 100/86 Street Services</u> 1090, Overtime Salaries	\$ 1,700,000
	<u>Fund 100/86 Street Services</u> 3090, Field Equipment Expense	\$ 20,000	<u>Fund 100/86 Street Services</u> 7300, Equipment	\$ 20,000
Transportation	<u>Fund 100/94 Transportation</u> 3040, Contractual Services	\$ 217,000	<u>Fund 100/94 Transportation</u> 1090, Salaries Overtime	\$ 817,000
	3360, Signal Supplies & Repairs	\$ 2,070,000	3090, Field Equipment Expense	\$ 600,000
	Subtotal	\$ 2,287,000	3350, Paint and Sign Maintenance and Repair	\$ 519,000
			3030, Construction Materials	\$ 351,000
			Subtotal	\$ 2,287,000
	<u>Fund 385/94, Proposition A</u> A270, DASH - Community DASH Area 3	\$ 1,060,000	<u>Fund 385/94, Proposition A</u> A201, DASH - Central City	\$ 208,000
	A248, Automated Paratransit System	\$ 250,000	A277, DASH - Community DASH Area 2	\$ 592,000
	Subtotal	\$ 1,310,000	A419, Reimbursement for MTA Bus Pass Sales	\$ 500,000
			A223, Membership and Subscriptions	\$ 10,000
			Subtotal	\$ 1,310,000
	<u>Fund 540/94, Proposition C</u> A341, Environmental Studies	\$ 25,000	<u>Fund 540/94, Proposition C</u> A243, Technology and Communications Equipment	\$ 25,000
	<u>Fund 363/94 Special Parking Revenue Fund</u> A201, Projects to be Designated	\$ 320,000	<u>Fund 363/94 Special Parking Revenue Fund</u> 0010, Collection Services	\$ 320,000
	Zoo		<u>Fund 100/87, Zoo</u> 1070, Salaries As Needed	\$ 135,000
	<u>Fund 100/87, Zoo</u> 1010, Salaries General	\$ 244,000	1090, Salaries Overtime	\$ 99,000
	Subtotal	\$ 244,000	4570, Veterinary Supplies and Expense	\$ 10,000
			Subtotal	\$ 244,000
TOTAL ALL DEPARTMENTS AND FUNDS		\$ 16,502,502		\$ 16,502,502

**ATTACHMENT 4
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

TRANSFER FROM		TRANSFER TO		
DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
City Administrative Officer	<u>Fund 100/10, City Administrative Officer</u>		<u>Fund 46S/0230 Insurance and Bonds Premium Fund</u>	
	3040, Contractual Services	\$ 61,668	Account 0230	\$ 61,668
	<u>Fund 47N/46, Homeland Security Assistance Fund</u>		<u>Fund 100/10, City Administrative Officer</u>	
	Y223, UASI '05 M&A	\$ 30,366	1010, Salaries General	\$ 29,191
	Subtotal	<u>\$ 30,366</u>	1090, Overtime Salaries	\$ 1,175
			Subtotal	<u>\$ 30,366</u>
	<u>Fund 100/53, Capital Finance Administration Fund</u>		<u>Fund 100/10, City Administrative Officer</u>	
	0170, General Administration	\$ 6,000	2130, Travel	\$ 3,000
	Subtotal	<u>\$ 6,000</u>	6010, Office and Administrative Expense	\$ 3,000
		Subtotal	<u>\$ 6,000</u>	
City Attorney	<u>Fund 100/59, Liability Claims</u>		<u>Fund 100/12, City Attorney</u>	
	9770, Liability Claims over \$100,000	\$ 375,000	9302, Workers Compensation Outside Counsel	\$ 375,000
Fire	<u>Fund 47N/46, Homeland Security Assistance Fund</u>		<u>Fund 100/36, Fire</u>	
	W610, SHSGP '04 Fire	\$ 605,000	1098, Overtime Variable Staffing	\$ 635,139
	W438, UASI '04 Fire	\$ 30,139	Subtotal	<u>\$ 635,139</u>
	Subtotal	<u>\$ 635,139</u>		
General Services	<u>Fund 553/40, Residential Property Maintenance Fund</u>		<u>Fund 100/40, General Services</u>	
	Account 0301	\$ 114,969	1101, Salaries Hiring Hall Construction	\$ 57,484
	Subtotal	<u>\$ 114,969</u>	1121, Fringe Benefits, Hiring Hall Construction	\$ 22,994
			3180, Construction Materials and Supplies	\$ 34,491
			Subtotal	<u>\$ 114,969</u>
	<u>Fund 100/60, Water and Electricity Fund</u>		<u>Fund 100/40, General Services</u>	
	Account 0022	\$ 167,669	1014, Construction Salaries	\$ 66,838
	Subtotal	<u>\$ 167,669</u>	1101, Salaries Hiring Hall Construction	\$ 27,000
			1121, Benefits, Hiring Hall Construction	\$ 21,835
			3180, Construction Materials and Supplies	\$ 51,996
			Subtotal	<u>\$ 167,669</u>

**ATTACHMENT 4
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Information Technology	<u>Fund 100/32, Information Technology</u>		<u>Fund 100/40, General Services</u>	
	9350, Communication Services	\$ 145,742	1014, Construction Salaries	\$ 25,000
			1101, Construction Salaries Hiring Hall	\$ 75,000
			1121, Construction Salaries Hiring Hall Fringe Benefits	\$ 27,274
			3180, Construction Materials and Supplies	\$ 18,468
	Subtotal	\$ 145,742	Subtotal	\$ 145,742
Library	<u>Fund 831/44, Library</u>		<u>Fund 100/40, General Services</u>	
	Account 112	\$ 50,000	1090, Salaries Overtime	\$ 50,000
Mayor	<u>Fund 47N/46, Homeland Security Assistance Fund</u>		<u>Fund 100/46, Mayor</u>	
	Account Y223, Grant Administration	\$ 285,000	1020, Salaries Grant Reimbursed	\$ 285,000
Police	<u>Fund 100/70, Police</u>		<u>Fund 100/46, Mayor</u>	
	1010, Salaries General	\$ 5,000	1070, Salaries As-Needed	\$ 5,000
	<u>Fund 100/70, Police</u>		<u>Fund 100/40, General Services</u>	
	1030, Sworn Bonuses	\$ 172,000	3090, Field Equipment Expense	\$ 172,000
	<u>Fund 100/70, Police</u>		<u>Fund 100/32, Information Technology</u>	
	7340, Transportation Equipment	\$ 300,000	9350, Communication Services	\$ 300,000
	<u>Fund 47N/46, Homeland Security Assistance Fund</u>		<u>Fund 100/70, Police</u>	
	Account Y601	\$ 428,414	1092, Sworn Overtime	\$ 428,414
	<u>Fund 100/82, Sanitation</u>		<u>Fund 760/50, Sewer Construction & Mtce Fund, O&M</u>	
	1010, Salaries General	\$ 1,239,404	A282/609, Field Equipment	\$ 1,239,404
PW/Sanitation	<u>Fund 100/82, Sanitation</u>		<u>Fund 47S, CLARTS Community Amenities Trust Fund</u>	
	3040, Contractual Services	\$ 236,541	3040, Contractual Services	\$ 339,198
			Subtotal	\$ 339,198
	<u>Fund 47R/50, CLARTS Trust Fund</u>			
	A330, Community Amenities Fees	\$ 102,657		
	Subtotal	\$ 339,198		
	<u>Fund 511/50, Stormwater Pollution Abatement Fund</u>		<u>Fund 100/12, City Attorney</u>	
	R462, Filter Inserts	\$ 13,236	4610, Revenue Source	\$ 13,236
	<u>Fund 47D/50, Sanitation Equipment Charge</u>		<u>Fund 682/50, Engineering Special Service Fund</u>	
	V313, North Central LCNG: Master Plan	\$ 10,780	Y237, North Central LCNG: Master Plan	\$ 10,780
<u>Fund 48H/50, Los Angeles Regional Agency Fund</u>		<u>Fund 100/82, Sanitation</u>		
Y310, LARA Membership	\$ 87,872	1010, Salaries General	\$ 87,872	

**ATTACHMENT 4
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
	<u>Fund 46D/50, Citywide Recycling Trust Fund</u>		<u>Fund 100/82, Sanitation</u>	
	A258, Unallocated Cost	\$ 123,581	1070, Salaries As-Needed	\$ 123,581
	<u>Fund 47R/50, CLARTS Trust Fund</u>		<u>Fund 100/82, Sanitation</u>	
	A320, Private Hauling Expense	\$ 472,464	3040, Contractual Services	\$ 472,464
	<u>Fund 45T, Alternative Fuel Fund</u>		<u>Fund 100/82, Sanitation</u>	
	Available Balance	\$ 82,000	3040, Contractual Services	\$ 82,000
PW/Street Services	<u>Fund 43D/Street Furniture Revenue Fund</u>		<u>Fund 100/86, Street Services</u>	
	2006-07/A186 Street Services	\$ 116,995	1090, Overtime Salaries	\$ 77,146
	Subtotal	\$ 116,995	3030, Construction Materials	\$ 11,104
			3040, Contractual Services	\$ 15,641
			6010, Office and Administrative	\$ 2,000
			6020, Operating Supplies	\$ 11,104
			Subtotal	\$ 116,995
	<u>Fund 305/Subventions and Grants Fund/50</u>		<u>Fund 100/86, Street Services</u>	
	3734, Contributions form Other Agencies	\$ 51,256	1090, Overtime Salaries	\$ 30,000
	Subtotal	\$ 51,256	3030, Construction Materials	\$ 11,256
			3040, Contractual Services	\$ 2,000
			7300, Furniture, Office, Technical Equipment	\$ 8,000
			Subtotal	\$ 51,256
	<u>Fund 305/Subventions and Grants Fund/50</u>		<u>Fund 100/86, Street Services</u>	
	3734, Contributions form Other Agencies	\$ 175,000	1090, Overtime Salaries	\$ 120,000
	Subtotal	\$ 175,000	3030, Construction Materials	\$ 27,000
			6010, Office and Administrative	\$ 2,000
			6020, Operating Supplies	\$ 26,000
			Subtotal	\$ 175,000
	<u>Fund 305/Subventions and Grants Fund/50</u>		<u>Fund 100/86, Street Services</u>	
	4511, Contributions/Nongovernmental	\$ 15,129	1090, Overtime Salaries	\$ 9,129
	Subtotal	\$ 15,129	3030, Construction Materials	\$ 3,000
			6010, Office and Administrative	\$ 2,000
			6020, Operating Supplies	\$ 1,000
			Subtotal	\$ 15,129
	<u>Fund 305/Subventions and Grants Fund/50</u>		<u>Fund 100/86, Street Services</u>	
	4511, Contributions/Nongovernmental	\$ 10,000	1090, Overtime Salaries	\$ 6,000
	Subtotal	\$ 10,000	3030, Construction Materials	\$ 1,500
			6010, Office and Administrative	\$ 2,000
			6020, Operating Supplies	\$ 500
			Subtotal	\$ 10,000

**ATTACHMENT 4
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
	<u>Fund 305/Subventions and Grants Fund/50</u>		<u>Fund 100/86, Street Services</u>	
	4511, Contributions/Nongovernmental	\$ 1,672,353	1010, Salaries General	\$ 700,000
		Subtotal \$ 1,672,353	1090, Overtime Salaries	\$ 200,000
			1100, Hiring Hall Salaries	\$ 100,000
			3030, Construction Materials	\$ 100,000
			3300, Utilities Expense	\$ 100,000
			6010, Office and Administrative	\$ 100,000
			6020, Operating Supplies	\$ 372,353
			Subtotal	\$ 1,672,353
	 <u>Fund 305/Subventions and Grants Fund/50</u>		 <u>Fund 100/86, Street Services</u>	
	Y186, Street Services	\$ 140,991	1090, Overtime Salaries	\$ 100,000
		Subtotal \$ 140,991	3030, Construction Materials	\$ 18,991
			6010, Office and Administrative	\$ 2,000
			6020, Operating Supplies	\$ 20,000
			Subtotal	\$ 140,991
Transportation	<u>Fund 363, Special Parking Revenue Fund</u>		<u>Fund 100/86, Street Services</u>	
	2003-04/0030 Maintenance Rep and Lighting Svcs	\$ 3,700	1090, Overtime Salaries	\$ 3,700
	<u>Fund 100/94, Transportation</u>		<u>Fund 298/40, General Services</u>	
	3360, Signal Supplies and Repairs	\$ 130,000	Account Y737 Object 734, Thermoplastic Truck	\$ 130,000
TOTAL ALL DEPARTMENTS AND FUNDS		\$ 7,460,926		\$ 7,460,926

**ATTACHMENT 5
2006-2007 BUDGET ADJUSTMENTS
TRANSFERS/APPROPRIATION REDUCTIONS TO THE UNAPPROPRIATED BALANCE (UB), RESERVE FOR ECONOMIC UNCERTAINTIES**

TRANSFERS FROM DEPARTMENTS:

DEPARTMENT	FUND/ACCOUNT	AMOUNT
Aging	<u>Fund 100/02, Aging</u> 1010, Salaries General	\$ 82,000
Animal Services	<u>Fund 100/06, Animal Services</u> 1010, Salaries General	400,000
City Administrative Officer	<u>Fund 100/10, City Administrative Officer</u> 1010, Salaries General	90,000
Commission for C, Y & F	<u>Fund 100/27, CCYF</u> 1010, Salaries General	228,000
Controller	<u>Fund 100/26, Controller</u> 1010, Salaries General	600,000
Human Relations	<u>Fund 100/49</u> 1010, Salaries General	53,000
Personnel	<u>Fund 100/66</u> 1010, Salaries General	250,000
Public Works, Bureau of Street Services	<u>Fund 100/86</u> 1010, Salaries General	1,000,000
SUBTOTAL (General Fund Transfers from Departments to the UB, Reserve for Economic Uncertainties Account):		\$ 2,703,000

GENERAL FUND APPROPRIATION REDUCTIONS/APPROPRIATIONS TO UB:

DEPARTMENT	FUND/ACCOUNT	AMOUNT
<u>Ethics Department</u> (Reduce General Fund Appropriation to Fund No. 100_534)	<u>Fund 100/17, Ethics</u> 1010, Salaries General	\$ 73,000
<u>Recreation and Parks Department</u> (Reduce General Fund Appropriation to Fund No. 302)	<u>Fund 302/88</u> 1010, Salaries General	300,000
SUBTOTAL (General Fund Appropriation Reductions and Appropriations Increase to the UB, Reserve for Economic Uncertainties Account):		\$ 373,000

ATTACHMENT 5
2006-2007 BUDGET ADJUSTMENTS
TRANSFERS/APPROPRIATION REDUCTIONS TO THE UNAPPROPRIATED BALANCE (UB), RESERVE FOR ECONOMIC UNCERTAINTIES

TRANSFERS FROM THE UNAPPROPRIATED BALANCE (UB):

NAME OF ACCOUNT	FUND/ ACCOUNT	AMOUNT
CCYF Phase II Special Projects (Beginning Balance = \$100,000)	58/0201	\$ 30,000
Contamination Reduction Program (Related Costs)	58/0203	149,904
Emergency Management (Related Costs)	58/0204	153,005
Homeland Security Enhancement Phase 2 (Police)	58/0206	1,155,992
Green Agenda (Beginning Balance = \$62,476; Report pending at Council)	58/0207	62,476
Human Trafficking - CSOW (Department may use salary savings to fund the position)	58/0209	49,000
Left-turn Arrow Signals (Beginning Balance = \$802,000)	58/0212	679,000
Medical Exams for Sworn Fire Employees (Beginning Balance = \$800,000)	58/0103	800,000
Medical Services Efficiencies (Beginning Balance = \$25,980)	58/0213	25,980
Senior Services (Beginning Balance = \$300,000; New volunteer program)	58/0218	300,000
Peak Hour Construction Program (Related Costs)	58/0198	159,385
Training Final Decision Makers of N/C Elections (Beginning Balance = \$25,000)	58/0199	25,000
Planning - Council Initiated Assignments (Beginning Balance = \$440,000; \$47,000 in process)	58/0174	370,000
SUBTOTAL (General Fund Transfers from the UB to the UB, Reserve for Economic Uncertainties Account):		\$ 3,959,742
<hr/>		
SUBTOTAL RESERVE FOR ECONOMIC UNCERTAINTIES ACCOUNT BALANCE:		\$ 7,035,742
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ADDITIONAL TRANSFER FROM THE RESERVE FUND TO THE UB, RESERVE FOR ECONOMIC UNCERTAINTIES ACCOUNT:		\$ 17,000,000
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TOTAL RESERVE FOR ECONOMIC UNCERTAINTIES ACCOUNT BALANCE:		\$ 24,035,742

**ATTACHMENT 6
FY 2006-07 BUDGET ADJUSTMENTS
APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE (UB)**

<u>APPROPRIATE FROM:</u>	<u>APPROPRIATE TO:</u>	<u>AMOUNT</u>
Litigation Expense Account, 0055	<u>Fund 100/12, City Attorney</u> 4200, Litigation Expense	\$ 175,000
Nate Holden Performing Arts Center, 0214	<u>Fund 100/30 Cultural Affairs</u> 3040, Contractual Services 4030, Art and Music Expense Account 6010, Office and Administrative	64,574 6,555 1,465 <u>Subtotal 72,594</u>
	<u>Fund 844/30 Cultural Affairs Trust Fund</u> 001K, Junior Arts Center 002R, Barnsdall Arts Center	12,288 4,257 <u>Subtotal 16,545</u>
New Fire Stations, 0195	<u>Fund 100/38, Fire</u> 3030, Construction Materials 6010, Office and Administrative 6020, Operating Supplies 9350, Special Communication Serv	18,000 38,000 14,566 15,030 <u>Subtotal 85,596</u>
GSD - Petroleum Products, 0130	<u>Fund 100/40, General Services</u> 3230, Petroleum Products	4,000,000
Water and Electricity, 0200	<u>Fund 100/40, General Services</u> 3340, Water and Electricity	1,371,000
3-1-1 Service Request System, 0190	<u>Fund 682/50, Engineering Special Services Fund</u> New Account, 311 Call Center	167,000
	<u>Fund 100/40, General Services</u> 1014, Salaries Construction Project	25,000
Alt. Waste Disposal Technology Study, 0165	<u>Fund 100/82, Sanitation</u> 3040, Contractual Services	2,000,000
<u>SUBTOTAL (Appropriations from Existing UB Line-items):</u>		<u>\$ 7,912,735</u>

**ATTACHMENT 6
FY 2006-07 BUDGET ADJUSTMENTS
APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE (UB)**

<u>APPROPRIATE FROM:</u>	<u>APPROPRIATE TO:</u>	<u>AMOUNT</u>
Reserve for Economic Uncertainties Account (See Attachment 5) \$24,035,742	<u>Fund 100/40 General Services</u>	
	1070, Salaries As Needed	\$ 850,000
	1090, Salaries Overtime	850,000
	3040, Contractual Services	500,000
	3090, Field Equipment Expense	700,000
	Subtotal	<u>2,900,000</u>
	 <u>Fund 100/70, Police</u>	
	1010, Salaries General	1,300,000
	1092, Overtime Sworn	3,500,000
	Subtotal	<u>4,800,000</u>
	 <u>Fund 100/38, Fire</u>	
	1093, Overtime Constant Staffing	2,500,000
	Subtotal	<u>2,500,000</u>
	 <u>Fund 100/94, Transportation</u>	
	1090, Salaries Overtime	750,000
Subtotal	<u>750,000</u>	
 <u>Human Resources Benefits</u>		
Civilian Flex	7,000,000	
Worker's Compensation	6,085,742	
Subtotal	<u>13,085,742</u>	
<u>SUBTOTAL (Appropriations from the UB, Reserve for Economic Uncertainties Account):</u>		\$ 24,035,742
<u>TOTAL APPROPRIATIONS FROM THE UB:</u>		\$ 31,948,477

STATUS OF UNAPPROPRIATED BALANCE NON-GENERAL ACCOUNT as of 3/14/07

UB Non-General Accounts	Primary Department	Adopted Budget	Amount Appropriated during year	Available Balance
General Fund				
General (see Attachment 4A)		\$ 25,000		\$ 25,000
3-1-1 Service Request System	ITA	1,120,000		1,120,000
Boyle Heights Neighborhood City Hall	GSD	407,022		407,022
Fire - Complaint Resolution Office	Fire	360,045		360,045
GSD - Petroleum Products	GSD	9,000,000	(5,000,000)	4,000,000
Gang Prevention/Intervention/Reduction Program	Mayor/Council	2,000,000	(253,280)	1,746,720
LAPD Consent Decree Program	Police/CLA	1,855,018	(135,000)	1,720,018
Litigation Expense Account	City Atty	750,000	(400,000)	350,000
Los Angeles Regional Crime Laboratory	Police	307,355	(307,355)	0
Neighborhood Council Study	DONE	500,000	(500,000)	0
New Fire Stations	Fire	299,762	(214,166)	85,596
New Police Facilities	Police	2,000,000	(2,000,000)	0
Outside Counsel inc. Workers' Comp	City Atty	2,700,000	(2,463,800)	236,200
Peak Hour Construction Program	Various	652,907	(493,522)	159,385
Training Final Decision makers of N/C Elections	DONE	25,000		25,000
Water and Electricity	GSD	1,371,000		1,371,000
CCYF Phase II Special Projects	CCYF	100,000	(70,000)	30,000
Civic Center Master Plan	Planning	150,000		150,000
Contamination Reduction Program	P/W Sanitation	1,636,572	(1,486,668)	149,904
Emergency Management	EPD	710,000		710,000
Homeland Security Enhancement Ph 2	Fire	2,220,001	(1,822,343)	397,658
Homeland Security Enhancement Ph 2	Police	1,155,992		1,155,992
Green Agenda	EAD	62,476		62,476
Homeless Shelter	Housing	1,050,000	(1,050,000)	0
Human Trafficking - CSOW	CSOW	49,000		49,000
In-Car Video	Police	2,500,000		2,500,000
Learn and Earn	Mayor/Council	2,000,000	(2,000,000)	0
Left-turn Arrow Signals	DOT	802,000		802,000
Medical Exams for Sworn Fire Emp.	Fire	800,000		800,000
Medical Services Efficiencies	Personnel	25,980		25,980
Nate Holden Performing Arts Center	Cultural Affairs	108,000		108,000
Neighborhood Prosecutor Program -School Safety	City Atty	251,077	(251,077)	0
Outside Counsel Oversight Unit	City Atty	479,903	(479,903)	0
Pollworker Stipend Phase I	City Clerk	522,000	(522,000)	0
Senior Services	Aging	300,000		300,000
Solid Waste Integrated Resource Plan	P/W Sanitation	2,758,422	(2,618,484)	139,938
Cultural & Historical Facilities	Cultural Affairs	800,000		800,000
Council Initiated Assignments	Planning	440,000	(70,000)	370,000
LINX Replacement	Personnel	3,312,000		3,312,000
		\$ 45,606,532	\$ (22,137,598)	\$ 23,468,934

STATUS OF UNAPPROPRIATED BALANCE NON-GENERAL ACCOUNT as of 3/14/07

UB Non-General Accounts	Primary Department	Adopted Budget	Amount Appropriated during year	Available Balance
Special Funds				
Alternative Waste Disposal Tech Study	Sanitation	2,000,000		2,000,000
Contamination Reduction Program	P/W Sanitation	820,000	(820,000)	0
Green Agenda	EAD	122,952		122,952
In-Car Video	Police	2,500,000		2,500,000
One-Stop Permit Center- Charter Sch.	BAS	100,000		100,000
		\$ 5,542,952	\$ (820,000)	\$ 4,722,952
Grand Total		\$ 51,149,484	\$ (22,957,598)	\$ 28,191,886

ATTACHMENT 8
STATUS OF UNAPPROPRIATED BALANCE
GENERAL ACCOUNT as of 3/14/07

C.F.	Appropriations	Date	Amount
	Beginning Balance		25,000
	Approved Transfer		
06-1657	Annual Watts Summer Festival	7/27/2006	(480)
06-0600-S59;1s	Off-site Council meetings	7/21/2006	(15,000)
06-2880	DWP Reception	11/28/2006	(530)
06-2969	Korean American Coalition Reception	12/12/2006	(713)
07-0434	Gabrielino/Tongva Tribal Council Reception	2/13/2007	(1,838)
07-0482	NSTP Commission Reception	2/23/2007	(530)
07-0358	LA Municipal Accountant Reception	2/9/2007	(468)
07-0683	Iranian American Bar Assoc. Reception	3/16/2007	(549)
	Balance Available		<u><u>4,892</u></u>
	Anticipated Appropriations		
	Projected Balance Available		<u><u>4,892</u></u>

ATTACHMENT 9 - PRIOR-YEAR ENCUMBRANCES AS OF January 11, 2007

Department	Fiscal Year	Total Encumbrance (Includes Special Funds)	General Fund Amount	General Funds to be Unencumbered	General Funds Already Unencumbered as of 1/11/07	Total
Aging	04	\$ 2,969	\$ 215	\$ 215	\$ -	\$ 215
	05	4,317	551	551	-	551
	06	17,996	3,963	-	-	-
	Total	\$ 25,282	\$ 4,729	\$ 766	\$ -	\$ 766
Animal Services	04	\$ 9,790	\$ 9,790	\$ 2,975	\$ -	\$ 2,975
	05	40,170	40,170	7,320	396	7,716
	06	169,357	169,357	41,063	28,916	69,979
	Total	\$ 219,317	\$ 219,317	\$ 51,358	\$ 29,312	\$ 80,670
Building and Safety	04	\$ 11,206	\$ 11,206	\$ 11,206	\$ -	\$ 11,206
	05	11,879	11,879	11,853	308	12,161
	06	2,790	2,393	2,393	8,574	10,967
	Total	\$ 25,875	\$ 25,478	\$ 25,452	\$ 8,882	\$ 34,334
City Administrative Officer	03	\$ 322,500	\$ 259,500	\$ 259,500	\$ 107,590	\$ 367,090
	Total	\$ 322,500	\$ 259,500	\$ 259,500	\$ 107,590	\$ 367,090
City Attorney	01	\$ 11,372	\$ 11,372	\$ -	\$ -	\$ -
	02	54,393	54,393	-	-	0
	03	29,651	29,651	18,826	82,146	100,972
	04	67,974	67,974	14,824	16,013	30,837
	05	482,386	482,386	45,127	4,800	49,927
	06	1,277,850	1,277,850	67,774	46,710	114,484
	Total	\$ 1,923,626	\$ 1,923,626	\$ 146,551	\$ 149,669	\$ 296,220
City Clerk	03	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -
	04	22,142	22,142	2,771	0	2,771
	05	63,452	63,452	26,476	38	26,514
	06	809,784	809,784	94,524	3,769	98,293
	Total	\$ 1,895,378	\$ 1,895,378	\$ 123,771	\$ 3,807	\$ 127,578
Commission on Status of Women	04	\$ 13	\$ 13	\$ 13	\$ -	\$ 13
	05	179	179	179	0	179
	06	3,262	3,262	-	146	146
	Total	\$ 3,454	\$ 3,454	\$ 192	\$ 146	\$ 338

ATTACHMENT 9 - PRIOR-YEAR ENCUMBRANCES AS OF January 11, 2007

Department	Fiscal Year	Total Encumbrance (Includes Special Funds)	General Fund Amount	General Funds to be Unencumbered	General Funds Already Unencumbered as of 1/11/07	Total
Commission, Children, Youth, Families	04	\$ 389	\$ 389	\$ -	\$ -	\$ -
	05	3,932	3,932	2,732	-	2,732
	06	37,349	7,982	4,046	6,136	10,182
	Total	\$ 41,670	\$ 12,303	\$ 6,778	\$ 6,136	\$ 12,914
Controller	03	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ 5,000
	04	26,552	26,552	26,410	0	26,410
	05	96,512	96,512	51,472	-	51,472
	06	578,240	578,240	13,645	9,764	23,409
	Total	\$ 706,304	\$ 706,304	\$ 96,527	\$ 9,764	\$ 106,291
Emergency Preparedness	06	\$ 651	\$ 651	\$ 7	\$ 170	\$ 177
	Total	\$ 651	\$ 651	\$ 7	\$ 170	\$ 177
Environmental Affairs	04	\$ 2,287	\$ -	\$ -	\$ -	\$ -
	05	47,942	4,522	76	-	76
	06	109,867	29,464	8,557	2,594	11,151
	Total	\$ 160,096	\$ 33,986	\$ 8,633	\$ 2,594	\$ 11,227
Finance	04	\$ 1,437	\$ 1,437	\$ -	\$ -	\$ 0
	05	80,232	80,232	126	3,804	3,930
	06	27,475	20,699	3,036	18,195	21,231
	Total	\$ 109,144	\$ 102,368	\$ 3,162	\$ 21,999	\$ 25,161
Fire	04	\$ 108,603	\$ 108,603	\$ 31,450	\$ -	\$ 31,450
	05	480,870	480,870	279,221	157	279,378
	06	1,031,431	1,031,431	127,791	56,229	184,020
	Total	\$ 1,620,904	\$ 1,620,904	\$ 438,462	\$ 56,386	\$ 494,848
General Services	98	\$ 1,336	\$ 1,336	\$ 1,336	\$ -	\$ 1,336
	02	1,027	1,027	220	152	372
	03	116,389	116,389	24,922	51	24,973
	04	635,814	575,916	87,150	600	87,750
	05	1,829,677	1,708,857	478,354	66,012	544,366
	06	6,285,545	4,963,448	1,502,935	222,533	1,725,468
	Total	\$ 8,869,788	\$ 7,366,973	\$ 2,094,917	\$ 289,348	\$ 2,384,265

ATTACHMENT 9 - PRIOR-YEAR ENCUMBRANCES AS OF January 11, 2007

Department	Fiscal Year	Total Encumbrance (Includes Special Funds)	General Fund Amount	General Funds to be Unencumbered	General Funds Already Unencumbered as of 1/11/07	Total
Human Relations Commission	04	\$ 408	\$ 408	\$ 408	\$ -	\$ 408
	05	584	584	584	0	584
	06	9,680	9,680	9,680	798	10,478
	Total	\$ 10,672	\$ 10,672	\$ 10,672	\$ 798	\$ 11,470
Information Technology Agency	03	\$ 281,857	\$ 281,857	\$ 123,133	\$ -	\$ 123,133
	04	420,857	420,857	45,690	0	45,690
	05	706,521	706,521	195,137	30,102	225,239
	06	3,957,384	3,957,384	879,327	172,945	1,052,272
	Total	\$ 5,366,619	\$ 5,366,619	\$ 1,243,287	\$ 203,047	\$ 1,446,334
Disability	04	\$ 649	\$ 649	\$ 52	\$ -	\$ 52
	05	1,269	1,269	56	-	56
	06	954	954	54	555	609
	Total	\$ 2,872	\$ 2,872	\$ 162	\$ 555	\$ 717
Personnel	03	\$ 15,614	\$ 15,614	\$ -	\$ -	\$ -
	04	19,150	19,150	10,691	7,194	17,885
	05	715,560	653,802	217,327	22	217,349
	06	10,937,805	851,818	93,327	27,094	120,421
	Total	\$ 11,688,129	\$ 1,540,384	\$ 321,345	\$ 34,310	\$ 355,655
Planning	98	\$ 21,630	\$ 21,630	\$ -	\$ -	\$ -
	99	11,982	11,982	-	-	0
	00	3,619	3,619	-	-	0
	02	22,109	22,109	-	-	0
	03	43,665	43,665	-	-	0
	04	218,649	218,649	-	-	0
	05	229,048	229,048	920	325	1,245
	06	612,145	612,145	8,789	34,098	42,887
Total	\$ 1,162,847	\$ 1,162,847	\$ 9,709	\$ 34,423	\$ 44,132	
Police	03	\$ 4	\$ 4	\$ 12,725	\$ 14,435	\$ 27,160
	04	7	7	293,151	0	293,151
	05	434,384	434,384	564,021	730	564,751
	06	4,670,695	4,670,695	125,514	102,352	227,866
	Total	\$ 5,105,090	\$ 5,105,090	\$ 995,411	\$ 117,517	\$ 1,112,928

ATTACHMENT 9 - PRIOR-YEAR ENCUMBRANCES AS OF January 11, 2007

Department	Fiscal Year	Total Encumbrance (Includes Special Funds)	General Fund Amount	General Funds to be Unencumbered	General Funds Already Unencumbered as of 1/11/07	Total
Public Works/Board Office	04	\$ 38,839	\$ 38,839	\$ 7,105	\$ 880	\$ 7,985
	05	30,565	30,565	1,691	1,978	3,669
	06	716,278	503,935	1,172	8,672	9,844
	Total	\$ 785,682	\$ 573,339	\$ 9,968	\$ 11,530	\$ 21,498
Public Works/Contract Administration	06	12,368	12,368	12,368	-	12,368
	Total	\$ 12,368	\$ 12,368	\$ 12,368	\$ -	\$ 12,368
Public Works/Engineering	03	\$ 154,114	\$ 154,114	\$ -	\$ -	\$ -
	04	21,187	21,187	804	677	1,481
	05	88,363	88,363	6,882	126,369	133,251
	06	365,558	212,442	36,259	44,883	81,142
	Total	\$ 629,222	\$ 476,106	\$ 43,945	\$ 171,929	\$ 215,874
Public Works/Sanitation	03	\$ 139,154	\$ -	\$ -	\$ -	\$ -
	04	14,353	13,539	13,573	-	13,573
	05	655,558	638,720	355,066	-	355,066
	06	1,336,954	1,225,640	268,722	112,720	381,442
	Total	\$ 2,146,019	\$ 1,877,899	\$ 637,361	\$ 112,720	\$ 750,081
Public Works/Street Services	04	\$ 538,060	\$ 150,657	\$ 16,008	\$ -	\$ 16,008
	05	661,972	165,493	66,125	705	66,830
	06	1,245,961	323,950	11,890	81,763	93,653
	Total	\$ 2,445,993	\$ 640,100	\$ 94,023	\$ 82,468	\$ 176,491
Transportation	04	\$ 251,626	\$ 251,626	\$ 55,208	\$ 156	\$ 55,364
	05	160,547	160,547	138,228	4,400	142,628
	06	1,040,064	580,825	458,013	334,070	792,083
	Total	\$ 1,452,237	\$ 992,998	\$ 651,449	\$ 338,626	\$ 990,075
Treasurer	03	\$ 15,780	\$ 15,780	\$ 15,780	\$ -	\$ 15,780
	04	1,044	1,044	42	2,450	2,492
	05	5,966	5,966	1,413	1,673	3,086
	06	45,417	45,417	758	795	1,553
	Total	\$ 68,207	\$ 68,207	\$ 17,993	\$ 4,918	\$ 22,911
Human Resources Benefits	05	\$ 65	\$ 65	\$ 65	\$ -	\$ 65
	06	491,668	491,668	405,105	0	405,105
	Total	\$ 491,733	\$ 491,733	\$ 405,170	\$ -	\$ 405,170

ATTACHMENT 9 - PRIOR-YEAR ENCUMBRANCES AS OF January 11, 2007

Department	Fiscal Year	Total Encumbrance (Includes Special Funds)	General Fund Amount	General Funds to be Unencumbered	General Funds Already Unencumbered as of 1/11/07	Total
General City Purposes	00	\$ 16,325	\$ 16,325	\$ -	\$ -	-
	01	425,693	425,693	0	0	0
	02	720,398	720,398	0	0	0
	03	1,041,803	1,041,803	0	0	0
	04	487,937	487,937	0	0	0
	05	214,667	214,667	67,422	0	67,422
	06	6,607,710	6,607,710	5,198	132,881	138,079
Total		\$ 9,514,533	\$ 9,514,533	\$ 72,620	\$ 132,881	\$ 205,501

TOTAL ALL DEPARTMENTS/FUNDS

\$ 56,806,212	\$ 42,010,738	\$ 7,781,559	\$ 1,931,525	\$ 9,713,084
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RECAP BY YEAR

98	22,966	22,966	1,336	0	1,336
99	11,982	11,982	0	0	0
00	19,944	19,944	0	0	0
01	437,065	437,065	0	0	0
02	797,927	797,927	220	152	372
03	3,165,531	2,963,377	459,886	204,222	664,108
04	2,901,942	2,448,786	619,746	27,970	647,716
05	7,046,617	6,303,536	2,518,424	27,970	2,760,243
06	42,402,238	29,005,155	4,181,947	1,457,362	5,639,309
	\$ 56,806,212	\$ 42,010,738	\$ 7,781,559	\$ 1,717,676	\$ 9,713,084

ATTACHMENT 10a
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Police Administration Building - Salary Appropriations for Fiscal Year 2006-07

TRANSFER FROM		TRANSFER TO	
<u>Fund/Account</u>	<u>Amount</u>	<u>Fund/Account</u>	<u>Amount</u>
<u>Fund 26A, Dept 50, MICLA SER 2006A Police Fac Cons</u>		<u>Fund 26A, Dept 50, MICLA SER 2006A Police Fac Cons</u>	
A560, PHF - City Staff Costs Total	\$1,929,933	A008, PHF - Building and Safety	\$41,622
		A032, PHF - ITA	\$122,438
		A070, PHF - Police Department	\$2,000
		A074, PHF - PW/Accounting	\$95,671
		A076, PHF - PW/Contract Admin	\$524,345
		A078, PHF - PW/Engineering	\$678,345
		A099, Related Costs - PHF	\$465,512
		Subtotal	<u>\$1,929,933</u>
TOTAL	<u><u>\$1,929,933</u></u>	TOTAL	<u><u>\$1,929,933</u></u>

ATTACHMENT 10a
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Police Administration Building - Salary Appropriations for Fiscal Year 2006-07

TRANSFER FROM		TRANSFER TO	
<u>Fund/Account</u>	<u>Amount</u>	<u>Fund/Account</u>	<u>Amount</u>
<u>Fund 26A, Dept 50, MICLA SER 2006A Police Fac Cons</u>		<u>Fund 100/08, Building and Safety</u>	
A008, PHF - Building and Safety	\$41,622	1010, Salaries General	\$41,622
A032, PHF - ITA	\$122,438		
A070, PHF - Police	\$2,000	<u>Fund 100/32, Information Technology Agency</u>	
A074, PHF - PW/Accounting	\$95,671	1010, Salaries General	\$120,438
A076, PHF - PW/Contract Admin	\$524,345	1090, Overtime	\$2,000
A078, PHF - PW/Engineering	\$678,345	Subtotal	\$122,438
Subtotal	\$1,464,421		
<u>Fund 26A, Dept 50, MICLA SER 2006A Police Fac Cons</u>		<u>Fund 100/70, Police Department</u>	
A099, Related Costs - PHF	\$465,512	1090, Salaries Overtime	\$2,000
		<u>Fund 100/74, PW/Accounting</u>	
		1010, Salaries General	\$93,671
		1090, Salaries Overtime	\$2,000
		Subtotal	\$95,671
		<u>Fund 100/76, PW/Contract Admin</u>	
		1010, Salaries General	\$402,987
		1090, Salaries Overtime	\$61,733
		3310, Transportation	\$59,625
		Subtotal	\$524,345
		<u>Fund 100/78, PW/Engineering</u>	
		1010, Salaries General	\$676,345
		1090, Salaries Overtime	\$2,000
		Subtotal	\$678,345
		<u>Fund 26A, Dept 50, MICLA SER 2006A Police Fac Cons</u>	
		A299, Related Costs	\$465,512
TOTAL	\$1,929,933	TOTAL	\$1,929,933

ATTACHMENT 10b
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Public Works Building - Salary Appropriations for Fiscal Year 2006-07

TRANSFER FROM		TRANSFER TO	
<u>Fund/Account</u>	<u>Amount</u>	<u>Fund/Account</u>	<u>Amount</u>
<u>Fund 26B, Dept 50, MICLA SER2006A PW Bldg Const</u> A406, TABB - Project and Construction Mgmt	\$618,987	<u>Fund 26B, Dept 50, MICLA SER2006A PW Bldg Const</u> A099, Related Costs - TABB	\$170,843
		A474, TABB - PW/Board	\$53,637
		A478, TABB - PW/Engineering	\$394,507
		Subtotal	<u>\$618,987</u>
TOTAL	<u>\$618,987</u>	TOTAL	<u>\$618,987</u>
<u>Fund 26B, Dept 50, MICLA SER2006A PW Bldg Const</u> A474, TABB - PW/Board	\$53,637	<u>Fund 100/74, PW/Accounting</u> 1010, Salaries General	\$53,637
A478, TABB - PW/Engineering	<u>\$394,507</u>		
	\$448,144	<u>Fund 100/78, PW/Engineering</u> 1010, Salaries General	\$394,507
<u>Fund 26B, Dept 50, MICLA SER2006A PW Bldg Const</u> A099, Related Costs - TABB	\$170,843	<u>Fund 26B, Dept 50, MICLA SER2006A PW Bldg Const</u> A299, Related Costs	\$170,843
TOTAL	<u>\$618,987</u>	TOTAL	<u>\$618,987</u>

ATTACHMENT 10c
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Proposition DD Appropriations (July to December, 2006)

TRANSFER FROM				TRANSFER TO			
Fund/Dept	Account	Name	Amount	Fund/Dept	Account	Name	Amount
15E/50	S078	GOB-PW/Engineering	\$ 185,491	100/78	1010	Salaries General	\$ 182,491
				100/78	1090	Salaries Overtime	\$ 1,000
				100/78	3310	Transportation	\$ 2,000
						Subtotal	\$ 185,491
15E/50	S044	GOB-Library	\$ 67,215	100/44	1010	Salaries General	\$ 67,215
198/50	P010	GOB-CAO	\$ 11,293	100/10	1010	Salaries General	\$ 11,293
15A/50	R072	GOB-PW/Accounting	\$ -	100/74	1010	Salaries General	\$ -
15E/50	S076	GOB-PW/Contract Admin	\$ 110,159	100/76	1010	Salaries General	\$ 76,385
		Subtotal	\$ 188,667	100/76	1090	Salaries Overtime	\$ 15,798
				100/76	3310	Transportation	\$ 17,976
						Subtotal	\$ 188,667
15E/50	S078	GOB-PW/Engineering	\$ 72,175	15E/50	A299	Related Costs-PW/Engineering	\$ 72,175
15E/50	S044	GOB-Library	\$ 27,276	15E/50	A299	Related Costs-Library	\$ 27,276
198/50	P010	GOB-CAO	\$ 3,404	198/50	A299	Related Costs-CAO	\$ 3,404
15A/50	R072	GOB-PW/Accounting	\$ -	15A/50	A299	Related Costs-PW/Accounting	\$ -
15E/50	S076	GOB-PW/Contract Admin	\$ 24,428	15E/50	A299	Related Costs - PW/Contract Admin	\$ 24,428
		Subtotal	\$ 127,283			Subtotal	\$ 127,283
TOTAL			\$ 501,441				\$ 501,441

ATTACHMENT 10d
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Proposition Q - Salary Appropriations (January to June, 2007)

TRANSFER FROM		TRANSFER TO	
<u>Fund/Account</u>	<u>Amount</u>	<u>Fund/Account</u>	<u>Amount</u>
<u>Fund 15N/50, GOB Series 2002A 911 P/F Construction</u>		<u>Fund 15U/50, GOB Series 2003A 911 P/F Construction</u>	
T010, GOB - City Administrative Officer	\$7,421	A299, Related Costs	\$568,522
<u>Fund 15U/50, GOB Series 2003A 911 P/F Construction</u>		<u>Fund 16A/50, GOB Series 2004A 911 P/F Construction</u>	
V010, GOB - City Administrative Officer	\$6,190	A299, Related Costs	\$710,130
V038, GOB - Fire Department	\$38,876		
V076, GOB - PW/Contract Admin	\$523,456	<u>Fund 100/10, City Administrative Officer</u>	
Subtotal	<u>\$568,522</u>	1010, Salaries General	\$7,421
<u>Fund 16A/50, GOB Series 2004A 911 P/F Construction</u>		<u>Fund 100/32, Information Technology Agency</u>	
W032, GOB - ITA	\$403,078	1010, Salaries General	\$310,251
W038, GOB - Fire Department	\$138,794	<u>Fund 100/38, Fire Department</u>	
W074, GOB - PW/Accounting	\$83,365	1012, Salaries Sworn	\$138,794
W076, GOB - PW/Contract Admin	\$1,756,829	<u>Fund 100/74, PW/Accounting</u>	
W078, GOB - PW/Engineering	\$1,901,692	1010, Salaries General	\$64,818
Subtotal	<u>\$4,283,758</u>	<u>Fund 100/76, PW/Contract Admin</u>	
		1010, Salaries General	\$1,636,825
		1090, Salaries Overtime	\$81,841
		3310, Transportation	\$38,163
		Subtotal	<u>\$1,756,829</u>
		<u>Fund 100/78, PW/Engineering</u>	
		1010, Salaries General	\$1,302,936
TOTAL	<u><u>\$4,859,701</u></u>		<u><u>\$4,859,701</u></u>

ATTACHMENT 10e
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Proposition F - Fire Facilities Bond Program (July to December, 2006)

TRANSFER FROM			TRANSFER TO		
Fund/Dept	Account	Amount	Fund/Dept	Account	Amount
SALARIES:					
15T/50	V012, GOB-City Attorney	6,957.28	100/12	1010, Salaries, General	6,957.28
15T/50	V032, GOB-ITA	141,379.39	100/32	1010, Salaries, General	136,630.17
	Subtotal	148,336.67	100/32	1090, Salaries, Overtime	4,749.22
				Sub Total	148,336.67
15T/50	V038, GOB-Fire Dept	191,536.75	100/38	1010, Salaries, General	60,489.93
			100/38	1012, Salaries, Sworn	131,046.82
				Sub Total	191,536.75
15T/50	V076, GOB-Contract Admin	75,692.63	100/76	1010, Salaries, General	75,692.63
	TOTAL SALARIES - Fund 15T	415,566.05		TOTAL SALARIES - Fund 15T	415,566.05
16D/50	Y010, GOB-C A O	16,218.03	100/10	1010, Salaries, General	16,218.03
16D/50	Y038, GOB-Fire Dept	100,719.51	100/38	1012, Salaries, Sworn	100,719.51
16D/50	Y074, GOB-Board of Public Works	53,787.68	100/74	1010, Salaries, General	53,787.68
16D/50	Y076, GOB-Contract Admin	644,499.73	100/76	1010, Salaries, General	590,314.93
	Subtotal	815,224.95	100/76	1090, Salaries, Overtime	34,828.99
			100/76	3310, Transportation	19,355.81
				Sub Total	815,224.95
16D/50	Y078, GOB-Bureau of Engineering	608,097.32	100/78	1010, Salaries, General	607,235.19
			100/78	3310, Transportation	862.13
				Sub Total	608,097.32

ATTACHMENT 10e
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Proposition F - Fire Facilities Bond Program (July to December, 2006)

TRANSFER FROM			TRANSFER TO		
Fund/Dept	Account	Amount	Fund/Dept	Account	Amount
	TOTAL SALARIES - Fund 16D	<u><u>1,423,322.27</u></u>		TOTAL SALARIES - Fund 16D	<u><u>1,423,322.27</u></u>
	TOTAL SALARIES	<u><u>1,838,888.32</u></u>		TOTAL SALARIES	<u><u>1,838,888.32</u></u>
<u>RELATED COSTS:</u>					
15T/50	V012, GOB-City Attorney	1,905.60	15T/50	A299, Related Costs	129,812.17
15T/50	V032, GOB-I T A	40,879.75			
15T/50	V038, GOB-Fire Dept	87,026.82			
	Subtotal	<u>129,812.17</u>			
16D/50	Y010, GOB-C A O	4,888.11	16D/50	A299, Related Costs	472,895.01
16D/50	Y074, GOB-Board of Public Works	14,856.16			
16D/50	Y076, GOB-Contract Admin	212,989.22			
16D/50	Y078, GOB-Bureau of Engineering	240,161.52			
	Subtotal	<u>472,895.01</u>			
	TOTAL RELATED COSTS	<u><u>602,707.18</u></u>		TOTAL RELATED COSTS	<u><u>602,707.18</u></u>
	TOTAL PROPOSITION F: FIRE BOND	<u><u>2,441,595.50</u></u>		TOTAL PROPOSITION F: FIRE BOND	<u><u>2,441,595.50</u></u>

ATTACHMENT 10f
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Proposition F - Animal Facilities Bond Program (July to December, 2006)

TRANSFER FROM			TRANSFER TO		
Fund/Dept	Account	Amount	Fund/Dept	Account	Amount
SALARIES:					
15L/50	T010, GOB - CAO	\$ 399.33	100/10	1010, Salaries, General	\$ 399.33
TOTAL SALARIES - Fund 15L		\$ 399.33	TOTAL SALARIES - Fund 15L		\$ 399.33
15G/50	S006, GOB - Animal Services	\$ 20,228.02	100/06	1010, Salaries, General	\$ 20,228.02
15G/50	S010, GOB - CAO	\$ 4,254.49	100/10	1010, Salaries, General	\$ 4,254.49
15G/50	S012, GOB - City Attorney	\$ 762.78	100/12	1010, Salaries, General	\$ 762.78
15G/50	S032, GOB - ITA	\$ 34,344.49	100/32	1010, Salaries, General	\$ 34,344.49
15G/50	S074, GOB - PW/Board	\$ 28,979.80	100/74	1010, Salaries, General	\$ 28,875.70
	Subtotal	\$ 88,569.58	100/74	1010, Salaries, General	\$ 104.10
				Subtotal	\$ 88,569.58
15G/50	S076, GOB - PW, Contract Admin	\$ 492.75	100/76	1010, Salaries, General	\$ 492.75
15G/50	S078, GOB - PW/ Engineering	\$ 338,425.14	100/78	1010, Salaries, General	\$ 335,545.44
			100/78	1010, Salaries, General	\$ 150.48
			100/78	3310, Transportation	\$ 2,729.22
				Subtotal	\$ 338,425.14
TOTAL SALARIES - Fund 15G		\$ 427,487.47	TOTAL SALARIES - Fund 15G		\$ 427,487.47

ATTACHMENT 10f
FY 2006-07 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN BOND FUNDS AND DEPARTMENTS
Proposition F - Animal Facilities Bond Program (July to December, 2006)

TRANSFER FROM			TRANSFER TO		
Fund/Dept	Account	Amount	Fund/Dept	Account	Amount
15S/50	V006, GOB - Animal Services	\$ 117,058.39	100/06	1010, Salaries, General	\$ 117,058.39
15S/50	V010, GOB - CAO	\$ 11,795.13	100/10	1010, Salaries, General	\$ 11,795.13
15S/50	V076, GOB - PW/ Contract Admin	\$ 333,536.80	100/76	1010, Salaries, General	\$ 310,488.82
	Subtotal	\$ 462,390.32	100/76	1090, Salaries, Overtime	\$ 14,927.87
			100/76	3310, Transportation	\$ 8,120.11
				Subtotal	\$ 462,390.32
TOTAL SALARIES - Fund 15S		\$ 462,390.32	TOTAL SALARIES - Fund 15S		\$ 462,390.32
RELATED COSTS:					
15G/50	S006, GOB - Animal Services	\$ 57,989.77	15G/50	A299, Related Costs (Animal Services)	\$ 213,701.46
15G/50	S010, GOB - CAO	\$ 4,543.20			
15G/50	S012, GOB - City Attorney	\$ 208.93			
15G/50	S032, GOB - ITA	\$ 10,275.88			
15G/50	S074, GOB - PW/Board	\$ 7,975.46			
15G/50	S078, GOB -PW/Engineering	\$ 132,708.22			
	Subtotal	\$ 213,701.46			
15S/50	V076, GOB - PW/Contract Admin	\$ 99,451.91	15S/50	A299, Related Costs (Animal Services)	\$ 99,451.91
TOTAL RELATED COSTS		\$ 313,153.37	TOTAL RELATED COSTS		\$ 313,153.37
TOTAL PROP. F: ANIMAL BOND		\$ 1,203,430.49	TOTAL PROP. F: ANIMAL BOND		\$ 1,203,430.49

**ATTACHMENT 11
EMPLOYMENT LEVEL REPORT
FY 2006-07**

Department	Adopted Budget	Position Authorities			Filled Positions			Vacancies	Activated Sub. Auth.
		Start of January	Changes	End of January	Start of January	Changes	End of January		
Aging	43	51	-	51	43	-	43	8	-
Animal Services	321	437	5	442	299	25	324	118	10
Building and Safety	839	1085	-	1085	925	12	937	148	31
City Administrative Officer	128	131	-	131	124	(1)	123	8	-
City Attorney	852	1047	-	1047	994	-	994	53	11
City Clerk	140	150	-	150	141	(1)	140	10	3
Commission on C, Y and their F	8	15	-	15	9	-	9	6	-
Commission on the Status of Women	5	13	-	13	10	1	11	2	-
Community Development	273	439	(1)	438	326	-	326	112	7
Controller	187	226	-	226	178	2	180	46	12
Cultural Affairs	73	75	-	75	69	2	71	4	2
Disability	14	21	-	21	21	-	21	-	-
El Pueblo	17	22	-	22	17	-	17	5	1
Emergency Preparedness	16	17	-	17	17	-	17	-	1
Employee Relations Board	3	3	-	3	3	-	3	-	-
Environmental Affairs	37	39	-	39	34	(1)	33	6	2
Ethics Commission	27	31	-	31	27	1	28	3	-
Finance	360	374	(1)	373	347	(6)	341	32	12
Fire - Civilian	346	430	3	433	358	5	363	70	38
Fire - Sworn	3,576	3673	-	3673	3612	(9)	3603	70	27
General Services	2,197	2322	-	2322	2078	(1)	2077	245	49
Housing	503	582	-	582	507	9	516	66	14
Human Relations Commission	11	17	-	17	16	1	17	-	-
Information Technology Agency	743	839	-	839	757	3	760	79	17
L.A. Convention Center	165	179	-	179	153	-	153	26	13
Neighborhood Empowerment	51	51	-	51	42	3	45	6	-
Personnel	435	547	-	547	517	(2)	515	32	21
Planning	271	346	-	346	292	2	294	52	5
Police - Civilian	3,634	3723	3	3726	3264	20	3284	442	-
Police - Sworn	10,310	10340	-	10340	9428	28	9456	884	-
PW/Board of Public Works	158	174	-	174	167	(4)	163	11	8
PW/Bureau of Contract Admin	309	431	(3)	428	363	(4)	359	69	-
PW/Bureau of Engineering	973	1197	17	1214	1045	(3)	1042	172	37
PW/Bureau of Sanitation	2,882	2924	-	2924	2622	(16)	2606	318	10
PW/Bureau of Street Lighting	247	259	-	259	225	-	225	34	-
PW/Bureau of Street Services	1,286	1623	-	1623	1408	1	1409	214	2
Transportation	1,582	1730	4	1734	1651	(2)	1649	85	32
Treasurer	38	43	-	43	38	2	40	3	3
Zoo	263	266	-	266	242	3	245	21	3
Subtotal	33,323	35,872	27	35,899	32,369	70	32,439	3,460	371
Library	1,129	1,189	-	1,189	1,091	6	1,097	92	-
Recreation and Parks	2,037	2,298	3	2,301	2,044	(8)	2,036	265	174
Subtotal	3,166	3,487	3	3,490	3,135	(2)	3,133	357	174
Total	36,489	39,359	30	39,389	35,504	68	35,572	3,817	545

"Position Authorities" and "Filled Positions" includes resolution authority and substitute positions.

Monthly Summary	Adopted Budget	Position Authorities			Filled Positions			Vacancies	Activated Sub. Auth.
		Start of Month	Changes	End of Month	Start of Month	Changes	End of Month		
July	36,489	39,167	96	39,263	34,760	119	34,879	4,384	527
August	36,489	39,263	6	39,269	34,879	177	35,056	4,213	539
September	36,489	39,269	7	39,276	35,056	33	35,089	4,187	511
October	36,489	39,276	29	39,305	35,089	241	35,330	3,967	520
November	36,489	39,305	43	39,348	35,330	109	35,439	3,909	540
December	36,489	39,348	11	39,359	35,439	65	35,504	3,855	531
January	36,489	39,359	30	39,389	35,504	68	35,572	3,817	545
February			-			-		-	-
March			-			-		-	-
April			-			-		-	-
May			-			-		-	-
June			-			-		-	-