

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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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 by RAC*

Reference: 2007-08 Adopted Budget

Subject: **2007-08 YEAR-END ADJUSTMENT AND FINANCIAL STATUS REPORT**

SUMMARY

The Office of the City Administrative Officer (CAO) monitors the budget and transmits reports detailing the City's current financial condition to both the Mayor and Council. We are transmitting the Year-End Financial Status Report for fiscal year 2007-08. The report provides the status of the Reserve Fund, details projected revenues and expenditures, and recommends solutions to address the year-end shortfalls.

This fiscal year was one of the most difficult years in the City's history. Economic factors related to the national housing crisis impacted revenues, the Reserve Fund began well below budget and a potential expenditure deficit of \$85.8 million was identified in the Mid-Year FSR. As a result of prudent fiscal actions by the Mayor and Council throughout the fiscal year, and the hard work of dedicated City staff and managers, the 2007-08 budget will be balanced with a minimal transfer from the Reserve Fund. However, we caution that revenues could fall further this fiscal year, which would impact the 2008-09 Reserve Fund. Revenue shortfalls may be offset by additional reversions at year-end. We will closely monitor the status of fiscal year 2007-08 revenues and report back as we analyze ongoing tax collections and remittances from the county and the state.

In sum, the shortfall at year-end totals \$52.2 million consisting of an expenditure deficit of \$26.7 million and a revenue shortfall of \$25.5 million. Currently, the UB, Reserve for Economic Uncertainties has a balance of \$35.8 million. This report identifies \$8.2 million in additional surpluses to transfer to the Unappropriated Balance, Reserve for Economic Uncertainties Account increasing the total amount to address budgetary shortfalls to \$44 million. Thus, an \$8.1 million transfer from the Reserve Fund to the Unappropriated Balance, Reserve for Economic Uncertainties Account is necessary to balance the budget. Following are several key indicators that measure the status of the budget from the 1st FSR in August 2007 to present:

(See table on next page)

MAY 23 2008
BUDGET & FINANCE

Financial Status Report (FSR)	Expenditure Deficit	Revenue Deficit	Total Deficit	Reserve for Economic Uncertainties	Reserve Fund
1 st FSR (August 9, 2007)	Not estimated	Not estimated	Not estimated	Not established	\$125.5
2 nd FSR (October 19, 2007)	\$75.0	No revision	\$75.0	\$45.7	\$139.3
Mid-Year FSR (January 28, 2008)	\$85.8	\$69.0	\$154.8	\$56.0	\$175.3
4 th FSR (March 12, 2008)	\$50.4	\$69.0	\$119.4	\$38.9	\$181.4
Year-End FSR (May 20, 2008)	\$26.7	\$25.5	\$52.2	\$44.0	\$191.4

Belt-Tightening Measures

As previously noted, additional year-end surpluses of about \$8.2 million are identified in this report to offset citywide expenditure deficits of approximately \$26.7 million. This is due, in part, to the various belt-tightening measures that were instituted in the current year such as the Managed Hiring Process, voluntary furloughs, suspension of non-emergency overtime, measures to control contract expenditures, and a freeze on equipment purchases. Due to these efforts, departments have identified savings within various accounts to reduce or eliminate their projected year-end deficits or to transfer to the UB, Reserve for Economic Uncertainties. We have identified belt-tightening measures that departments state they have implemented in Section 3 of this report.

Governor's May Revise

On May 14, 2008, the Governor released the May revision to the 2008-09 Proposed State Budget. The Governor's May revision keeps the Proposition 1B transportation funding as originally outlined in the Governor's January budget. There is also no proposal to borrow Proposition 42 funding. However, the Governor's revised budget estimates a decrease in Proposition 42 revenues and the City's share is expected to decrease by \$1.7 million from \$38.6 million to \$36.9 million. Our Office will continue monitoring the State budget and report back to the Mayor and Council with further updates and recommendations for adjustment to the 2008-09 City budget as this issue evolves.

Revenue

Receipts in 2007-08 are expected to be \$47.7 million less than estimated in the Adopted Budget. Most of the change is related to changes in the economy, particularly changes to the local real estate market and a reduction in the Reserve Fund transfer of \$22 million (See Section 2 for a more detailed revenue discussion).

Reserve Fund

The Contingency Reserve Account in the Reserve Fund has a current available balance of \$69.4 million. The Emergency Reserve Account stands at \$122 million and can only be used in the event of a declared emergency or severe economic downturn. The balance of the two accounts is projected at approximately \$191.4 million as of May 21, 2008.

Budgetary Adjustments

Budgetary adjustments of more than \$67.32 million are recommended in this report. These actions include:

- Approximately \$15.0 million for transfers between accounts within various departments and funds;
- Approximately \$6.6 million for transfers between various departments and funds;
- An estimated \$8.2 million for transfers to the Unappropriated Balance, Reserve for Economic Uncertainties;
- Appropriations of about \$26.4 million to different departments for various purposes from the Unappropriated Balance;
- \$1.32 million for transfers to the Reserve Fund;
- \$8.1 million for appropriations from the Reserve Fund (including \$626,800 for Parks First); and,
- A \$1.7 million Public Works Trust Fund Loan.

Additional Details

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

1. Status of Receipts for 2007-08
2. Status of the Reserve Fund
- 3a. Status of the Unappropriated Balance-General
- 3b. Status of the Unappropriated Balance-non General
- 3c. Unappropriated Balance-Reserve for Economic Uncertainties-Detail
4. Projected Deficits and Surpluses by Department
5. Transfers between Accounts within Departments and Funds
6. Transfers between Departments and Funds
7. Transfers to the Unappropriated Balance, Reserve for Economic Uncertainties
8. Appropriations from the Unappropriated Balance
9. Transfers for Proposition O
10. Employee Level Report

RECOMMENDATIONS

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

1. Transfer \$15,005,989 between accounts within various departments and funds as specified in Attachment 5;
2. Transfer \$6,568,993 million between various departments and funds as specified in Attachment 6;
3. Transfer \$8,242,405 from the funds and accounts as shown on Attachment 7 to the Unappropriated Balance, Fund No. 100/58, Reserve for Economic Uncertainties;
4. Appropriate \$26,440,050 to different departments for various purposes from the Unappropriated Balance as specified in Attachment 8;

City Attorney

5. Authorize the Controller to disencumber the following prior-year encumbrances and re-appropriate \$387,978.23 to the City Attorney Fund 100, Department 12, Account No. 9301:

<u>Contract</u>	<u>Amount</u>
Baker & Hostetler - (C-109781)	\$46,283.15
Mayer Brown - (C-111113)	48,519.51
Mayer Brown - (C-111543)	23,035.65
Orrick - (C-111591)	100,000.00
Albright - (C-111750)	77,166.87
Meyers Nave - (C-111637)	82,479.22
Kauff McClain - (C-111690)	493.83
Orrick - (C-102799)	<u>10,000.00</u>
Total	\$387,978.23

6. Authorize the City Attorney's Office to amend the following contracts by increasing the compensation limits by the following amounts:

<u>Contract</u>	<u>Amount</u>
Albright, Yee & Schmit LLP - (C-111576)	\$250,000
Bannan, Frank & Terzian - (C-101475)	312,000
Lewis Brisbois, Bisgaard & Smith - (C-111675)	130,000
Liebert, Cassidy & Whitmore - (C-108296)	110,000
Liebert, Cassidy & Whitmore - (C-108297)	200,000
Liebert, Cassidy & Whitmore - (C-109849)	186,000
Squire Sanders - (C-111682)	216,000
Colantuono, Levin & Rozell - (C-106214)	92,000
Greenberg Traurig- (C-106379)	18,000
Lewis Brisbois (C-110595)	<u>3,500</u>
Total	\$1,517,500

7. Authorize the City Attorney's Office to enter into new contracts effective May 1, 2008 as follows:

<u>Contract</u>	<u>Amount</u>
Albright, Yee & Schmit LLP (Tomassi/FLSA)	\$52,000
Albright, Yee & Schmit LLP (Zinman/Employment)	20,000
Eisenberg Riazman Thurston & Wong LLP (Nicole Fahmie/COLA litigation)	<u>130,000</u>
Total	\$202,000

8. Authorize the City Attorney's Office to amend the following contracts to extend their individual terms for an additional three years after their respective expiration dates:

Bird Marella Boxer Wolpert Nessim Dooks & Lincenberg – Wallace case (C-108962 – expires 6/13/08)
Liebert Cassidy & Whitmore – Alaniz case (C-108296 – expires 6/6/08)
Liebert Cassidy & Whitmore – Nolan case (C-108297 – expires 6/6/08)
Liebert Cassidy & Whitmore – Haro case (C-109883 – expires 5/31/08)

9. Instruct the City Attorney to repay the General Fund the amount of \$611,173 upon receipt of grant reimbursements from the 2007-2009 Joint Powers of Verification Unit Grant anticipated in fiscal year 2008-09;

Community Development

10. Authorize the Controller to transfer funding from the Community Development Department to the Information Technology Agency (ITA) for direct and indirect salary costs for ITA positions funded by the Community Development Trust Fund and the Community Services Block Grant as follows:
- Decrease appropriations within Community Development Trust Fund No. 424, Account C122, Community Development by \$188,668;
 - Decrease appropriations in the Community Development Department Fund No.100/22, Account 3040, Contractual Services by \$94,668;
 - Decrease appropriations in the Community Development Department Fund No.100/22, Account 6010, Office and Admin by \$94,000;

d. Establish new accounts within Community Development Trust Fund No. 424 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
C132	Information Technolgy Agency (ITA)	\$150,621
C292	Related Costs - ITA	<u>38,047</u>
	Total	\$188,668

e. Establish new accounts within Community Services Block Grant Fund No. 428 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
C132	Information Technolgy Agency (ITA)	\$26,611
C292	Related Costs - ITA	<u>8,994</u>
	Total	\$35,605

f. Appropriate a total amount of \$177,232 from Community Development Trust Fund No. 424, Account C132 and Community Services Block Grant Fund No. 428, Account C132 to Information Technology Agency Fund No. 100/32, Account 1010, Salaries General;

g. Expend funds upon proper demand of the General Manager, Community Development Department or designee;

Convention Center

11. Authorize the Controller to increase appropriations within various accounts in the Convention Center Fund No. 100/48, by \$439,094, from available balances in the Convention Center Revenue Trust Fund No. 725, for reimbursable client services and materials, and appropriate therefrom as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1010	Salaries General	\$225,000
1070	Salaries As-Needed	94,094
1090	Salaries Overtime	100,000
6020	Operating Supplies	<u>20,000</u>
	Total	\$439,094

12. Authorize the Controller to transfer \$150,000 from available balances within the Convention Center Revenue Trust Fund No. 725 to the following accounts in the Convention Center Fund No. 100/48:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
3040	Contractual Services	\$130,000
3330	Utilities Expense, Private	<u>20,000</u>
	Total	\$150,000

Cultural Affairs

13. Authorize the Controller to reduce appropriations within the Cultural Affairs Fund No. 100/30, Account 1010, Salaries General, by \$40,000;
14. In accordance with Recommendation No. 13 above, transfer \$40,000 within the Arts and Cultural Facilities and Services Trust Fund No. 480/30 from Cultural Affairs Account C130 to Reimbursement of General Fund costs Account C299 and deposit \$40,000 to General Fund 100/30, Revenue Source Code 4641;

El Pueblo

15. Instruct El Pueblo to report back after the year-end closing regarding the account surpluses in 2007-08, and to identify the commitments for the previously anticipated 2006-07 \$230,726 cash balance;

Housing

16. Rescind the Council action on February 26, 2008 relative to a recommendation in the 2007-08 Mid-Year Adjustment and Financial Status Report which authorizes the Controller to increase the appropriation within the Los Angeles Housing Department's, Fund No. 100/43, Account No. 1010, Salaries General, by \$500,000 (C.F. 07-0600-S77);
17. Authorize the Controller to increase the appropriation within the Affordable Housing Trust Fund No. 44G/43, Account C214, CRA Tax Increment, by \$1,495,515, from \$7,048,673 to \$8,544,188, to reflect the actual amount of AB 1290 funding pursuant to C.F. 07-0600-S1;
18. Authorize the Controller to increase appropriations within the Systematic Code Enforcement Fund No. 41M/43, Account A299, Related Costs, from code enforcement fee revenue and savings to reimburse the General Fund for related costs;

Information Technology Agency

19. Authorize the Controller to increase by \$45,940 the appropriation for the Telecommunication Development Account (TDA), Fund No. 342/32, LA Cityview 35 Operations, Account 015C, from the TDA, Interfund Billings, Account 4190, to reimburse Channel 35 for services provided;
20. Authorize the Controller to increase by \$26,786 the appropriation to the Information Technology Agency, Fund 100/32, Salaries Overtime, Account 1090, from the Telecommunication Development Account Fund No. 342/32, Contributions From Non-Government Sources, Account 4511, to reimburse Channel 35 for services provided;

Library

21. Authorize the Controller to increase the General Fund budget appropriation to the Library Department, Fund 300/44, Salaries General, Account 1010, by \$800,000, and decrease appropriations by the same amount to the Unappropriated Balance Fund 100/58, Reserve for Economic Uncertainties;

Planning

22. Authorize the Controller to appropriate \$25,000 from Planning Department Fund No. 100/68, Revenue Source Code 3828, to Planning Department Fund No. 100/68, Account 3040, Contractual Services, to pay for inspections regarding the Mills Act;
23. Authorize the Controller to appropriate \$1,021,572.33 from available monies from Planning Department Expedited Permit Trust Fund No. 47E to the following accounts for current year expenditures:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
C138	Fire Department	\$ 16,510.00
C178	PW/Engineering	1,736.47
C194	Transportation	32,666.19
C268	Planning	<u>970,659.67</u>
	Total	\$1,021,572.33

24. Authorize the Controller to transfer from the Planning Department Expedited Permit Trust Fund No. 47E and appropriate a total of \$50,912.66 to the following departments and accounts to reimburse the General Fund for direct costs incurred in 2007-08 by the Department of Public Works, Bureau of Engineering, the Department of Transportation and the Fire Department from July 1, 2007 to February 29, 2008:

<u>From Fund/Account</u>	<u>To Fund/ Account</u>	<u>Amount</u>
F47E/ 68/ C138	F100/ 38/ 1092, Overtime Sworn	\$ 16,510.10
F47E/ 68/ C178	F100/ 78/ 1010, Salaries General	1,736.47
F47E/ 68/ C194	F100/ 94/ 1090, Overtime	<u>32,666.19</u>
	Total	\$ 50,912.66

25. Instruct the Planning Department to reimburse the General Fund, upon receipt of funds for direct costs incurred in 2007-08 by the Planning Department July 1, 2007 to February 29, 2008 from the Planning Department Expedited Permit Trust Fund No. 47E/68, Account C268 to the Planning Department Fund No. 100/68, Revenue Source Code 4610 (direct costs) in the amount of \$970,659.67;
26. Instruct the Planning Department to transfer the cash related to the appropriations identified in item 22 above to the General Fund, upon receipt of funds and invoices from the Planning Department, Department of Public Works, Bureau of Engineering, Department of Transportation and Fire Department;
27. Instruct the Planning Department to reimburse the General Fund for related costs incurred in 2007-08 by the Planning Department, Department of Public Works, Bureau of Engineering, Department of Transportation and Fire Department from July 1, 2007 to February 29, 2008, with funds received in the Expedited Permit Trust Fund;

Police

28. Authorize the Controller to process a payment made payable to the Los Angeles Police Department Bail Account/Bank of America Account 1459380071 in the amount of \$1,250 from the Police Department, Fund No. 100/70, Account 6010, Office and Administrative Expense;
29. Authorize the Controller to decrease the appropriation to the Police Department Fund No. 100/70, Account 1012, from the Local Public Safety Fund No. 574, by \$2,500,000 and increase the appropriation to the Police Department Fund No. 100/70, Account 1012, from the Supplemental Law Enforcement Services Fund No. 667, by the same amount;

PW/Engineering

30. Reduce the Sewer Capital Fund source of fund appropriation to the Bureau of Engineering, Fund 761/50, Account C178, by \$536,567 and increase the Engineering Special Services source of fund appropriation to the Bureau of Engineering, Fund 682/50, Account C178 by \$536,567 with revenue receipts from other departments for architectural, engineering and construction management services;
31. Reduce the Sewer Capital Fund source of fund appropriation to the Bureau of Engineering, Fund 761/50, Account C178, by \$348,022 and increase the Public Works Trust Fund source of fund appropriation to the Bureau of Engineering, Fund 834/50, Account C178 by \$348,022 with revenue receipts from private developers for expedited plan check and engineering services;
32. Reduce the Sewer Capital Fund source of fund appropriation to the Bureau of Engineering, Fund No. 761/50, Account C178, by \$52,755 and increase the Engineering Equipment and Training Trust Fund source of fund appropriation to the Bureau of Engineering, Fund 568/50, Account C178 by \$52,755 with revenue receipts from the Playa Vista Project;

PW/Sanitation

33. Authorize the Controller to transfer \$660,000 from the Multi-Family Bulky Item Revenue Fund (MBIF) No. 50D to the Reserve Fund to repay a portion of the \$1.32 million loan associated with the program start up costs: and, transfer \$660,000 from the Citywide Recycling Trust Fund (CRTF) No. 46D to the Reserve Fund to repay the remaining balance of the \$1.32 million Reserve Fund loan. The Reserve Fund will be repaid in its entirety, and the outstanding balance of \$660,000 will become a repayment obligation to the CRTF from MBIF through the term authorized under C.F. 04-0881-S1 (June 30, 2013);

Public Works/Street Services

34. Authorize a loan from the Public Works Trust Fund (PWTF), Fund 834/50, in the amount of \$1,700,000 and transfer the same amount to the Special Gas Tax Street Improvement (Gas Tax) Fund 206/50, new account entitled 2007-08 BSS SAFETEA-LU/TEA-21 Projects;

35. In accordance with Recommendation No. 34 above, authorize the Controller to transfer appropriations in the amount of \$1,700,000 within Fund 206/50, from Account "New" to Account C186, and appropriate therefrom to the Bureau of Street Services as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
1010	Salaries, General	\$ 340,000
3030	Construction Materials	<u>1,360,000</u>
	Total	\$1,700,000

36. Authorize the Department of Public Works, Bureau of Street Services to request grant reimbursements, and receive and deposit reimbursements into the Gas Tax Fund;

37. Authorize the Bureau of Street Services to repay the PWTF loan upon receipt of grant reimbursements, anticipated in fiscal year 2009-10;

38. Authorize the Bureau of Street Services to process the necessary accounting documents to repay the City matching share costs to the PWTF from the Gas Tax Fund, subject to approval of the funding allocations proposed in the 2008-09 Proposed Budget and the approval of the City Administrative Officer;

Zoo

39. Authorize the Controller to: 1) reduce the total General Fund budget allocation to the Zoo Enterprise Trust Fund No. 40E by \$200,000, from \$9,380,000 to \$9,180,000, and offset the decrease with \$200,000 in available cash balance from the Zoo Enterprise Trust Fund; and, 2) increase appropriations to the Unappropriated Balance Fund 100/58, Reserve for Economic Uncertainties by \$200,000;

Miscellaneous

Library GO Bond

40. Authorize the Controller to decrease appropriations to the Capital Improvement Expenditure Program (CIEP) Fund No. 100/54, Account A525, entitled Silver Lake Library, in the amount of \$1,191,802 and transfer this amount as follows: \$791,802 to the Unappropriated Balance Fund No. 100/58, Account 0037, Reserve for Economic Uncertainties and \$400,000 to the CIEP Fund No. 100/54, new account entitled Central Library Fire Life Safety Project;

Matching Campaign Trust Fund

41. Authorize the Controller to transfer appropriations totaling \$1,342,487 from Fund No. 100/62, Matching Campaign Funds, Account 0875, to the Unappropriated Balance Fund No. 100/58, Account 0037, Reserve for Economic Uncertainties;

Proposition K Maintenance

42. Authorize the reimbursement of fringe benefit expenses as part of the Proposition K maintenance expenses incurred by the Department of Recreation and Parks during fiscal years 2000-01 through 2005-06;

43. Authorize the Controller to transfer funding totaling \$3,221,836.98 from various accounts within Proposition K Fund No. 43L/10, to General Fund Receipts No. 100/62, Revenue Source Code 461F, for repayment of facility maintenance costs incurred during fiscal years 2000-01 through 2005-06;

Proposition O

44. Authorize the Controller to increase appropriations to various departments totaling \$483,417 from the Proposition O General Obligation Bond Funds, as approved by the Administrative Oversight Committee, and transfer cash from Fund 16F and 16M to reimburse the General Fund on an as-needed basis upon proper completion and approval of the Bureau of Engineering Program Manager and the City Administrative Officer as noted in Attachment 9;
45. Authorize the Controller to transfer funds to reimburse the Bureau of Sanitation (BOS) for staffing costs in the amount of \$258,131 from Proposition O (Prop O) Fund 16F/50, Account A182, and for related costs in the amount of \$90,519 from Prop O Fund 16F/50, Account A299, for a total reimbursement amount of \$348,650 to the Stormwater Pollution Abatement (SPA) Fund 511/50, Revenue Source Code 4610;

Parks First Fund

46. Authorize the Controller to transfer \$626,800 from the Reserve Fund to the Parks First Fund No. 45B, Department 10, Revenue Code No. 3828;
47. Direct the Office of the City Administrative Officer and the Departments of Planning, Building and Safety and Recreation and Parks, with assistance from City Attorney, to report back on recommendations for a streamlined fee collection process for the Parks First Fund, Dwelling Unit Construction Tax and Quimby program;

Reappropriations/Appropriations

48. Authorize the Controller to transfer all unencumbered funds in the amount of \$2,700,900 from the Unappropriated Balance Fund No. 100/58, Account 0232, Youth Development Strategy to the Mayor's Fund No. 100/46, Contractual Services, Account 3040;
49. Authorize the Controller to transfer all unencumbered funds, from all funding sources, in the Council District Community Services line item in General City Purposes, Fund No. 100/56 on June 30, 2008, to the Council Fund No. 100/28, Salaries General, Account 1010;
50. Authorize the Controller to revert all prior-year unencumbered funds, for all funding sources in the Council District Community Services line item in the General City Purposes Fund No. 100/56, as of June 30, 2008, to the Reserve Fund;
51. Authorize the City Clerk to place on the agenda for the first City Council meeting date in fiscal year 2008-09, or shortly thereafter, the following instructions:
 - a. Transfer from the Reserve Fund the amount of the prior-year reversion from the Council District Community Services line item of General City Purposes on June 30, 2008, to the

Unappropriated Balance, and appropriate therefrom to the Council, Fund No.100/28, Salaries General, Account 1010;

- b. Reappropriate the unencumbered balance remaining in the Unappropriated Balance Fund No. 100/58, Account 0078, LAPD Consent Decree Program, in the same amount and into the same account as exists on June 30, 2008;
- c. Reappropriate the unencumbered balance remaining from the Mayor's Fund No. 100/46, Contractual Services, Account 3040;
- d. Reappropriate the unencumbered balance remaining in the General City Purposes Fund No. 100/56, Account 0829, Domestic Abuse Response Teams, in the same amount and into the same account as exists on June 30, 2008;
- e. Transfer \$1,170,000 from the Reserve Fund to the Unappropriated Balance and appropriate this amount to the Information Technology Agency Fund No. 100/32, Furniture, Office & Technical Equipment, Account 7300, to purchase equipment necessary for the Public Safety Systems Project from funds that were budgeted in 2007-08 but not spent due to delays;
- f. Transfer \$39,000 from the Reserve Fund to the Unappropriated Balance and appropriate this amount to the Cultural Affairs Department No. 100/30, Furniture, Office & Technical Equipment, Account 7300, for the Charles Mingus Youth Arts Center;
- g. Reappropriate the unencumbered balance remaining in the General City Purposes Fund No. 100/56, Account 0843, Financial Management System Replacement, in the same amount and in the same account as exists on June 30, 2008;

Other

- 52. Authorize the Controller to increase the appropriation to the Capital Finance Administration Fund No. 100/53, MICLA Commercial Paper Account No. 0316, by \$5,593,821.13 to reflect additional cash receipts and to allow the City Administrative Officer to repay the bonds used in the MICLA Commercial Paper Program;
- 53. Increase appropriations to the Mayor's Fund No. 100/46. Account 1070, Salaries As-Needed, by \$293,567.99 from the Fund 100/46, Revenue Source Code 4552;
- 54. Authorize the Controller to reverse the budget re-appropriation from Fund No. 575/46, Account C146, in the amount of \$295,944.16 to Fund No. 575/46, Account A146; and decrease the corresponding amount in the General Fund appropriation account; and, instruct the Mayor's Office to reimburse the General Fund by the amount of \$295,944.16 from Fund No. 575/46, Account A146;
- 55. Authorize the General Services Department to accept donations for the Feria Del Libro into Trust Fund No. 843, Account 2200, and to make expenditures for the Feria del Libro;

56. Transfer \$5,000 from the available balance of the Pershing Square Special Trust Fund No. 876/50 to the Capital Finance Administration Fund No. 100/53, General Administration Account No. 0170 as reimbursement for payment of consultant invoices;
57. Instruct the CAO to report back in 15 days on the Governor's May Revise to the Proposed 2008-09 State Budget, and the potential impact to the City;
58. Increase the Reserve Fund transfer to the Budget by \$7,512,025 from the Unappropriated Balance, Reserve for Economic Uncertainties; and,

Technical

59. Authorize the City Administrative Officer to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

FISCAL IMPACT

The Year-End Adjustments and Financial Status Report recommends appropriations of approximately \$26 million from the Unappropriated Balance, Reserve for Economic Uncertainties to offset deficits in several departments. Other transfers and appropriations totaling approximately \$21.6 million within and between departments and funds are recommended as year-end adjustments. Reserve Fund appropriations totaling \$8.1 million are also recommended consisting of \$626,800 for the Parks First Fund and \$7.5 million to offset the remaining year-end General Fund budget shortfall. The projected Reserve Fund Balance on May 21, 2008 is estimated at approximately \$191.4 million (consisting of \$122 million in the Emergency Reserve Account and \$69.4 million in the Contingency Reserve Account).

DISCUSSION

1. BASIS FOR REPORT

The Office of the City Administrative Officer monitors the budget throughout the fiscal year and transmits frequent reports to the Mayor and Council detailing the City's current financial status. This report: 1) provides year-end revenue estimates for the City's receipts; and, 2) recommends year-end budget appropriations and transfers to address projected budgetary problems in departments.

2. GENERAL FUND REVENUE

Receipts in 2007-08 are expected to be \$47.7 million less than estimated in the Adopted Budget. Most of the change is related to changes in the economy, particularly to the local real estate market.

Reductions to the fiscal year 2007-08 Adopted Budget include:

- \$22.2 million decrease in the transfer from the Reserve Fund.
- \$15.8 million decrease in documentary transfer tax.
- \$9.7 million decrease from slowing taxable sales.
- \$8.4 million reduction from business tax receipts.
- \$6.3 million reduction in vehicle license fees from the state.
- \$3.4 million reduction from parking tax receipts.
- \$2.6 million reduction in the power revenue transfer.
- \$0.4 million from other adjustments.

These reductions are partially offset by:

- \$10.1 million from increased departmental receipts
- \$2.4 million increase in grant receipts.
- \$7.3 million from redemptions and unsecured property tax receipts.
- \$1.3 million from higher state replacement of vehicle license fees.

A CAO report on fiber optic revenue would add \$1.8 million to the \$10 million projected in the Mid-Year, while later information on escheatment would decrease the revenue estimate by \$2 million. Outlined below is an overview of some major revenue sources. However, we caution that revenues could fall further this fiscal year, which would impact the 2008-09 Reserve Fund. We will closely monitor the status of fiscal year 2007-08 revenues and report back as we analyze ongoing tax collections and remittances from the county and the state.

Economy Related –Local economists and industry analysts now express less confidence in the Los Angeles area economy than at this time last year. While there is a general reluctance to forecast a recession using the technical definition of that term, almost all economic projections acknowledge downside risk and limited upside potential. This changing economy is responsible for most of the anticipated revenue reduction.

Sales and Business Tax Related – Because the sales tax is the City's most economy sensitive revenue, the budget revises the fiscal year 2007-08 growth estimate downward to 0.7. The business tax is also tied to the local economy and, based on receipts to date, is likely to fall below budget.

Property Related – The January 1, 2008 lien date provides some stability to the property tax base. We are analyzing late remittances from the county.

The other major property-related revenue is the documentary transfer tax. The measure of the documentary transfer tax is the value of recent sales activity. This tax is projected to decline by 25 percent in fiscal year 2007-08.

The "Revenue Outlook, Supplement to the 2008-09 Proposed Budget," provides specific detail, recent experience and historical perspective for each revenue account.

3. BUDGETARY ADJUSTMENTS AND DEPARTMENTAL ISSUES

The following are brief descriptions by department of potential surpluses and deficits at year-end, and recommended budgetary adjustments. Year-end expenditure deficits of approximately \$26.7 million are anticipated. Attachment 4 summarizes projected deficits by department.

A. Aging

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

The Department of Aging (Department) is expected to have a year-end surplus of approximately \$90,788. Surpluses are projected in the Salaries General, Overtime General, Printing and Binding, Traveling Expense, Contractual Services and Operating Supplies accounts. It is recommended that \$70,788 of the surplus be transferred to the Reserve for Economic Uncertainties. This should have minimal impact on the Department's operations. Transfer of the remaining \$20,000 surplus is not recommended at this time as these funds may be required to offset any remaining costs for the East Valley Senior Center lease. The cost of this lease is an ongoing issue and has been offset in the past through savings.

B. Animal Services

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

A \$365,930 net year-end surplus is projected for this Department, due to salary savings. It is recommended that this surplus be transferred to the UB, Reserve for Economic Uncertainties to partially offset the City deficit. Also, a transfer of \$232,504 is recommended from the Salaries General account to offset deficits in various accounts within the Department.

As part of the Second FSR, the Council instructed Animal Services to work with the CAO and the Personnel Department and report back to the Budget and Finance Committee with a comparative cost analysis between hiring veterinary doctors versus contracting the services of Vet Care Services.

Additional research will need to be conducted by Animal Services in conjunction with this Office to create a cost comparison analysis between the use of City Veterinarians vs. Contract Veterinarians. This analysis is expected to be completed within six months.

C. Building and Safety

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

After factoring in reimbursements of \$368,913 in Community Development Block Grant funds, the Department is projected to have a \$334,704 year-end surplus. This is more than the \$35,891 previously anticipated in the Mid-Year FSR. The surplus is mainly due to salary savings and savings in various expense accounts. It is recommended that the \$334,704 surplus be transferred to the UB, Reserve for Economic Uncertainties to offset the City's year-end deficit.

D. City Attorney

Attachment 8 – Appropriations from the Unappropriated Balance

Recommendation Nos. 5 – 9

Excluding outside counsel expenditures and Salaries Grant and Salaries Proprietary Reimbursed accounts, a year-end deficit of \$2.03 million is projected, which is higher than the \$1.3 million remaining deficit anticipated after the 4th FSR actions. The increase is due to a \$500,000 deficit in the Litigation Expense account and a \$280,000 transfer to the Salaries Grant Reimbursed account to cover grant payroll needs. The deficit in the Litigation Expense account is due to a high volume of litigation-related expenses. Appropriations from the UB, Reserve for Economic Uncertainties are recommended to the Salaries General (\$1.53 million) and Litigation Expense (\$500,000) accounts to offset this deficit.

The following actions are also recommended:

- Deficits totaling \$922,529 are anticipated in the Salaries Grant-Reimbursed (\$331,173) and Salaries Proprietary-Reimbursed (\$591,356) accounts due to non-funded grant and proprietary-related positions. Appropriations of \$922,529 are recommended from the Unappropriated Balance, Reserve for Economic Uncertainties to offset the deficits in these accounts at year-end. Specifically, funding is required for the Salaries Grant Reimbursed account to support year-end payroll and expense needs associated with the Joint Powers Verification Unit grant. The General Fund is expected to be fully reimbursed upon receipt of the grant funds (See Recommendation No. 9 relative to prior-year funds). Funding for the Salaries Proprietary Reimbursed account is needed to cover the cost of positions assigned to proprietary departments and not fully funded in the current year. The appropriation to the Salaries Proprietary Reimbursed account will be reimbursed to the General Fund by the proprietary departments.
- In the 4th FSR, a year-end deficit of \$2.8 million was anticipated for outside counsel expenditures. However, the year-end deficit is now projected at \$1.29 million. Specifically, the Department projects year-end outside counsel expenses at \$1.7 million, however, it is

recommended that a portion of these costs be offset by \$390,909 in current and prior-year contract savings (See Recommendation No. 5). An appropriation of \$30,098 in remaining funds within the UB, Outside Counsel line item is also recommended. Lastly, a \$1.29 million appropriation is recommended from the UB, Reserve for Economic Uncertainties to offset the remaining shortfall.

E. City Clerk

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

A year-end surplus of \$264,358 is projected for this Department consisting of a \$143,376 salary surplus and a \$120,982 surplus in the Furniture, Office and Equipment account. A portion of this surplus was previously set aside to purchase equipment needed to deploy Documentum, the City's document management system. However, given the current budget deficit, it is recommended that the year-end surplus of \$264,358 be transferred to the UB, Reserve for Economic Uncertainties. The reduction to the Furniture, Office and Equipment account will delay implementation of Documentum until such time as funds are available for implementation.

F. Commission for Children, Youth and Their Families

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

A year-end deficit is not projected for this Department. The following actions are recommended:

- Transfer \$48,000 from the Salaries General account, to the Salaries As-Needed (\$22,000), Salaries Overtime (\$22,000) and Transportation (\$4,000) accounts. The funds are needed to pay for salaries, overtime, and mileage.
- Historically, the First and Broadway Trust Fund has provided a maximum annual subsidy of \$196,152 for the operation of the Joy Picus Child Care Center. The City anticipates that funding from the Trust Fund will end by July 2008. CCYF is analyzing how other municipal child care centers structure their fees and subsidies. CCYF will recommend funding options for the City that seek to retain the current service levels at the Joy Picus Child Care Center and minimize the contribution from the General Fund. The CCYF report will be released by June 30, 2008.

G. Commission on the Status of Women

Attachment 8 – Appropriations from the Unappropriated Balance

A year-end deficit of \$54,471 is projected for this Department due to a shortfall in the Salaries General account. The deficit is attributed to payouts, six months funding for a Senior Project Coordinator previously authorized in the 2005-06 Budget, and an unfunded Management Analyst position authorized in the 2007-08 Budget. Although \$47,881 in Young Women At Risk (YWAR) grant funds remain unspent due to two vacant positions, they cannot be used as General Fund savings to partially offset this deficit as they must be returned to the County. Therefore, a \$54,471 appropriation is recommended from the UB, Reserve for Economic Uncertainties to offset the year-

end deficit. Transfers from various accounts totaling \$26,744 are also recommended to the Salaries General account.

H. Community Development Department Recommendation No. 10

A year-end surplus or deficit for this Department is not anticipated provided that the recommendations in this report are approved. This assumes that the Department will sustain its current vacancy level throughout the year. In the Mid-Year and 4th FSRs, the Council instructed the Department to work to cover all direct and indirect costs within available funding and reduce reliance on the General Fund to subsidize related costs. The Mid-Year FSR identified approximately \$3 million in unrecovered related costs as the overall 2007-08 General Fund subsidy. This shortfall is due to the ongoing reductions to the Community Development Block Grant (CDBG) and Workforce Investment Act grants over recent years.

The Department has taken steps to manage within its allocated funding such as, holding a number of vacancies to absorb budget shortfalls - an average of 112 vacancies from 417 authorized positions (27 percent). In addition, the Department has identified approximately \$3 million in savings from current and prior-year unexpended appropriations within Fund No. 551, General Fund-Variou Programs, and transferred this amount to the General Fund. Approximately \$2 million of the \$3 million was transferred to the General Fund, as reported in the 4th FSR. The additional amount of approximately \$1 million was transferred to the General Fund in December 2007 and April 2008.

The Department requests the transfer of a total of \$188,668 from Contractual Services (\$94,668) and Office and Administrative (\$94,000) accounts to the Information Technology Agency (ITA) to reimburse ITA for staff costs related to computer systems support for the Department's programs. The reimbursement for these staff costs is provided from the CDBG and the Community Services Block Grant.

I. Controller Attachment 5 – Transfers between Accounts within Departments and Funds

A year-end deficit is not projected. A transfer of \$250,000 is recommended from the Salaries General account to Contractual Services account.

J. Convention Center Recommendation Nos. 11 – 12

It is recommended that additional appropriations totaling \$439,094 be made to the following Convention Center accounts from the Convention Center Revenue Fund, the Salaries and Expense Reimbursement Account: Salaries General (\$225,000), Salaries As-Needed (\$94,094), Salaries Overtime (\$100,000), and Operating Supplies (\$20,000). These costs are related to client reimbursable services and materials and are eligible to be paid from the Convention Center Revenue Fund.

Transfers in the amount of \$150,000 are also recommended from the Convention Center Revenue Fund to the Contractual Services and Utilities Expense accounts. The funds are needed due to increases in contractual obligations and to fund a benchmarking study which will compare convention centers in similar markets in order to identify the most efficient operating model. Additionally, funding is needed for the Utilities account due to increases in natural gas prices.

K. Council

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Transfers are necessary to meet current expenditure patterns within the Council's salary and expense accounts.

L. Cultural Affairs

Attachment 5 – Transfers between Accounts within Departments and Funds

Recommendation Nos. 13 – 14 and 51f

A net year-end surplus of \$40,000 is projected for this Department. Therefore, since the General Fund is subsidizing departmental related costs, a \$40,000 reduction is recommended to the Department's Salaries General account to further offset the General Fund subsidy. Also, an \$102,000 transfer is recommended from the Salaries General account to offset shortfalls in the Salaries As-Needed (\$100,000) and Transportation (\$2,000) accounts.

Additionally, Cultural Affairs received an appropriation in the current-year to pay for one-time equipment costs at the Charles Mingus Youth Arts Center. Since this facility did not open when anticipated, funds were not expended in the current year. However, the facility is now expected to open in the summer of 2008 and funding will be required in time for the opening. Therefore, it is recommended that \$30,000 be reappropriated in fiscal year 2008-09 to pay for equipment costs at the Charles Mingus Youth Arts Center.

It should also be noted that Cultural Affairs requested that any remaining current-year savings be used in 2008-09 to increase grant matches. However, due to the City's current fiscal constraints, we do not recommend that these funds be reappropriated at this time. Instead, Cultural Affairs should report back to Mayor and Council on this matter in compliance with the City's Grant Ordinance. As a result, any available savings at year-end will revert to the Arts and Cultural Facilities Fund No. 480.

M. Disability

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 8 – Appropriations from the Unappropriated Balance

A \$41,000 year-end deficit is anticipated for this department due to a shortfall in the Contractual Services account. The Department recently advised that \$41,000 in funding previously budgeted for two contractors in 2006-07 inadvertently reverted at year-end. While the funds were budgeted in

2006-07, the contracts were not executed until the current fiscal year and funding was not reappropriated in 2007-08. Funding is now needed to pay the following contractors: the Regents of the University of California regarding the HIV Prophylaxis Program and the California State University Dominguez Hills Foundation regarding the Syringe Exchange Program. A \$41,000 appropriation is recommended from the UB, Reserve for Economic Uncertainties to the Contractual Services account to pay for these contracts.

In addition, a \$40,000 transfer is recommended from the Salaries General account to the Contractual Services account to address current demands for assistive services in compliance with the Americans with Disabilities Act.

N. El Pueblo

Attachment 8 – Appropriations from the Unappropriated Balance Recommendation No. 15

The Department's year-end revenue shortfall was previously estimated at \$350,000 in the Mid-Year. However, the revenue shortfall now projected by the Department is \$705,726. As previously reported, this deficit was caused by errors in calculating General Fund revenues by the Department and this Office during budget preparation. It should be noted that the 2007-08 Adopted Budget assumed a cash balance of \$230,726 for 2006-07 to fund current-year expenditures. However, the Department is now projecting a zero cash balance for 2006-07, due to pending project commitments and lower than anticipated revenue. We are currently conducting a review of the actual cash balance to better assess the Department's actual obligations. A zero cash balance creates an additional \$230,726 impact on the Department and increases the year-end revenue shortfall to \$705,726. It is recommended that a surplus of \$100,858 from various accounts be used to partially offset the shortfall, reducing it to \$604,868.

The Department will require a \$604,868 General Fund appropriation to offset the remaining shortfall. A transfer of \$604,868 is recommended from the Unappropriated Balance, Reserve for Economic Uncertainties to the El Pueblo Historical Monument Revenue Fund to ensure that El Pueblo has sufficient funding to pay for its appropriation through year-end. It is further recommended that El Pueblo be instructed to report back after the year-end closing regarding the account surpluses in 2007-08 and identify the commitments for the previously anticipated 2006-07 \$230,726 cash balance.

The parking rate increase was approved by the Commission at its meeting on May 8. The Department projects that the increases will be implemented by June 1, 2008 and generate an additional \$48,500 in revenue. This revenue has been included in the Departments revenue projections noted above. If the additional parking revenue is not realized by year-end, the Departments revenue shortfall is expected to increase by the same amount which will impact the Reserve Fund.

The Department reports that it is working closely with the CLA and the City Attorney to determine the appropriate terms and conditions to negotiate leases with the 61 merchants currently operating on a month-to-month basis. The Department is working with GSD to secure a consultant to perform a fair

market rate survey and determine new rates for El Pueblo leases. Once the new rates have been established the City Attorney will prepare new tenant leases and the City will begin negotiations with the merchants. Upon the close of negotiations the leases will be forwarded to Council for approval.

O. Environmental Affairs

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

A \$97,301 net year-end surplus is anticipated for this department consisting of \$58,747 which is attributed to special funds and \$38,554 attributed to the General Fund. It is recommended that the \$38,554 General Fund-related surplus be transferred to the UB, Reserve for Economic Uncertainties.

P. Finance

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 8 – Appropriations from the Unappropriated Balance

A net year-end deficit of \$336,000 is projected for this Department which is less than the previously projected amount of \$495,295. Specifically, shortfalls are projected in the Salaries General (\$179,000), Salaries Overtime (\$5,000), Contractual Services (\$32,000) and Printing and Binding (\$131,000) accounts. It is recommended that \$336,000 be transferred from the UB, Reserve for Economic Uncertainties to fully offset these deficits. In addition, a \$61,000 transfer is also recommended from various accounts to Salaries Overtime.

Regarding revenue, Finance facilitated the implementation of the "Collection Fee Modification Based on Best Practices" presented in the fiscal year 2008-09 Proposed Budget. This fee increase became effective February 1, 2008, and involves increasing the current flat fee charged for collecting on delinquent accounts from \$131 to \$300. Early implementation is projected to result in an estimated \$300,000 in additional revenue this fiscal year, and \$1.37 million for 2008-09 (and adjusted annually in subsequent fiscal years). The additional revenue is assumed in the 2008-09 Proposed Budget.

Finance is presently preparing for implementation of the "Look Back Period" for New Business Registrations, which is anticipated to generate \$2 to \$4 million, annually. The Department is currently addressing LATAX business rules for system effects, programming changes and staff training, and expects early implementation this fiscal year, subject to the approval of the ordinance which is currently being drafted by the City Attorney. The additional revenue is assumed in the 2008-09 Proposed Budget.

Q. Fire

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Attachment 8 – Appropriations from the Unappropriated Balance

The Department is projecting a net year-end shortfall of about \$6.8 million, which is less than the \$7.5 million deficit reported in the 4th FSR. The year-end shortfall is mainly attributed to a \$7.5 million deficit in the Constant Staffing Overtime account as reported in the 4th FSR. Savings of \$688,000 are

available in the Sworn Salaries, Variable Staffing Overtime, and Contractual Services accounts to partially offset this deficit. A \$6.8 million appropriation is recommended from the UB, Reserve for Economic Uncertainties to offset the remaining deficit.

As part of the 4th FSR, the Council instructed this Office to report back on the reasons for and recommendations to address the regularly occurring deficit in the Fire Department's Constant Staffing Overtime account. The Constant Staffing Overtime account allows the Department to address field vacancies created by the use of compensated time off (e.g., sick leave, vacations, holidays and injured on duty), and the loss of firefighters due to attrition. The Department has expressed concerns that this account has been under-funded in prior years, which has led to recurring account shortfalls. It should be noted that the 2008-09 Proposed Budget includes about \$8.7 million in additional funding for this account (i.e., an increase from \$104.3 million in 2007-08 to about \$113 million in 2008-09).

General Fund revenue for this Department is estimated ahead of plan by approximately \$7.0 million. This is mainly due to an increase in New Construction Plan Check fee revenue (\$932,000) and increases in the cost of services provided to proprietary departments (\$2.4 million). In addition, we previously reported of the potential for receiving a \$2.0 million Disaster Grant reimbursement due to overtime expended during the October 2007 wildfires. The Department reports that full reimbursement of these costs have been received and are recognized in this estimate. Other significant variances in estimated revenues include increases in High-Rise Inspection (\$286,000); Fire Services for the City of San Fernando (\$265,000); and other miscellaneous permit fees (\$530,000).

R. General City Purposes

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Attachment 8 – Appropriations from the Unappropriated Balance

Recommendation Nos. 49 – 51a and 55

A net \$1,135,414 million year-end deficit is projected in the General City Purposes (GCP) Fund, due to deficits in the Medicare Contributions (\$1,361,181) and Retirement Defrayal (\$167,125) accounts. These deficits are partially offset by savings in the Pension Savings Plan and Social Security accounts. The net deficit reflects an increase from our previously reported year-end deficit of \$830,000. The Medicare Contributions account was budgeted based on 35,000 employees per pay period. However, the actual number of employees has been higher than anticipated (ranging from 36,437 in July to 36,121 in April). This projection also assumes the recently approved civilian COLAs. It is recommended that the savings in the Pensions Savings Plan (\$260,000) and Social Security (\$120,000) accounts be transferred to the Medicare Contributions account. A \$1,190,000 appropriation is also recommended from the UB, Reserve for Economic Uncertainties to the Medicare Contributions and Retirement Defrayal accounts to offset the remaining deficit and account for any unanticipated variances.

It is further recommended that: 1) all unencumbered funds in the Council District Community Services line item be transferred to the Council's Salaries General account, 2) that the Controller revert all prior-year unencumbered funds in the Council District Community Services line item to the Reserve Fund, and 3) transfer those prior-year unencumbered funds to the Unappropriated Balance to the Council's Salaries General account on or around July 1, 2008.

Lastly, funds are provided in the GCP Fund to reimburse City departments that incur costs related to Feria del Libro. This event will be held in June 2008. This Office recommends transfers from this account in the GCP to cover departmental costs. Additionally, it is recommended that the Department of General Services be authorized to accept donations for the Feria Del Libro into Trust Fund No. 843 and to make expenditures for the Feria Del Libro.

S. General Services

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Attachment 8 – Appropriations from the Unappropriated Balance

Excluding Petroleum costs, the Department is projecting a remaining year-end shortfall of approximately \$2.07 million. Specifically, deficits of approximately \$3.06 million are partially offset by surpluses of approximately \$1.01 million. The net year-end shortfall reflects a reduction from the \$4.29 million shortfall anticipated in the 4th FSR. A brief explanation of the shortfalls and surpluses follows:

Projected Shortfalls:

Salaries General (\$2.1 million) – The Department indicates that this shortfall is primarily due to the transfer of \$838,000 from this account to cover projected shortfalls in the Salaries Overtime Account, unfunded payouts such as retirement payoffs and excess sick time payoffs, and Retro payments.

Hiring Hall Fringe Benefits (\$50,000) – The Department indicates that this shortfall is due to higher than anticipated fringe benefit payouts.

Contractual Services (\$700,000) – The Department indicates that approximately \$400,000 of the shortfall will be reimbursed by the Urban Area Security Initiative (UASI) grant in 2008-09. The reimbursement will be transferred to the Reserve Fund upon receipt. The balance of the shortfall is due to a 5 percent increase in the latest contract security agreement.

Office and Administrative (\$216,000) – The Department indicates that the shortfall will be reimbursed by the UASI grant in 2008-09. The reimbursement will be transferred to the Reserved Fund upon receipt.

Projected Surpluses:

Utilities (\$800,000) – The Department indicates that this surplus is primarily due to a very warm winter and stable market prices.

Overtime (\$100,000) – The Department indicates that this surplus is primarily due to limiting overtime usage as directed in the Mayor's Belt Tightening memo for public safety, safety standards maintenance at City facilities, and support for essential City services.

Other Operating Equipment (\$112,000) – The Department indicates that this surplus is due to suspension of all purchases from the account to generate cost savings.

It is recommended that the \$1.01 million from surpluses in the Utilities, Overtime and Operating Equipment accounts be transferred to the following accounts to partially offset projected deficits: Salaries General, Fringe Benefits Hiring Hall, Printing and Binding, Contractual Services and Office and Administrative accounts. Additionally, it is recommended that \$2,074,000 be appropriated from the UB, Reserve for Economic Uncertainties to the Department's Salaries General account to offset the remaining deficit.

Additional transfers are also recommended as follows:

- A transfer of \$215,720 is recommended from the Water and Electricity Fund to various General Services accounts for the installation of meters to allow concessionaire operating on City-owned property to pay for their own utility costs. These funds will pay for the cost of seven remetering projects.
- Transfers of \$269,408 are recommended from the Printing Revolving Fund, the General Services Trust Fund or General Services miscellaneous accounts for the following work: shower pan repair at Fire Station No. 10, Office of Public Safety San Fernando Valley Substation, installation of a newly acquired press, and rehabilitation of the Seventh Street Warehouse.

Regarding the Petroleum Products account, a year-end deficit of \$2.4 million is projected. The 2007-08 budget provided \$4 million in the UB, GSD Petroleum Products line-item. These funds were appropriated to the Department's Petroleum Products account in the Mid-Year. In addition to budgeted funding, additional appropriations of \$4 million were also approved throughout the year from the UB, Reserve for Economic Uncertainties, Alternative Fuel Rebate funds, and Public Works Building savings to the Petroleum Products account. To date \$8 million has been appropriated for petroleum. An additional \$2.4 million appropriation is recommended at this time from the UB, Reserve for Economic Uncertainties to fund the account for the balance of the fiscal year. If the recommended appropriation is approved, total additional appropriations for petroleum in fiscal year 2007-08 will be \$10.4 million.

T. Housing

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Recommendation Nos. 16 – 18

A year-end special fund surplus of approximately \$616,820 is projected. Shortfalls totaling \$346,411 are projected in the following accounts: Salaries Overtime (\$29,434), Office and Administrative (\$27,391), and Leases (\$289,586). A \$316,977 transfer is recommended from the Contractual Services account to offset the projected deficits in the Office and Administrative (\$27,391) and Leases (\$289,586) accounts. The Salaries Overtime shortfall was recently addressed through an internal transfer of funds between accounts. Housing reports that the savings in the Contractual Services account are due to reductions in projected recording costs with the County of Los Angeles and Hyland Software licensing costs, and reduced hiring of paralegals.

The following adjustments are also recommended:

- Increase appropriations within the Systematic Code Enforcement Fund by \$68,603.77 so that the General Fund is reimbursed for unpaid 2006-07 related costs associated with the Systematic Code Enforcement Program.
- In October 2007, the Council and Mayor authorized the Housing Department to establish an account for the receipt of revenues from the Community Redevelopment Agency (CRA) tax increment funds in the City's Affordable Housing Trust Fund (Fund 44G) based on an estimate (C.F. 06-2757). A technical adjustment is required to recognize \$1,495,515 in additional revenues from the CRA tax increment funds (i.e., an increase from \$7,048,673 to \$8,544,188). It is recommended that a technical adjustment be made to reflect the actual contribution of AB 1290 funds as reported by the CRA in a November 2007 communication to the Council (C.F. 07-2955).
- As part of the Mid-Year actions, the Mayor and Council adopted an instruction to increase appropriations to the Housing Department's Salaries General account by \$500,000 from prior-year special fund salary savings to offset anticipated shortfalls in the Affordable Housing Trust Fund to cover administrative activities (C.F. 07-0600-S77). However, the Controller has since determined that this increase was not necessary as Housing has sufficient expenditure authority and prior-year balances to meet salary costs through the year-end without additional assistance. Therefore, it is recommended that the Mid-Year instruction be rescinded.

U. Human Relations Commission

Attachment 6 – Transfers between Accounts within Departments and Funds

A \$26,458 shortfall is projected. However, it is anticipated that the Department will manage within its existing budget by identifying other expense account savings to offset any remaining shortfall. It is recommended that a total of \$40,000 be transferred to the Salaries General account from the following accounts: Contractual Services (\$35,000) and Printing and Binding (\$5,000).

V. Information Technology Agency
Attachment 5 – Transfers between Accounts within Departments and Funds
Attachment 7 – Transfers to the Reserve for Economic Uncertainties
Recommendation Nos. 19 – 20 and 51e

ITA is projected to have a \$2,025,429 net year-end surplus due to savings in its expense and equipment accounts. The surplus amount includes \$1,170,000 previously designated for the purchase of equipment for the new EOC/DOC Building which has been delayed until 2008-09. It is recommended that the EOC/DOC funds be reappropriated for the same purpose in 2008-09. This reappropriation is anticipated by the 2008-09 Budget and not approving it would result in insufficient funds for the project to continue as planned. Of the remaining \$855,429 in savings, it is recommended that \$450,000 be transferred to the UB, Reserve for Economic Uncertainties to offset the City's year-end deficit, and that \$405,429 remain in various ITA accounts to address any unanticipated spending increases at year-end.

ITA's net surplus reflects efforts made since the Mid-Year to achieve a five percent reduction in expenditures, or \$904,240. This includes renegotiating and canceling contracts. ITA generated additional savings by complying with the Mayor's instructions to freeze non-essential equipment purchases, resulting in savings of \$123,816.

The following transfers are recommended:

- Transfers totaling \$900,000 are recommended between ITA accounts to address the deficits in salaries accounts.
- Earlier in this fiscal year, Channel 35 provided programming production services to various City proprietary departments. The departments then reimbursed Channel 35, in an amount totaling \$72,726, with those payments recorded as revenue in the Telecommunications Development Account. While Channel 35 was able to front fund the cost of the services, it is now recommended that the receipts be transferred to Channel 35 accounts to offset deficits that resulted from the front funding.

W. Library
Attachment 5 – Transfers between Accounts within Departments and Funds
Attachment 8 – Appropriations from the Unappropriated Balance
Recommendation No. 21

In the Mid-Year it was anticipated that the Library Department might have a year-end deficit as a result of the impact of the cost of COLAs. The CAO continued to work with the Department with various budget balancing measures to lessen its affect. However, after implementing a hiring freeze, halting the purchase of library books through the end of the fiscal year, scaling back the purchase of supplies, and significantly reducing the use of as-needed employees, the Department is expected to have a net year-end deficit of \$800,000 primarily attributed to cost of the COLA's.

Specifically, the Department is projecting a \$1,197,772 deficit in the Salaries General account of which \$438,000 can be offset by surpluses in the Salaries As-Needed (\$425,000) and Transportation Expense (\$13,000) accounts which reduces the deficit to \$749,772. An \$800,000 appropriation is recommended from the UB, Reserve for Economic Uncertainties to the Library's Salaries General account in order for the department to meet payroll obligations through year-end. It is further recommended that the surpluses of \$438,000 in the Salaries As-Needed and Transportation Expense accounts be transferred to the Salaries General account.

**X. Mayor
Recommendation Nos. 48, 51c, 53 and 54**

The Mayor's Office provided front-funding to pay for staff costs in connection to the Mayor's Community Partnership for School Excellence for the period October 1, 2007 through December 31, 2007. Funds in the amount of \$293,567.99 have been deposited as departmental receipts to pay for these services. It is recommended that these funds now be appropriated to the Mayor's Salaries As-Needed account.

The Mayor's Office fiscal year 2006-07 expenditures were understated in the amount of \$295,944.16 relative to Fund 575 (LA MBOC). Expenditures in this amount were not reported appropriately, i.e., as total salary expenditures, in fiscal year 2006-07. Instead, the funds were re-appropriated to the Mayor's Office fiscal year 2007-08 Salaries General account. Therefore it is required that the General Fund be reimbursed for the amount of \$295,944.16.

Lastly, after accounting for the proposed \$324,956 transfer to the Department of Recreation and Parks (See Section 3-II), the Unappropriated Balance, Youth Development Strategy line item is projected to have an unencumbered balance of \$2.7 million. These funds were budgeted in the current-year as part of the City's gang reduction program. The Mayor's Office has requested that these funds be transferred to its Contractual Services account, and that any remaining funds be reappropriated to the same account in 2008-09 for gang reduction efforts. The funds are proposed to be used as follows:

- \$500,000 for Prevention and Intervention programs for the Rampart "Super Zone" as part of the Gang Reduction and Youth Development (GRYD) Zone expansion.
- \$500,000 for the Community Law Enforcement and Recovery ("CLEAR") Program in the Rampart Super Zone.
- \$500,000 for the CLEAR Program in the new 77th Street-2 GRYD Zone
- \$500,000 for the CLEAR Program in the new Southeast (Watts) GRYD Zone.
- \$500,000 for the CLEAR Program in the new Southwest-2 GRYD Zone.
- \$200,000 for partial support of the CLEAR program in the new Mission GRYD Zone.

The Mayor's GRYD Office will issue a Request for Proposals (RFP) for the implementation of gang intervention services, in the amount of \$500,000, in the Rampart GRYD zone. The Mayor's GRYD Office seeks to enter into a 12-month contract with a community-based organization or collaborative of community-based organizations with a 501c(3) status, that will provide direct services to youth and families residing in the Rampart GRYD zone. Gang intervention services will include case

management, individual counseling, job training and placement, street gang outreach, and substance abuse treatment.

Y. Neighborhood Empowerment

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

The Department of Neighborhood Empowerment (DONE) is projected to have a \$366,025 surplus at year-end. Surpluses are projected in the Salaries General (217,025), Salaries As-Needed (\$4,000), Salaries Overtime (\$25,000), and Contractual Services (\$120,000) accounts. Due to the City's financial constraints it is recommended that this surplus be transferred to the Reserve for Economic Uncertainties. This should have minimal impact on the Department's operation.

Z. Personnel

Attachment 5 – Transfers between Accounts within Departments and Funds

A net year-end deficit is not projected for this Department. A \$197,000 transfer is recommended within the Department's existing accounts to the Salaries General account due to the recent hiring of additional full-time correctional care staff. The Department has made substantial efforts throughout the year to transition its higher salaried as-needed correctional care staff into regular full-time positions. These actions will result in long-term savings.

In response to the Mayor's Belt Tightening Measures Memo, the Department has identified savings of \$18,400 through the elimination of non-critical overtime usage. This Office supports the Department's request to retain these funds to pay down accumulated overtime balances.

Lastly, the Department is projected to meet its budgeted revenue goals and no revenue adjustment is required.

AA. Planning

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

Recommendation Nos. 22 – 27

The Department projects a net year-end surplus of \$283,652 due to savings in the Salaries General and Salaries As-Needed accounts after factoring in Mid-Year actions. The projected surplus has increased due, in part, to a reduction in overtime use. Planning originally projected an overtime deficit of \$118,000. However, through the application of the Mayor's Belt-Tightening Program, the Department has saved \$99,000. A transfer of \$18,000 is recommended from the Salaries General account to the Salaries Overtime account to offset the remaining overtime deficit. Additionally, it is recommended that the \$283,652 year-end surplus be transferred to the UB, Reserve for Economic Uncertainties to offset the City's year-end deficit.

The following actions are also recommended:

- Planning is responsible for administering the Expedited Permit Trust Fund. The Department requests that \$1 million be appropriated from the Expedited Permit Trust Fund to various departments (Fire, Engineering, Transportation and Planning) to reimburse these Departments and the General Fund for services rendered for projects that are paid for by developers.
- Since the transfer of the management of the Mills Act program from the Cultural Affairs Department to the Department of City Planning, the application fees collected have been deposited in the City Planning Grant Trust Fund. The application fees are the source of funding for personal services contract work in the pre-approval inspection process. Planning requests a transfer of \$25,000 in Mills Act application fees from the Trust Fund to the Planning Department's Contractual Services account. The \$25,000 appropriation is necessary to pay for contract work that has been completed in the pre-approval inspection process for the Mills Act program in 2007-08.
- Transfer \$88,654 from Salaries General to various accounts to pay for expenses related to community workshops.

BB. Police

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Attachment 8 – Appropriations from the Unappropriated Balance

Recommendation Nos. 28 – 29

A net year-end deficit of \$7.35 million is projected which reflects an increase of approximately \$1.7 million from the 4th FSR estimate of \$5.65 million mainly due to increases in Sworn Overtime (attributed to reimbursable overtime). Deficits totaling \$7.95 million are projected in the Salaries General (\$1 million), Sworn Overtime (\$6.85 million), and Travel Expense (\$100,000) accounts. These deficits are partially offset by surpluses totaling \$600,000 in the Salaries Sworn (\$500,000) and Salaries As-Needed (\$100,000) accounts. It is recommended that these surplus funds be transferred to the Salaries General (\$500,000) and Travel Expense (\$100,000) accounts. A \$7.35 million appropriation is also recommended from the UB, Reserve for Economic Uncertainties to offset the remaining deficits in the Salaries General (\$500,000) and Sworn Overtime (\$6.85 million) accounts.

- **Salaries General:** The projected year-end deficit of \$1 million in the Salaries General account is slightly higher than the \$900,000 deficit estimated in the 4th FSR. As previously reported, the deficit is due to employee compensation increases.
- **Sworn Overtime:** A year-end deficit of \$6.85 million is anticipated in the Sworn Overtime account due to unbudgeted reimbursable overtime, including overtime at LAX to be reimbursed by LAWA. The projected sworn overtime deficit reflects a \$2.1 million increase from the previously estimated remaining deficit of \$4.75 million, after factoring in all 4th FSR actions. The change in the deficit is mainly due to increased overtime expenditures at LAX.

See Section 4F for a breakdown of overtime use by category.

- Travel Expense: The \$100,000 deficit in the Travel Expense account is due to public official security and increased investigative travel.

The following actions are also recommended:

- A recent Controller audit identified \$1,250 in cash deposits to the Bail and Prisoners' Welfare accounts that were not processed due to counterfeit currency and employee oversight. It is recommended that the Controller be authorized to pay the amount due to Bank of America from the Police Department's Office and Administrative Expense account in order to reconcile the accounts.
- Revenue to the Local Public Safety Fund, which is funded by a ½ cent sales tax, is anticipated to be \$2.5 million under budget due to reduced economic activity. However, funding in the amount of \$2.5 million is available in the Supplemental Law Enforcement Services Fund to fully offset this shortfall. These funds were received in 2006-07 but not appropriated to the Department during that fiscal year. To reconcile the sources of funds at the year-end, it is necessary to reduce the appropriation to the Police Department from the Local Public Safety Fund by \$2.5 million and to increase the appropriation from the Supplemental Law Enforcement Services Fund to the Police Department by \$2.5 million.
- The State Corrections Standard Authority has established minimum training standards for local corrections staff. The eligible staff attending the certified training courses may be replaced, and the backfill is eligible for reimbursement for overtime worked. The State's 2007-08 Annual Training plan authorizes expenditures for LAPD training, overtime, and supplies effective July 1, 2007 for a total budget of \$247,650. It is recommended that appropriations to the Police Department's Civilian Overtime account be increased by \$247,650 from the Standards and Training Correction Fund.

Police Hiring has continued to be strong, with net hiring through the pay period ending May 10 at 221, which is 8 ahead of plan. This is largely due to lower than anticipated attrition. Projected year-end hiring is very close to the originally budgeted 226.

2007-08 Year-to-Date Police Hires												
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	YTD*
Actual Hires	47	51	105	54	60	50	70	63	72	70	52	694
07-08 Budget	50	50	100	50	50	60	70	70	70	70	70	710
Actual Attrition	39	68	49	30	43	23	41	47	70	51	12	473
07-08 Budget	80	48	54	31	31	27	53	47	53	43	30	497
Actual Net	+8	-17	+56	+24	+17	+27	+29	+16	+2	+19	+40	+221
07-08 Budget	-30	+2	+46	+19	+19	+33	+17	+23	+17	+27	+40	+213

*Year-to-Date. Note September figures include two classes.

CC. Public Works/Board

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

A year-end General Fund surplus of \$76,896 is projected for this Department due to salary savings and a surplus in the overtime account. The savings are attributed to staff vacancies, updated estimates for employee payouts, and implementation of belt-tightening measures. It is recommended that this surplus be transferred to the UB, Reserve for Economic Uncertainties to partially offset the City's year-end deficit.

DD. Public Works/Bureau of Contract Administration

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

Provided that anticipated bond reimbursements are received in the current year, a year-end General Fund surplus of \$1,000,000 million is projected. A decrease in the Bureau's workload, or, a delay in reimbursements from various construction projects could impact the total amount of savings available at year-end. It is recommended that \$1 million from the Salaries General account be transferred to the UB, Reserve for Economic Uncertainties to offset the City's deficit. Also, it is recommended that \$89,000 be transferred from the Salaries General account to the Salaries Overtime (\$16,000) and Transportation (\$73,000) accounts.

EE. Public Works/Bureau of Engineering

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

Recommendation Nos. 30 – 32

The year-end projected surplus, primarily in salaries, is about \$5.1 million provided the Bureau receives the anticipated appropriations from off-budget programs before the year-end. The \$5.1 million is comprised of \$4.1 million in Sewer Construction and Maintenance (SCM) funds, \$629,000 in Stormwater Pollution Abatement funds, \$358,000 in General Fund and \$5,500 in Proposition C funds. Although \$358,000 is projected in General Fund savings, since the Bureau has not been provided with appropriations from all of the off-budget programs, it is recommended that only \$44,000 of this surplus be transferred to the UB, Reserve for Economic Uncertainties to ensure that the Bureau can continue to meet payroll. Accordingly, any additional unspent General Fund monies will revert to the Reserve Fund after year-end reconciliation.

In addition, the Bureau received funds from other departments and private developers for architectural, engineering, and construction management services that were deposited in their off-budget funds. This Office recommends that the source of funds for salary appropriations be adjusted by reducing SCM-funded salary appropriations by \$937,344 to realign expenditures to the correct funding sources.

FF.Public Works/Bureau of Sanitation

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

Recommendation No. 33

A net surplus of \$3.8 million is projected for the Bureau of Sanitation consisting of a General Fund surplus of \$253,209 and special fund surplus of \$3.31 million. The General Fund surplus is attributed to the suspension of non-emergency overtime. The special fund surplus is comprised primarily of Sewer Construction and Maintenance Fund monies due to a 15 to 20 percent vacancy rate in the Wastewater operating divisions. It is recommended that the General Fund surplus of \$253,209 be transferred to the UB, Reserve for Economic Uncertainties to offset the City's deficit.

In the Mid-Year FSR, the Bureau projected a \$3 million deficit in the operating supplies account, attributable to cost increases in tip fees for green waste contracts and a Revised Conditional Use Permit (RCUP) fee associated with the Sunshine Canyon Landfill. However, the Bureau now projects a \$706,356 deficit as the previously estimated \$3 million deficit was based upon the worst case scenario. The Bureau also projects a \$934,601 deficit in their Solid Waste Resources Revenue Fund (SWRRF) source of fund salaries general account associated with cost of living adjustments and retro-active payments. The combined shortfall of \$1.64 million will be offset with SWRRF Debt Service interest savings and other miscellaneous transfers.

In August 2007, the Mayor and Council approved a \$1.32 million Reserve Fund loan for Multi-Family Bulky Item Program start up costs to be repaid with Multi-Family Bulky Item Fee revenues by June 30, 2013(C.F. 04-0881-S1). Due to a revenue surplus in Multi-Family Bulky Item Fee (MBIF) collections, the Bureau proposes to repay \$660,000 of the \$1.32 million Reserve Fund loan. Additionally, it is recommended that the Citywide Recycling Trust Fund (CRTF) repay the remaining \$660,000 balance of the Reserve Fund loan. As a result, the Reserve Fund will be repaid in its entirety, and the outstanding balance of \$660,000 would become a repayment obligation to the CRTF from MBIF through the term authorized under C.F. 04-0881-S1 (June 30, 2013).

The following actions are also recommended for the Bureau of Sanitation:

1. Provide funding in the amount of \$600,000 from the Sewer Construction & Maintenance Fund to the Department of Recreation and Parks to construct a new playground.
2. Provide funding in the amount of \$359,361 to the Department of General Services from various funds for: 1) reimbursement of emergency welding work at the CLARTS facility; 2) reimbursement for postage and mailing costs; 3) removing tile in the Hollywood Field office; and, 4) installation of a chain link fence in a storage room in the Public Works Building.
3. Provide funding in the amount of \$18,298 to the Information Technology Agency from the Bureau of Sanitation Fund No. 100/82 and the Sewer Construction and Maintenance Fund for various communications services requests.

4. Provide funding in the amount of \$114,000 to the Board of Public Works from the Bureau of Sanitation Fund No. 100/82 and the Integrated Solid Waste Management Fund to support the Los Angeles River Program and to provide reimbursement for services associated with the Graffiti Abatement Program, the Christmas Tree Recycling Program and the West Valley boundary changes.
5. Provide funding in the amount of \$691,756 to the City Clerk from the CLARTS Trust Fund and the Bureau of Sanitation Fund No. 100/82 to meet current and prior year obligations regarding the Community Amenities fees associated with CLARTS.
6. Provide funding in the amount of \$66,776 to the Integrated Solid Waste Management Fund from the Bureau of Sanitation Fund No. 100/82 for reimbursement of expenses associated with the Multi Family Bulky Item program.
7. Provide funding in the amount of \$247,181 to the Bureau of Sanitation from the Citywide Recycling Trust Fund and the Los Angeles Regional Agency Fund to offset projected deficits.
8. Provide funding in the amount of \$108,478 to the Bureau of Sanitation from the CLARTS Trust Fund for reimbursement of private hauling expenses.
9. Provide funding in the amount of \$55,000 to the Sewer Capital Fund from the Sewer Construction and Maintenance Fund to purchase a cargo van for the Pollution Assessment Section to serve as a mobile laboratory for water quality monitoring and sampling activities.
10. Transfer a total of \$1,121,421 from various accounts within the Bureau of Sanitation Fund No. 100/82 and the Sewer Construction and Maintenance Fund to offset projected deficits.
11. Transfer \$300,000 from the Solid Waste Resources Revenue Fund (Debt Service) to the General Services Department to reimburse the Department for the postage costs associated with the Proposition 218 notification process for the proposed Solid Waste Fee increase.

GG. Public Works/Bureau of Street Lighting
Attachment 6 – Transfers between Departments and Funds

We are not anticipating a General Fund deficit in this Department. A transfer of funds from the Street Lighting Maintenance Assessment Fund (SLMAF) to the Bureau of Engineering (BOE) is required for support work on series to multiple projects funded by SLMAF.

HH. Public Works/Bureau of Street Services
Attachment 5 – Transfers between Accounts within Departments and Funds
Attachment 6 – Transfers between Departments and Funds
Recommendation Nos. 34 – 38

The Bureau of Street Services (Bureau) is projecting a net General Fund surplus of \$88,823 at fiscal year-end. This surplus is contingent upon the receipt of about \$850,000 in interim appropriations and adjustments, approval of a \$1.7 million Public Works Trust Fund (PWTF) loan, and \$5.25 million in Transportation Grant reimbursements anticipated prior to fiscal year-end. A \$1.7 million PWTF loan is recommended to provide sufficient cash flow for the Bureau due to front-funding of grant-related (SAFETEA-LU/TEA-21) street beautification projects with General Fund monies. We do not recommend transferring the projected \$88,823 surplus at this time as the funds may be required to address cash flow issues at year-end.

The \$928,809 deficit in the Salaries General account reported in the Mid-Year FSR increased to \$1.7 million due to delays in receiving \$1.35 million in Transportation Grant salary reimbursements. The Bureau continues to implement a managed hiring plan, consistently maintaining a 15 percent vacancy rate. It is anticipated that this deficit will be offset when the Transportation Grant report (C.F. 06-1282-S3) recommendations are approved by the Mayor and Council. Since it is anticipated that this will occur in late May, an interim appropriation is not recommended at this time. A portion of the PWTF loan in the amount of \$340,000 will be used to offset the remaining gap.

Surpluses are projected in the Salaries Overtime and Hiring Hall Overtime accounts, which will be used to offset shortfalls in various expense accounts. The combined deficit of \$1.05 million projected in Hiring Hall Salaries and Hiring Hall Benefits accounts will be offset upon receipt of \$1.18 million in Transportation Grant reimbursements for these accounts.

Expense account deficits totaling \$4.89 million are projected based upon average year-to-date expenditures. The shortfall will be offset by \$1.29 million in anticipated Transportation Grant reimbursements, \$1.36 million from the requested PWTF loan, and inter-account transfers recommended in this report (See Attachment 5).

The following actions are also recommended:

- Transfer appropriations within the Bureau of Street Services salary and expense accounts to the following: the General Services Department (\$19,433) for phone wire installation and for weekend testing services in support of the Street Resurfacing Program; the Information Technology Agency for installation of radios in Street Services vehicles (\$2,074); and the Bureau of Engineering to cover the cost of consulting services including permit review, and renewal and odor management plans for transfer and green waste facilities (\$72,000).
- Transfer and appropriate funds from the Subventions and Grants Fund totaling \$557,083 to various Bureau of Street Services accounts for various purposes, including: engineering and

construction services in support of the Pico Union Streetscape Project on behalf of the Community Redevelopment Agency (CRA) (\$300,000) and, reimbursement of asphalt purchased by Los Angeles World Airports, upon approval of the Board of Airport Commissioners (\$200,000).

- Transfer and appropriate funds in the amount of \$287,210 from the CD 15 Real Property Trust Fund to the Bureau of Street Services for sidewalk repair work along E. Cruces Street between Drumm and Sanford Avenues on behalf of Council District 15.

II. Recreation and Parks

Attachment 8 – Appropriations from the Unappropriated Balance

A net year-end deficit is not projected for this Department. In the Mid-Year, the Department projected a \$1.5 million shortfall in Griffith Observatory revenues. Consequently, the Department was instructed to phase hiring to generate salary savings to offset the potential revenue shortfall and monitor other expenditures closely through the end of the current fiscal year. As reported in the 4th FSR, approximately \$400,000 in salary savings was generated to partially offset the Griffith Observatory revenue shortfall, which reduced the Departments year-end revenue shortfall to \$1.1 million. Since the 4th FSR, additional salary savings have been generated that could offset the projected revenue shortfall. However, the Department reports that these savings would be required to cover deficits in the Salaries As-Needed and Salaries Overtime accounts that were not identified until after the 4th FSR was released. The deficits in these accounts are due to the cost of living adjustments.

It is anticipated that the Department will be able to offset both the revenue shortfall and expenditure deficits through continued phased hiring, surpluses in the Department's other revenue categories and with remaining balances in the Department's Undesignated and Unreserved Fund Balance.

It is recommended that appropriations in the amount of \$324,956 be transferred from the Unappropriated Balance, Youth Development Strategy line-item to the Departments budget for the following:

- The Department has partnered with the Los Angeles Unified School District (LAUSD) to develop joint-use programs at Miguel Contreras New Learning Center, Vista Hermosa High School and West Adams High School. Funding in the amount of \$302,956 is required for the operation and maintenance of the joint-use facilities.
- On April 9, 2008, the Council adopted an ordinance to prohibit vending and excessive noise on beaches or on immediately adjacent boardwalks, sidewalks and public ways. Funding in the amount of \$22,000 is required to enforce the ordinance through the end of the current fiscal year.

JJ. Transportation

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 6 – Transfers between Departments and Funds

Attachment 8 – Appropriations from the Unappropriated Balance

The Department of Transportation (DOT) is projecting a net year-end General Fund deficit of approximately \$141,000. This is higher than the previously estimated \$50,000 deficit anticipated after the 4th FSR actions. The shortfall is attributed to a deficit in the Salaries General account resulting from cost of living adjustments. It is recommended that \$141,000 be appropriated to the Department's Salaries General account from the UB, Reserve for Economic Uncertainties to offset this deficit.

A \$1.7 million shortfall is projected in the Salaries General account attributed to cost of living adjustments. However, savings generated from the Managed Hiring Plan combined with the implementation of the Mayor's Belt-Tightening Measures and transfers of available funding from various accounts will be used to nearly offset the projected salary deficit.

It should also be noted that due to the implementation of the new overtime system and the enforcement of overtime policy, there is a significant reduction in overtime costs. Also, for the first time this fiscal year, overtime reimbursements totaling approximately \$824,000 for traffic control at Dodgers Stadium were appropriated to DOT's overtime account. As a result, no year-end appropriations are required for the overtime account.

Transfers totaling \$1,685,281 are recommended from the following accounts to balance the department's budget: Salaries As-Needed (\$10,281), Salaries Overtime (\$935,100), Printing and Binding (\$140,000), Contractual Services (\$520,753), Transportation (\$4,900), and Signal Supplies and Repairs (\$74,247). It is recommended that these funds be transferred to the Department's Salaries General and Investigations accounts to reduce the current deficits in those accounts. The Department is expected to manage within this adjusted budget.

Among the belt-tightening measures that have resulted in savings for the Department are the suspension of non-emergency and non-parking enforcement General Funded overtime, suspension of non-essential supplies purchases, limited consolidated orders for expenses, avoidance of stock-piling of supplies and the release of prior-year encumbrances.

The following actions are also recommended:

- Transfers are recommended from various special funds to cover: the projected salary costs associated with the Wilshire/Malcolm project (\$30,000); expenses due to the Commuter Transportation Implementation Program's increased operating costs (\$25,000); projected overtime costs associated with DOT's meter replacement program (\$96,000); a funding shortfall for reimbursements to the Library's Parking Validation Program (\$21,000); costs associated with completion of property appraisals for a proposed Broadway District Parking

Facility (\$30,000); construction materials costs associated with the Tujunga Bridge Project (\$100,000).

- Transfer \$352,510 from the Traffic Congestion Relief Act Fund to the Salaries General and Salaries Overtime accounts to cover the projected salary costs associated with traffic congestion relief projects.

KK. Treasurer

Attachment 5 – Transfers between Accounts within Departments and Funds

A transfer of \$250,000 to the Bank Service Fees account is recommended due to fluctuations in current market conditions. This will enable the Treasurer to reduce their compensating balance by approximately \$90 million, which will be added to the City's investment portfolio.

LL. Zoo

**Attachment 5 – Transfers between Accounts within Departments and Funds
Recommendation No. 39**

A net year-end deficit is not projected for this Department. A \$30,000 transfer is recommended from the Zoo's Salaries General account to offset a deficit in the Salaries Overtime account. The deficit is a result of expenditures related to special events which are fully reimbursed and accounted for in the Zoo's receipts.

In response to the Mayor's Belt Tightening Measures, the Zoo has identified \$200,000 in the Zoo Enterprise Trust Fund that can be used to offset the cost of salaries associated with Fee Based Education Programs which are currently financed by the General Fund. Therefore, it is recommended that the General Fund appropriation to the Zoo Enterprise Trust Fund be reduced by \$200,000 as the trust fund monies will be used to offset these costs. This action will have no financial impact on the trust fund due to the available cash balance from Fee Based Education Programs.

In addition, the Zoo reports that current receipts are approximately \$187,849 more than the Revenue Plan estimate. The Zoo attributes the increase to good weather, special events, and spring break. In May 2008, the Zoo will increase general admission fees by \$2 at all levels. If attendance projections are not negatively affected by the increase, it is anticipated that the Zoo will collect an additional \$300,000 in revenue in 2007-08. The additional revenue from the fee increase is being used to offset the Zoo's General Fund appropriation for 2008-09.

4. OTHER BUDGETARY ISSUES

A. Human Resources Benefits Fund

Attachment 5 – Transfers between Accounts within Departments and Funds

Attachment 7 – Transfers to the Reserve for Economic Uncertainties

The Human Resources Benefits (HRB) budget has a projected year-end surplus of \$2.36 million, which reflects a significant change from the \$14.2 million deficit anticipated in the Mid-Year. This change is due to the following:

- A deficit is no longer projected in the Workers' Compensation account. In the 4th FSR, the anticipated shortfall in the Workers' Compensation account was reduced from a previously estimated range of \$5 to \$10 million down to \$4 million. As previously reported, this is because the original estimate was based on the actuary's projection received in August 2007. At that time, \$2.5 million was transferred into this account to address a portion of the projected shortfall. However, actual expenditure patterns through April 2008 now suggest that sufficient funds are available to pay for all remaining Workers' Compensation costs.
- The year-end surplus is mainly attributed to savings of \$5.17 million in the Police Health & Welfare account, due to enrollment numbers and health care rates being lower than budgeted. Throughout the year, approximately \$4.48 million of these savings were used to offset various deficits in other HRB accounts. These actions leave the account with a year-end surplus of \$690,000, of which \$290,000 is being recommended to offset deficits in the Employee Assistance (\$15,000) and Civilian Union Supplemental (\$275,000) accounts.
- The Civilian FLEX Benefits account is projecting a \$1,000,000 year-end surplus as enrollment numbers continue to decline as a result of the City's Managed Hiring Process. Additional surpluses of \$460,000 in the Unemployment Insurance and \$500,000 in the Fire Health & Welfare accounts are also attributable to reduced enrollment numbers.

This Office recommends that the \$2.36 million surplus in HRB be transferred to the UB, Reserve for Economic Uncertainties to offset other City deficits.

B. Proposition K Maintenance Funds

Recommendation Nos. 42- 43

The Department of Recreation and Parks (RAP) was awarded an aggregate of \$4.3 million in Proposition K funding for facility maintenance expenses incurred during fiscal years 2000-01 through 2005-06. These monies were awarded to RAP based on an annual competitive process. Our Office has been working with RAP to identify the appropriate costs for reimbursement from Proposition K to the General Fund.

The Mid-Year FSR addressed a partial reimbursement of \$668,730 for 2005-06 maintenance expenses from Proposition K to the General Fund (C.F. 07-0600-S77). We estimated in the Fourth

FSR that approximately \$3.5 million in Proposition K maintenance funding was still available to reimburse the General Fund or to offset current-year department expenses (C.F. 07-0600-S82). Due to the complexity of reconstructing prior-year cost documentation in support of maintenance activities on Proposition K funded facility improvements, only \$3.2 million in Proposition K funding is recommended for reimbursement to the General Fund at this time. However, this level of reimbursement is dependent on a waiver of City imposed restrictions that defined fringe benefits as ineligible maintenance expenses for some of the years at issue. It is recommended that the Council waive this restriction and authorize the reimbursement of fringe benefit expenses as part of the Proposition K maintenance expenses incurred by RAP during fiscal years 2000-01 through 2005-06.

Our Office will continue to work with RAP to support additional cost recovery prior to the end of the current fiscal year. Once final payment is made on prior-year expenses, any unspent portion of RAP's cumulative award will be made available through the 2008-09 Proposition K maintenance application process. It should be noted that Proposition K facility maintenance awards to RAP for 2006-07 and 2007-08 have been addressed as a part of the annual budget process for those years.

C. Proposition O
Attachment 9 –Transfers for Proposition O
Recommendation Nos. 44 – 45

On September 27, 2007 the Proposition O Administrative Oversight Committee (AOC) approved transfer and appropriations requests to reimburse the General Fund for direct salary costs related to Proposition O work in 2007-08. An increase in appropriations to various departments totaling \$483,417 is recommended in connection to this work (Attachment X – Transfers for Proposition O Program).

Additionally, the Council and the Proposition O AOC approved a total of \$2,076,249 in Proposition O funding for the Bureau of Sanitation (BOS) in fiscal year 2006-07. The BOS front-funded work related to Proposition O with Stormwater Pollution Abatement (SPA) funds in 2006-07. An adjustment is recommended to reimburse the SPA fund for Proposition O expenditures incurred by the BOS.

D. Parks First Fund
Recommendation Nos. 46 - 47

The Mayor and Council adopted City Ordinance No. 173964 in May 2001, which established a \$4,300 per dwelling unit fee for all new residential units constructed within the Vermont/Western Station Neighborhood Area Plan (SNAP) boundaries (C.F. 00-1999). The ordinance established the Parks First Fund for collection of these fees, the use of which is restricted to acquisition and development of parks or open space through a competitive award process within the SNAP area. Our Office will report separately on the competitive award process.

Parks First fees are offset by payments for both Dwelling Unit Construction Tax (DUCT) fees and Quimby fees (City Ordinance No. 173749). Although the amount of the Parks First, DUCT and Quimby fees are all determined by the Planning Department, they are collected separately by the

Office of the CAO, Building and Safety (B&S) and Recreation and Parks (RAP), respectively.

As of April 2008, Parks First receipts totaled \$1,065,843. Of this amount, \$626,800 has been deposited in the General Fund, with the balance of \$439,043 deposited in the dedicated Parks First Fund. In order to credit Parks First with the full balance of receipts, a transfer of \$626,800 is recommended from the Reserve Fund to the Parks First Fund. In an effort to remedy apparent coordination and customer service issues, our Office recommends that Council direct the CAO, Planning, B&S and RAP, with assistance from City Attorney, to report back on revised procedures for a streamlined collection process for the aforementioned fees.

**E. Library GO Bond Funding Swap
Recommendation No. 40**

The Library Bond Oversight Committee has approved the recommended budget balancing measure totaling \$791,802 at its April 14, 2008 meeting, as previously stated in the 4th FSR (C.F. 07-0600). The Proposition DD Library Branch Construction Program Budget will be reduced by \$1.19 million and the General Fund appropriation to the Silver Lake Branch Library Project Budget will also be reduced by this same amount. Funds totaling \$1.19 million are available within other accounts in the Proposition DD Library Branch Construction Program Budget to completely offset the reduction to the Silverlake Library Project Budget as follows: program contingency (\$105,100) and arbitrage liability (\$1,086,702). The General Fund monies are proposed to be used as follows: \$791,802 as a 2007-08 budget balancing measure and \$400,000 for the Central Library Fire Life Safety Project.

(Continued on following page)

F. Police Overtime

The following table provides a breakdown of LAPD sworn overtime use by category:

Police Sworn Overtime Use- Hours Worked Through April 12, 2008

Reimbursable Overtime Category:		
	Hours	Percent
LAX	187,824	70%
Grants/Other	81,527	30%
Total Reimbursable Hours Worked:	269,351	
Non-Reimbursable Overtime Category:		
	Hours	Percent
Court	347,095	27%
Department Administration	63,085	5%
Detective Operations	100,646	8%
Gang Activities	44,363	3%
Homicide Investigations	90,350	7%
Narcotics Activities	64,714	5%
Routine Patrol/Preliminary Investigations	219,967	17%
Special Events/Staples	24,508	2%
Tactical Situation	44,125	3%
Traffic Enforcement	34,419	3%
Use of Force Investigations	41,524	3%
Other	211,400	16%
Total Non-Reimbursable Hours Worked:	1,286,195	
Total Overtime Hours Worked:	1,555,545	

5. Council Report Backs

The following reflects the status of various report backs requested by the Council as part of previous financial status reports.

Community Development

The Budget and Finance Committee requested that CDD work to cover all direct and indirect costs within grant receipts and reduce reliance on the General Fund to subsidize related costs. In addition, the Committee, instructed the CAO and CLA to continue to monitor the CDD in an effort to ease the impact on the General Fund of the Community Development Block Grant allocation. An analysis of CDD's direct and indirect costs through June 30, 2008 indicates that CDD has identified savings to offset its related costs obligation and has complied with the Council's instruction.

Commission on the Status of Women

The CAO was asked to report back on the possibility of additional grant funding for the Commission on the Status of Women (CSW) and the Commission for Children, Youth and Their Families (CCYF) thereby reducing their reliance on the General Fund. The CSW and CCYF continue to independently seek grants. In addition, the Mayor has established in the 2008-09 Proposed Budget a new Shared Services and Commission Support Unit within the CCYF that will provide shared administrative services to the CSW and the Human Relations Commission. This Unit will be responsible for all budget development, financial reporting and commission support for all three commissions, including coordinated grant seeking responsibilities for CSW and CCYF.

Police

- **In Car Video:** The Council approved the contract with IBM for Phase One on April 2, 2008 (C.F. 06-0600-S38). Funds were transferred from the Unappropriated Balance and the Department's Salaries Sworn account to fund this project.
- **Tasers:** The Council had instructed the Police Department to report back on the deployment strategy prior to purchasing the tasers. The CAO report on deployment and purchase of the units was released on May 8, 2008. Once the Council approves the report, the Department will be able to purchase the tasers.
- **Police at LAX:** The Department reports that six of the 22 additional officers assigned to the LAX substation since September 11, 2001 have been reassigned to other patrol areas. The Department continues to work with LAWA to ensure that all public safety needs are met, while minimizing the cost for both Departments.

Transportation

The cost-saving measures implemented by the Department of Transportation, as reported in the Mid-Year Financial Status Report, were included in the Mayor's 13 Belt-Tightening Measures. All City departments were instructed to comply with these measures and report, in the Year-End Financial Status Report, on the cost savings produced from the implementation of these measures.

Matching Campaign Trust Fund Recommendation No. 41

The CAO was previously instructed to report back to the Budget and Finance Committee regarding the Matching Campaign Trust Fund, specifically providing a historical review of the Trust Fund to determine if the current allocation level is appropriate, and how Los Angeles County handles campaign funding and solicitations. Regarding the latter item, Los Angeles County does not have a public financing program and therefore does not handle campaign finance funding or solicitations.

The appropriation amounts to the Public Campaign Match Trust Fund, both annual and maximum, are defined by Charter Section 471 (c)(1) and (c)(2) and are adjusted annually based on the Consumer Price Index for the Los Angeles-Riverside-Orange County metropolitan statistical areas. The base amounts are based on the present day value of \$2 million in 1991 dollars.

Over the last ten years, the Trust Fund has had two overages, one in 1999-00 in the amount of \$240,000 and one in 2007-08 in the amount of \$1,161,472. We previously reported that the overage for this year could continue to increase slightly due to accruing interest income.

As part of the 4th FSR, the Council and Mayor approved transferring the 2007-08 surplus to the UB, Reserve for Economic Uncertainties to help offset the City's deficit. As of April 30, 2008, after taking actions recommended in the 4th FSR, the Trust Fund will at the end of the year have a remaining cash balance of \$1,342,487 in excess of the 2008-09 required maximum amount of \$11,447,520. Therefore, it is recommended that the General Fund appropriation to the Matching Campaign Fund be reduced by \$1,342,487, and that this additional surplus be transferred to the UB, Reserve for Economic Uncertainties. This overage is attributed to a sizable fourth quarter General Fund appropriation to the Trust Fund and accruing interest income. The combined 4th FSR and proposed year-end actions reduce the total 2007-08 General Fund appropriation to the Trust Fund from \$2,857,560 to \$353,601.

4. MICLA Commercial Paper (CP) Program Recommendation No. 52

The City's Financial Policies instruct the City Administrative Officer to periodically report on the status of the MICLA Commercial Paper (CP) Program. In June 2004, the Mayor and Council approved a \$200 million CP program to be used as temporary financing for previously MICLA approved capital construction projects and the purchase of capital equipment. CP was used towards construction at the Southwest and West Valley Alternative Fuel Infrastructures, Proposition K related projects, the City Clerk Election Division Piper Tech renovations, stormwater and street repair projects, South Los Angeles Neighborhood City Hall construction, a police helicopter purchase, and other fire, police, and general fleet vehicles. The amount of outstanding CP is \$155,000,000. The City does not have any taxable notes outstanding at this time. Below is the status of the MICLA CP Program during the last quarter:

<i>Quarter Ending</i>	<i>Amount Outstanding</i>	<i>Range of Interest Rates</i>
March 31, 2008	\$155,000,000	0.75% to 2.80% (tax-exempt)

Additionally, pursuant to Council File 05-0049-S1, the City has received reimbursements from the Federal Emergency Management Agency (FEMA) and the Federal Highway Administration (FHWA) totaling \$5,593,821.13 for work related to the 2005 Storm Damage Repair Program. These monies were received in the Capital Finance Administration Fund No. 100/53, Revenue Source Codes 4677 and 4678. These monies should be used to repay the bonds used in the MICLA Commercial Paper Program, which front-funded the Storm Damage Repair Program. Therefore, we recommend an increased appropriation to the Capital Finance Administration Fund No. 100/53, MICLA Commercial

Paper Account No. 0316, totaling \$5,593,821.13.

6. CAPITAL FINANCE ADMINISTRATION FUND Recommendation No. 56

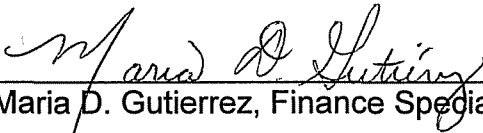
The Pershing Square Communities Facilities District (CFD) was established as the CFD No. 1 in 1992 to authorize the levy of special taxes pursuant to the Mello-Roos Community Facilities Act. Special taxes are used to pay for improvements to the Pershing Square area and cover incidental expenses, such as administration costs related to the calculation of the special tax by the City's consultant, Taussig and Associates. Taussig has submitted invoices dating back to fiscal year 2004-05 totaling approximately \$5,000, however these remain unpaid due to a discrepancy in the ordinance which established this CFD. This Office is working with the City Attorney to amend the ordinance to correct this administrative issue to shift the management of the special tax fund to this Office, as is the case with all of the other CFDs in the City. There is a need to pay these pending invoices immediately to avoid a disruption in services provided by Taussig. The Capital Finance Administration Fund will front-fund payment and a recommendation is included for reimbursement by the special tax fund.

7. 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 fiscal year 2006-07, 1,112 fee waivers were approved at an estimated amount of \$5.8 million. These numbers include Council-approved room rental charge waivers for 34 events held at the Convention Center, in the total amount of \$539,732.16. For the period July 2007 through March 2008, the total number of fee waivers approved is 904 at an estimated amount of \$3.84 million. This estimate includes Council-approved room rental charge waivers for 19 events at the Convention Center.

8. EMPLOYMENT LEVEL REPORT

Citywide employment authority from all funding sources totaled 39,910 at the end of March 2008. Filled positions increased by 260 from 35,807 at the end of July to 36,067 at the end of March. Departments reported a total of 3,823 vacant positions, 3,187 General Fund and 656 special funded (see Attachment 10). It should be noted that the total number of filled positions has decreased by 63 positions in February and by 31 in March, for a total decrease of 94 over this two month period.



Maria D. Gutierrez, Finance Specialist

APPROVED:


Assistant City Administrative Officer

KLS:RPC:DDL:MDG:01080088c

Attachments

Attachment 1

REVENUE SUMMARY FISCAL YEAR 2007-08 (Thousand Dollars)

	<u>Budget</u>	<u>Revised</u>
Property Tax *	\$1,397,316	\$1,406,716
Utility Users' Tax	627,225	627,737
Licenses, Permits, Fees and Fines	620,719	630,829
Business Tax	477,590	469,128
Sales Tax	348,905	336,137
Documentary Transfer Tax	157,014	141,204
Power Revenue Transfer	184,600	182,004
Transient Occupancy Tax	144,000	146,398
Parking Fines	126,000	126,000
Parking Users' Tax	88,115	84,700
Franchise Income	50,373	50,444
Interest	49,990	51,559
Water Revenue Transfer		
State Motor Vehicle License Fees	26,000	19,700
Grants Receipts	16,800	19,200
Tobacco Settlement	11,872	11,872
Transfer from Tax Reform Fund	15,980	16,045
Transfer from Telecommunications Development Account	5,437	3,996
Residential Development Tax	4,000	2,796
Transfer from Reserve Fund	85,840	63,597
Total General Fund Receipts	<u>\$4,437,776</u>	<u>\$4,390,062</u>

This table compares General Fund revenue estimates provided in the 2007-08 Adopted Budget with revisions to that budget made in connection with the Mayor's 2008-09 Proposed Budget. Other modifications to the 2007-08 revenue estimates may be made in connection with adoption of the 2008-09 budget.

Detail for changes to revenue estimates is presented in the *"Revenue Outlook, Supplement to the 2008-09 Proposed Budget."*

ATTACHMENT 2
STATUS OF RESERVE FUND AS OF 5/22/2008

Council Fil Item Description	Amount
Emergency Reserve Account	\$ 122,039,000
Contingency Reserve Account 7/1/07	\$ (8,340,629)
2nd FSR Reduction of Reserve Fund Transfer	22,243,250
Loan Repayment and Other Receipts	83,741,508
Contingency Reserve Account	\$ 97,644,129
Loans and Transfers Approved to Date	
04-0881-S1 Multi-Family Residential Bulky Item Collection Program	\$ (1,320,000)
07-1233-S1 2007-09 Six Site Comprehensive Anti-Gang Initiative	(693,000)
CAO memo LACVB Third Quarter Payment	(596,698)
CAO memo LA Inc.	(564,298)
05-2476 2006 Americorps Grant Program	(423,226)
CAO memo Convention Visitors Bureau Trust Fund 429 LA Inc. quarterly payt.	(231,707)
07-0600-S82 UASI Grant	(160,000)
07-1233 2007-08 Six Site Comprehensive Anti-Gang Initiative	(105,000)
05-1583 Spousal Abuse Prosecution Program - 14th Year	(59,395)
07-1995 Project Safe Neighborhoods - Anti-gang Initiative	(58,630)
07-2244 Sustainable Communities Grant/California Pollution Control Financing /	(25,000)
08-1100 Special Election Modern Communications Ballot Measure	(5,100,000)
07-1618 LINX Replacement	(3,112,000)
06-0600-S7E 3-1-1 Citywide Service Request System	(1,467,000)
05-2365 Winter Shelter Program	(1,460,400)
07-0600-S4E Police reappropriation	(974,158)
07-0600-S4E Portable Officer Data Device System (PODDS)	(475,000)
05-0049-S1 Storm Damage Repair Program (prior yr reversion)	(463,434)
07-1206 Workers' Comp Alternative Dispute Resolution Service	(335,000)
07-0600-S4E Animal Shelter Facilities	(323,984)
07-0600-S5E Planning reappropriation (Fee Study & Downtown Urban Guidelines)	(300,000)
06-0600-S7E 3-1-1 A.M. Shift	(274,000)
07-1618 LINX Replacement RFP	(250,000)
07-0600-S5E ITA reappropriation (Mt. Lee Generator & RAP CSR's)	(237,516)
07-0600-S4E ITA 2-Way Public Testimony reappropriation to UB	(198,000)
07-0600-S4E Audit Plan	(168,735)
07-0600-S4E Emergency Preparedness Americorps Grant Fund reappropriation	(134,744)
07-0600-S4E Animal Services reappropriation	(100,000)
07-2217 LADWP independent revenue requirements review	(91,500)
07-0600-S4E LATAX System	(90,133)
07-0600-S4E City Clerk reappropriation	(50,000)
05-0010-S3E Special Reward Fund (S. Salas case)	(50,000)
07-0600-S5E Sister Cities (B&F report rec. no. 2)	(50,000)
07-0010-S7 Special Reward Offer (Mary Rickenbacker)	(50,000)
06-1977-S1 Construction Projects Report rec. 7 technical correction memo	(30,450)
06-2070 Emergency Management Computers	(17,037)
07-00634 Official LAX Community Liaison / MOU	(13,852)
06-2179 2nd Annual LA Weekly Detour Festival	(11,147)
08-0457 UCLA Leads: Bruins in Local Government	(510)
08-0761 Los Angeles County Bar Association	(234)
08-0574 GoldenVoice/AEG/KCRW/Concert on the Lawn	(3,962)
Proposed Loans and Transfers	
Year End Year End Report Transfers (See Recommendation Nos. 46 and 58)	(8,138,825)
Proposed Loans and Transfers	\$ (8,138,825)
Contingency Reserve Available Balance as of 4/30/2008	\$ 69,435,554
Total Reserve Fund	\$ 191,474,554

ATTACHMENT 3a
STATUS OF UNAPPROPRIATED BALANCE
GENERAL ACCOUNT as of 4/30/08

C.F.	Appropriations	Date	Amount
	Beginning Balance		\$ 25,000
Approved Transfer			
07-1494	Foundation for African Children Today	7/3/2007	(366)
07-1383-S2	Taskforce May 1 Protests	7/13/2007	(241)
07-2284	LA Business Council Reception	7/24/2007	(326)
07-2339	Peruvian Consulate General	7/27/2007	(357)
07-2404	Campaign for College Opportunity Reception	8/3/2007	(438)
06-1657	Annual Watts Summer Festival "A Musical Journey"	7/20/2007	(600)
07-2272	National Brownfields Assoc. Reception	7/20/2007	(234)
07-2561	Rally for Health Care Special Event	8/15/2007	(1,263)
07-3170	American Institute of Architects Reception (next Council agenda)	10/2/2007	(250)
07-3305	Entrepreneur's Organization 2007 Disaster Preparedness Event	10/19/2007	(230)
07-3308	World Presidents' Organization	10/19/2007	(417)
07-3482	Aga Khan Foundation	11/2/2007	(179)
07-3675	UCLA African American Union Leadership School	11/20/2007	(432)
07-3479	Hollywood Christmas Parade	11/20/2007	(500)
07-3736	Winterwonderland Event	11/27/2007	(650)
07-3720	Asian Pacific Islander Leaders Group	11/27/2007	(387)
07-3737	Latino Celebration of Life	11/27/2007	(748)
07-3810	Criminal Bench and Bar Association	12/5/2007	(300)
07-3875	Los Angeles Association of Black Personnel	12/11/2007	(384)
07-4105	Los Angeles Filipino Association of City Employees	1/8/2008	(109)
08-0067	Latina Lawyers Bar Association	1/18/2008	(489)
08-0144	Little Tokoyo/Arts Districts Farmers' Market	1/25/2008	(1,300)
08-0285	MTA San Fernando Government Council	2/12/2008	(300)
08-0489	Federacion Mexico Unido Reception	3/4/2008	(431)
08-0534	LADWP Reception	3/14/2008	(285)
08-0564	48th Assembly District's Women's History Month Celebration	3/18/2008	(438)
08-0695	UCLA Law Alumni CD5 Reception	4/1/2008	(443)
08-0696	Cherry Blossom Festival/RYOMA CD9	4/1/2008	(317)
08-0759	Garinagu Empowment Mov't's (GEM) Garifuna Day Reception	4/4/2008	(414)
08-0541-S1	Norooz Foundation	4/7/2008	(1,582)
08-0541-S2	Persian New Year/Norooz Foundation	3/14/2008	(408)
08-0873	David Nahai/Meet and Greet/Norooz Foundation	4/16/2008	(569)
08-1013	Los Angeles African American Women's Public Policy Institute (LAA	4/30/2008	(777)
08-0976	Diversity Presentation	5/13/2008	(56)
Balance Available			<u><u>8,780</u></u>
Anticipated Appropriations			
06-1616	Contract Cities Association (referred to B&F Committee)	8/7/2007	(5,750)
08-0632	Annual City of LA 5K Run/Walk for Victims' Rights	5/9/2008	(444)
Projected Balance Available			<u><u>\$ 2,586</u></u>

ATTACHMENT 3b

STATUS OF UNAPPROPRIATED BALANCE NON-GENERAL ACCOUNT as of 4/30/08

Council File No.	UB Non-General Accounts	Primary Department	Adopted Budget	Transfer In/ Reappropri.	Amount Appropriated during year	Transfer from/to Reserve for Economic Uncert/Reserve Fund	Available Balance
	General Fund		\$		\$ (22,414)		\$ 2,586
	General (see Attachment 3A)		25,000				
	Reserve for Economic Uncertainties (Attachment 3c)						
07-0600-S42	City Atty. Gang Prosecution Program	City Atty	557,156			(557,156)	0
pending; Mid-Year	Census 2010 Project	Various	250,000		(247,000)		3,000
07-0600-S43	EAA MOU Implementation Costs	Various	23,458,896			(23,458,896)	0
2nd FSR 07-0600-S58	Earthquake/Emergency Preparedness Fair	EPD	75,000		(75,000)		0
07-0600-S59	Expense Accounts Contingency	Various	15,000,000			(15,000,000)	0
2nd FSR 07-0600-S58 (to RF Contingency)	GSD- Petroleum Products	GSD	4,000,000		(4,000,000)		0
Mid-Year	Griffith Park Fire Expenses	RAP	2,000,000		(2,000,000)		0
07-0600-S38	Homeless Shelter (LAHSA)	GCP	1,000,000		(1,000,000)		0
07-0600-S50							
07-0600-S57 (FD)							
\$352,600 request referred to PS, Personnel & B&F);							
Mid-Year	LAPD Audit Division	Police	352,600			(352,600)	0
06-0337-S8; YrEnd							
(\$6,876 DART)	LAPD Consent Decree Program (inc. reappropri)	CLA	1,500,000	120,018	(1,506,876)		113,142
Mid-Year	LAPD Leadership Teams	Police	500,000			(500,000)	0
Mid-Year	LAPD Reserve Officer Recruitment	Police	100,000			(100,000)	0
Mid-Year	Litigation Expense Account	City Atty	750,000		(750,000)		0
(YrEnd)	Nate Holden Performing Arts Center	Cultural Affairs	14,263		(14,263)		0
Mid-Year	New Fire Stations	Fire	1,800,225			(1,800,225)	0
07-0600-S37; Mid-Year							
07-0600-S43 (1st	New Police Stations	Police	16,000,000		(8,600,000)	(7,400,000)	0
FSR) ; 2nd FSR 07-0600-S58 \$1.7M; 07-4031 \$50K; 05-0878 (\$1.496M); Mid-Year (\$20K to C/A and +\$1.5M); 4th FSR 07-0600-S82(\$1.5M); Yr							
End	Outside Counsel inc. Workers' Comp	City Atty	3,500,000		(5,000,000)	1,500,000	0
2nd FSR 07-0600-S58 to RF; 07-0600-S55 (Referred to PS & B&F \$1.28M							
HACLA)	Public Safety Contingencies	Police	6,243,250			(6,243,250)	0
Mid-Year	Recreation and Parks As-Needed Salaries	RAP	500,000			(500,000)	0
Mid-Year	San Fernando Valley Tourism	GCP	600,000			(600,000)	0

SUMMARY OF UNAPPROPRIATED BALANCE, RESERVE FOR ECONOMIC
UNCERTAINTIES

Transfers In		
2nd FSR	\$	23,458,896
Mid-Year (Attachment 8: C.F. 07-0600-S77)		32,516,489
Subtotal	\$	55,975,385
Appropriations:		
Griffith Park Recovery (C.F.07-0600-S38)		(1,155,000)
Mid-Year:		
City Attorney		(2,500,000)
Fire		(5,000,000)
Finance		(780,000)
General Services		(6,800,000)
Personnel		(110,200)
Police		(5,800,000)
DOT		(2,000,000)
UB - Outside Counsel		(1,500,000)
Council Actions on the Mid-Year:		
P/W Board		(662,000)
Neighborhood Council		239,000
DOT Left Turn Arrow Signals		(600,000)
Street Furniture Revenue Fund		600,000
Balance, Reserve for Economic Uncertainties	\$	29,907,185
Fourth FSR		
Transfers In:		
CCYF		70,000
P/W Street Services (Sidewalk Repair)		1,765,630
Treasurer		56,000
CIEP El Nino Storm Damage		700,000
Matching Campaign Fund Surplus		1,161,472
Tax Revenue Anticipation Notes		3,631,150
UB - Recreation and Parks Joint Use Funds		340,000
Council - St. Furniture;Real Property; Public Benefit		1,200,000
Appropriations:		
City Atty Prop Sal 1080		(700,000)
GSD 1090 and 3230 Petrol		(1,250,000)
Planning 3040		(120,000)
Police 1092		(1,000,000)
Total Reserve for Economic Uncertainties	\$	35,761,437
Year End (Attachment 7)		8,242,405
Total Reserve for Economic Uncertainties	\$	44,003,842
Expenditure Deficit	\$	(26,671,796)
Revenue		
2007-08 Estimate	\$4,326,465,000	
2007-08 Budget	(4,351,935,871)	
Revenue Deficit		(\$25,470,871)
Total Deficit	\$	(52,142,667)
Reserve Fund Transfer	\$	(8,138,825)

ATTACHMENT 4
2007-08 PROJECTED (DEFICIT)/SURPLUS

DEPARTMENT/FUND	ADOPTED BUDGET	ADJUSTED BUDGET	2007-08 2ND FSR		After Recommendations 2007-08 MID YEAR		After Recommendations 2007-08 4th FSR		Before Recommendations 2007-08 YEAR-END FSR	
			DEFICIT	SURPLUS	DEFICIT	SURPLUS	DEFICIT	SURPLUS	DEFICIT	SURPLUS
DEPARTMENTAL										
Aging	\$ 3,511,599	\$ 4,140,764	\$ -	\$ -	\$ -	\$ 34,984	\$ -	\$ 34,984	\$ -	\$ 70,788
Animal Services	21,360,363	21,619,675	-	-	-	-	-	-	-	365,930
Building And Safety	80,968,927	85,392,608	-	12,500	-	35,891	-	35,891	-	354,704
City Administrative Officer	13,845,682	13,845,682	-	-	-	-	-	-	-	-
City Attorney	97,354,336	108,117,088	(2,831,658)	-	(1,300,000)	-	(1,300,000)	-	(2,025,893)	-
City Clerk	11,464,146	17,336,457	(97,139)	-	-	2,117	-	2,117	-	284,358
Commission/Children, Youth	1,692,220	1,566,189	-	74,244	-	11,185	-	11,185	-	-
Commission/Status Of Women	536,325	742,867	(72,780)	-	-	-	-	-	(54,471)	-
Community Development	22,595,006	33,411,157	-	310,000	-	-	-	-	-	-
Controller	19,219,606	20,471,657	-	-	-	-	-	-	-	-
Convention Center	23,357,069	24,918,835	-	-	-	-	-	-	-	-
Council	27,195,229	33,499,163	-	-	-	-	-	-	-	-
Cultural Affairs	10,068,269	10,266,744	(12,000)	-	(58,000)	-	(58,000)	-	-	40,000
Department on Disability	1,858,154	1,854,771	(65,388)	-	(64,000)	-	(64,000)	-	(41,000)	-
El Pueblo	2,094,374	2,094,874	(83,514)	-	(418,598)	-	(418,598)	-	(604,868)	-
Emergency Management	1,807,309	2,314,913	(86,413)	-	-	-	-	-	-	-
Employee Relations	372,987	372,987	-	-	-	-	-	-	-	-
Environmental Affairs	3,238,631	3,277,802	(55,502)	-	-	-	-	-	-	38,554
Ethics Commission	2,603,743	2,600,065	(94,829)	-	(58,887)	-	(58,887)	-	-	-
Finance	25,601,434	26,602,577	(1,310,000)	-	(495,295)	-	(495,295)	-	(335,000)	-
Fire	535,025,379	543,360,914	(13,000,000)	-	(8,700,000)	-	(7,500,000)	-	(6,814,235)	-
General Services	260,610,377	339,263,327	(8,500,000)	-	(8,200,000)	-	(4,290,000)	-	(2,074,000)	-
Housing Dept	45,133,995	47,108,372	-	-	(470,931)	-	(470,931)	-	-	-
Human Relations	1,283,899	1,345,914	(62,557)	-	(22,379)	-	(22,379)	-	-	-
Information Technology	108,415,293	115,198,957	(1,125,000)	-	(739,013)	-	-	-	-	450,000
Mayor	8,842,966	14,966,594	-	-	-	-	-	-	-	-
Neighborhood Empowerment	4,196,399	4,177,714	(270,000)	-	-	43,709	-	43,709	-	366,025
Personnel	63,787,762	63,980,947	(600,000)	-	-	-	-	-	-	-
Planning	31,289,110	30,740,953	35,988	-	35,988	-	24,604	-	24,604	-
Police	1,227,258,245	1,261,512,699	(16,180,000)	-	(3,300,000)	-	(5,970,000)	-	(7,350,000)	-
Board Of Public Works	20,614,777	25,646,627	(658,450)	-	-	-	-	-	-	76,896
PW/Contract Administration	31,660,666	35,390,256	-	-	(660,000)	-	-	-	-	1,000,000
PW/Engineering	81,991,691	86,665,109	-	-	-	-	-	-	-	44,000
PW/Sanitation	247,996,028	254,647,053	(1,109,545)	-	-	-	-	-	-	253,209
PW/Street Lighting	20,363,810	24,413,118	-	-	-	-	-	-	-	-
PW/Street Services	155,796,527	169,143,032	(2,100,000)	-	-	-	-	-	-	-
Transportation	140,913,546	146,839,517	(2,830,110)	-	(1,500,000)	-	(50,000)	-	(141,000)	-
Treasurer	5,149,002	5,062,004	-	-	-	106,000	-	106,000	-	-
Zoo	19,181,852	19,215,192	-	44,000	-	131,000	-	131,000	-	200,000
Total-Budgetary Depts.	\$ 3,380,015,044	\$ 3,605,115,138	\$ (51,044,886)	\$ 476,342	\$ (25,987,103)	\$ 389,490	\$ (20,638,203)	\$ 272,305	\$ (19,442,467)	\$ 3,788,116
Library	73,264,291	73,333,692	-	-	-	-	-	-	(800,000)	-
Rec. & Parks	163,862,100	170,216,357	(2,188,156)	-	(1,500,000)	-	(1,100,000)	-	-	-
Total-Departmental	\$ 3,617,141,435	\$ 3,848,665,187	\$ (53,233,042)	\$ 476,342	\$ (27,487,103)	\$ 389,490	\$ (21,739,203)	\$ 272,305	\$ (20,242,467)	\$ 3,788,116
NONDEPARTMENTAL										
Ballot Measure-Modern	-	-	(5,100,000)	-	-	-	-	-	-	-
Communications	-	-	-	-	(1,813,566)	-	(1,013,566)	-	(922,529)	-
City Attorney/Grants/Proprietaries	-	-	-	-	-	-	-	-	-	-
Certification of Voting Equipment	-	-	-	-	(650,000)	-	(650,000)	-	(1,190,000)	-
General City Purposes	99,595,913	68,582,326	(12,500,000)	-	(10,520,000)	-	(2,020,000)	-	-	2,360,000
Human Resources Benefits	470,397,000	470,397,000	-	-	-	-	-	-	-	-
Liability Claims	37,000,000	37,000,000	-	-	(1,430,000)	-	(2,800,000)	-	(1,290,000)	-
Outside Counsel	-	-	-	-	(2,000,000)	-	(2,000,000)	-	(626,800)	-
Parks First	-	-	(4,000,000)	-	(3,070,000)	-	(3,070,000)	-	(2,400,000)	-
Petroleum	-	-	-	-	-	-	-	-	-	-
Tip Fees	-	-	-	-	(19,683,566)	-	(9,753,566)	-	(6,429,329)	-
Total - Nondepartmental	\$ 606,992,913	\$ 575,979,326	\$ (21,600,000)	\$ -	\$ (19,683,566)	\$ 389,490	\$ (9,753,566)	\$ 272,305	\$ (6,429,329)	\$ 2,360,000
GF approx. To offset TSF deficit			\$ (74,833,042)	\$ 476,342	\$ (47,170,669)	\$ 389,490	\$ (32,192,769)	\$ 272,305	\$ (26,671,796)	\$ 6,148,116
GRAND TOTAL	\$ 4,224,134,348	\$ 4,424,644,513	\$ (74,833,042)	\$ 476,342	\$ (47,170,669)	\$ 389,490	\$ (32,192,769)	\$ 272,305	\$ (26,671,796)	\$ 6,148,116

Note: El Pueblo deficit includes net \$604,868 revenue shortfall.

ATTACHMENT 5
FY 2007-08 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Animal Services	Fund 100/06, Animal Services		Fund 100/06, Animal Services	
	1010, Salaries General	\$ 232,504	1070, Salaries As-Needed	\$ 41,000
			1090, Salaries Overtime	\$ 66,319
			3190, Animal Medical Supplies	\$ 50,000
			6010, Office and Administrative Expense	\$ 75,185
		Subtotal	\$ 232,504	
Council	Fund 100/28, Council		Fund 100/28, Council	
	1010, Salaries General	\$ 200,000	2120, Printing and Binding	\$ 100,000
			\$ 100,000	
		Subtotal	\$ 200,000	
Controller	Fund 100/26, Controller		Fund 100/26, Controller	
	1010, Salaries General	\$ 250,000	3040, Contractual Services	\$ 250,000
CCYF	Fund 100/27, CCYF		Fund 100/27, CCYF	
	1010, Salaries General	\$ 48,000	1070, Salaries As-Needed	\$ 22,000
			1090, Overtime General	\$ 22,000
			3310, Transportation	\$ 4,000
		Subtotal	\$ 48,000	
CSW	Fund 100/20, Status of Women		Fund 100/20, Status of Women	
	1090, Salaries Overtime	\$ 986	1010, Salaries General	\$ 26,744
	2120, Printing and Binding	\$ 13,458		
	3040, Contractual Services	\$ 12,300		
	Subtotal	\$ 26,744		
Cultural Affairs	Fund 100/30, Cultural Affairs		Fund 100/30, Cultural Affairs	
	1010, Salaries General	\$ 102,000	1070, Salaries As-Needed	\$ 100,000
			\$ 2,000	
		Subtotal	\$ 102,000	
Disability	Fund 100/65, Disability		Fund 100/65, Disability	
	1010, Salaries General	\$ 40,000	3040, Contractual Services	\$ 40,000
Finance	Fund 100/39, Finance		Fund 100/39, Finance	
	2130, Travel	\$ 16,000	1090, Salaries Overtime	\$ 61,000
	3310, Transportation	\$ 3,000		
	6010, Office and Administrative Expense	\$ 42,000		
	Subtotal	\$ 61,000		

ATTACHMENT 5
FY 2007-08 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS

DEPARTMENT	FUND/ACCOUNT	AMOUNT	TRANSFER FROM	FUND/ACCOUNT	AMOUNT	TRANSFER TO
Fire	Fund 100/38, Fire			Fund 100/38, Fire		
	1012, Salaries Sworn	\$ 300,000		1093, Overtime Constant Staffing	\$ 688,000	
	1098, Overtime Variable Staffing	\$ 100,000				
	3040, Contractual Services	\$ 288,000				
		<u>Subtotal \$ 688,000</u>				
General City Purposes	Fund 100/56, General City Purposes			Fund 100/56, General City Purposes		
	0577, Pensions Savings Plans	\$ 260,000		0510, Medicare Contributions	\$ 380,000	
	0570, Social Security Contributions	\$ 120,000				
		<u>Subtotal \$ 380,000</u>				
General Services	Fund 100/40, General Services			Fund 100/40, General Services		
	1090, Salaries Overtime	\$ 100,000		1010, Salaries General	\$ 26,000	
	3330, Utilities Expense	\$ 800,000		1014, Construction Salaries	\$ 17,990	
	3160, Maintenance, Materials, Supplies	\$ 44,976		1100, Hiring Hall Salaries	\$ 39,955	
	6020, Operating Supplies	\$ 53,140		1120, Fringe Benefits Hiring Hall	\$ 63,185	
	7350, Other Operating Equipment	\$ 112,000		2130, Printing and Binding	\$ 20,000	
		<u>Subtotal \$ 1,110,116</u>		3180, Construction Materials and Supplies	\$ 26,986	
				3040, Contractual Services	\$ 700,000	
			6010, Office and Administrative	\$ 216,000		
			<u>Subtotal \$ 1,110,116</u>			
Human Relations Commission	Fund 100/49, Human Relations Commission			Fund 100/49, Human Relations Commission		
	2120, Printing and Binding	\$ 5,000		1010, Salaries General	\$ 40,000	
	3040, Contractual Services	\$ 35,000				
		<u>Subtotal \$ 40,000</u>				
Housing Department	Fund 100/43, Housing			Fund 100/43, Housing		
	3040, Contractual Services*	\$ 316,977		6010, Office and Administration	\$ 27,391	
				6030, Leasing	289,586	
			<u>Subtotal \$ 316,977</u>			
Human Resources Benefits	Fund 100/61, Human Resource Benefits			Fund 100/61, Human Resource Benefits		
	9220, Police Health & Welfare	\$ 290,000		9110, Employee Assistance	\$ 15,000	
				9330, Civilian Union Supplemental	\$ 275,000	
				<u>Subtotal \$ 290,000</u>		

**ATTACHMENT 5
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Information Technology Agency	Fund 100/32, Information Technology Agency		Fund 100/32, Information Technology Agency	
	3040, Contractual Services	\$ 600,000	1010, Salaries General	\$ 700,000
	9810, Equipment Lease & Acquisition	\$ 300,000	1090, Salaries Overtime	\$ 75,000
	Subtotal	\$ 900,000	1100, Salaries Hiring Hall	\$ 125,000
		Subtotal	\$ 900,000	
Library	Fund 300/44, Library		Fund 300/44, Library	
	1070, Salaries As Needed	\$ 425,000	1010, Salaries General	\$ 438,000
	3310, Transportation Expense	\$ 13,000		
	Subtotal	\$ 438,000		
Personnel	Fund 100/66, Personnel		Fund 100/66, Personnel	
	1070, Salaries As-Needed	\$ 125,000	1010, Salaries General	\$ 197,000
	3040, Contractual Services	\$ 72,000		
	Subtotal	\$ 197,000		
Police	Fund 100/70, Police Department		Fund 100/70, Police Department	
	1012, Salaries Sworn	\$ 500,000	1010, Salaries General	\$ 500,000
	1070, Salaries As Needed	\$ 100,000	2130, Travel Expense	\$ 100,000
	Subtotal	\$ 600,000	Subtotal	\$ 600,000
Planning	Fund 100/68, Planning		Fund 100/68, Planning	
	1010, Salaries General	\$ 106,654	1090, Salaries Overtime	\$ 18,000
			2120, Printing and Binding	\$ 44,327
			6010, Office & Administrative	\$ 44,327
		Subtotal	\$ 106,654	
PW/Contract Administration	Fund 100/76, Contract Administration		Fund 100/76, Contract Administration	
	1010, Salaries General	\$ 89,000	1090, Salaries Overtime	\$ 16,000
			3310, Transportation	\$ 73,000
			Subtotal	\$ 89,000
PW/Sanitation	Fund 100/82, Bureau of Sanitation (MSAP)		Fund 100/82, Bureau of Sanitation (MSAP)	
	1010, Salaries, General	\$ 389,520	1010, Salaries, General	\$ 211,506
	1090, Salaries, Overtime	\$ 528,196	1070, Salaries, As-Needed	\$ 77,059
	2120, Printing & Binding	\$ 10,370	1090, Salaries, Overtime	\$ 379,520
	3040, Contractual Services	\$ 51,668	1120, Benefits, Hiring Hall	\$ 10,000
	3310, Transportation Expense & Mileage	\$ 3,500	2120, Printing & Binding	\$ 99,000
	4430, Uniforms	\$ 103,200	3090, Field Equipment Expense	\$ 36,696
	6010, Office & Administrative Expenses	\$ 3,038	3310, Transportation Expense & Mileage	\$ 15,416
		\$ 1,089,492	6010, Office & Administrative Expenses	\$ 260,295
			Subtotal	\$ 1,089,492

ATTACHMENT 5
FY 2007-08 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
PW/ Street Services	Fund 760/50, Sewer Construction & Maintenance Fund C205/334, Utilities, Electricity	\$ 31,929	Fund 760/50, Sewer Construction & Maintenance Fund C204/334, Utilities, Water	\$ 31,929
	Fund 508/50, Solid Waste Resources Revenue Fund 2000, Debt Service - Interest	\$ 1,712,782	Fund 508/50, Solid Waste Resources Revenue Fund C182, Bureau of Sanitation C140, General Services	\$ 1,412,782 \$ 300,000 <u>\$ 1,712,782</u>
	Fund 100/86, Street Services 1010, Salaries General 1090, Salaries Overtime 1100, Hiring Hall Salaries 1190, Hiring Hall Overtime 3090, Field Equipment 6020, Operating Supplies	\$ 400,000 \$ 1,700,000 \$ 220,000 \$ 100,000 \$ 350,000 \$ 862,000 <u>\$ 3,632,000</u>	Fund 100/86, Street Services 2120, Printing & Binding 3030, Construction Materials 3040, Contractual Services 3310, Transportation 3330, Utilities	\$ 62,000 \$ 2,600,000 \$ 600,000 \$ 150,000 \$ 220,000 <u>\$ 3,632,000</u>
Transportation	Fund 100/94, Transportation 1070, Salaries As-Needed 1090, Salaries Overtime 2120, Printing and Binding 3040, Contractual Services 3310, Transportation 3360, Signal Supplies and Repairs	\$ 10,281 \$ 935,100 \$ 140,000 \$ 520,753 \$ 4,900 \$ 74,247 <u>\$ 1,685,281</u>	Fund 100/94, Transportation 1010, Salaries General 3120, Investigations	\$ 1,670,281 \$ 15,000 <u>\$ 1,685,281</u>
	Fund 47H/94 Neighborhood Transportation Management W311, Wilshire/Malcolm	\$ 30,000	Fund 47H/94 Neighborhood Transportation Management C194, Transportation	\$ 30,000
	Fund 44Z/94 Traffic Congestion Relief Act Y202, ATCS-Hollywood/Mid Wilshire Pr	\$ 352,510	Fund 44Z/94 Traffic Congestion Relief Act C194 - Dept. of Transportation	\$ 352,510
	Fund 363/94 Special Parking Revenue Fund 0050, Contractual Services	\$ 51,000	Fund 363/94 Special Parking Revenue Fund C831, Library Trust Fund Capital Project Account Number to Designated	\$ 21,000 \$ 30,000 <u>\$ 51,000</u>
	Fund 385/94 Proposition A Local Transit Assistance C399, Reserve for Future Transit Capital Account	\$ 25,000	Fund 385/94 Proposition A Local Transit Assistance C221, Commuter Implementation Program	\$ 25,000

ATTACHMENT 5
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Treasurer	Fund 100/96, Treasurer 1010, Salaries General	\$ 61,000	Fund 100/96, Treasurer 4040, Bank Service Fees	\$ 250,000
	3040, Contractual Services	\$ 189,000		
	Subtotal \$	250,000		
Zoo	Fund 100/87, Zoo 1010, Salaries General	\$ 30,000	Fund 100/87, Zoo 1090, Salaries Overtime	\$ 30,000
	TOTAL ALL DEPARTMENTS AND FUNDS \$ 15,005,989			\$ 15,005,989

* Source of Funds: CDBG, HOME, RENT & CODE

ATTACHMENT 6
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Council	<u>Fund 47S/14, CLARTS</u>		<u>Fund 100/28, Council</u>	
		\$ 330,000	1070, Salaries As-Needed	\$ 330,000
General Services	<u>Fund 843/40, General Services Trust Fund</u>		<u>Fund 100/40, General Services</u>	
	6030, Leasing	\$ 110,000	3180, Construction Materials and Supplies	\$ 65,000
			6010, Office and Administrative Expense	\$ 45,000
			Subtotal	\$ 110,000
General Services	<u>Fund 706/40, Printing Revolving Fund</u>		<u>Fund 100/40, General Services</u>	
	000A	\$ 61,292	1014, Construction Salaries	\$ 24,500
			3180, Construction Materials and Supplies	\$ 36,792
			Subtotal	\$ 61,292
General Services	<u>Fund 100/60, Water and Electricity Fund</u>		<u>100/40, General Services</u>	
	0071	\$ 215,720	1014, Construction Salaries	\$ 129,430
			3180, Construction Materials and Supplies	\$ 86,290
			Subtotal	\$ 215,720
General City Purposes	<u>Fund 100/56, General City Purposes</u>		<u>Fund 100/30, Cultural Affairs</u>	
	0842, Feria del Libro	\$ 60,000	6020, Operating Supplies	\$ 2,000
			<u>Fund 100/32, Information Technology Agency</u>	
		1090, Salaries Overtime	\$ 2,000	
		<u>Fund 100/38, Fire</u>		
		1012, Salaries Sworn	\$ 2,000	

ATTACHMENT 6
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
			TRANSFER TO	
	<u>Fund 100/40, General Services</u>			
	1070, Salaries As-Needed	\$ 1,000		\$ 1,000
	1090, Salaries Overtime	\$ 19,000		\$ 19,000
	2120, Printing & Binding	\$ 2,000		\$ 2,000
	6020, Operating Supplies	\$ 8,000		\$ 8,000
	Subtotal	\$ 30,000		\$ 30,000
	<u>Fund 100/86, Bureau of Street Services</u>			
	1090, Overtime Salaries	\$ 4,000		\$ 4,000
	<u>Fund 302/88, Recreation and Parks</u>			
	1090, Salaries Overtime	\$ 6,000		\$ 6,000
	6020, Operating Supplies	\$ 9,000		\$ 9,000
	Subtotal	\$ 15,000		\$ 15,000
	<u>Fund 100/94, Transportation</u>			
	1090, Salaries Overtime	\$ 5,000		\$ 5,000
Police	<u>Fund 100/70, Police Department</u>			
	1090, Civilian Overtime	\$ 247,650		\$ 247,650
PW/Sanitation	<u>Fund 205/88, Recreation and Parks</u>			
	CM01, Sycamore Playground	\$ 600,000		\$ 600,000
	<u>Fund 100/40, General Services</u>			
	1014, Construction Salaries	\$ 2,864		\$ 2,864
	<u>Fund 100/40, General Services</u>			
	9130, Postage	\$ 5,962		\$ 5,962
	C282, 602 Operating Supplies & Expenses	\$ 167,449		\$ 167,449
	C282, 304 Contractual Services	\$ 173,411		\$ 173,411
	Subtotal	\$ 173,411		\$ 344,312

**ATTACHMENT 6
FY 2007-08 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
	<u>Fund 100/82, Bureau of Sanitation (SWRRF)</u>			
	2120, Printing & Binding	\$ 27,000		
	3040, Contractual Services	\$ 23,000		
	6020, Operating Supplies & Expenses	\$ 50,901		
	Subtotal	\$ 100,901		
	<u>Fund 46D/50, Citywide Recycling Trust Fund</u>			
	C258, Available Balance	\$ 70,000		
	<u>Fund 100/82, Bureau of Sanitation (SPA)</u>			
	6020, Operating Supplies & Expenses	\$ 8,927	<u>Fund 100/40, General Services</u>	\$ 2,927
			1014, Construction Salaries	\$ 6,000
			3180, Construction Materials	
			Subtotal	\$ 8,927
	<u>Fund 509/50, Sanitation Equipment Charge Special Revenue Fund</u>			
	C001, Equipment & Other Peripheral	\$ 3,258	<u>Fund 100/40, General Services</u>	\$ 1,298
			1014, Construction Salaries	\$ 1,960
			3180, Contractual Services	
			Subtotal	\$ 3,258
	<u>Fund 760/50, Sewer Construction & Maintenance Fund</u>			
	C282,304 Contractual Services	\$ 10,388	<u>Fund 100/32, Information Technology Agency</u>	\$ 10,388
			9350, Communication Services	
	<u>Fund 100/82, Bureau of Sanitation (SPA)</u>			
	1010, Salaries General	\$ 7,250	<u>Fund 100/32, Information Technology Agency</u>	\$ 4,079
	6020, Operating Supplies & Expenses	\$ 660	1090, Overtime Salaries	\$ 3,831
			9350, Communication Services	
			Subtotal	\$ 7,910
	<u>Fund 556/50, Integrated Solid Waste Management Fund</u>			
	C500, Beverage Container Recycling	\$ 100,000	<u>Fund 100/74, Board of Public Works</u>	\$ 100,000
			3040, Contractual Services	
	<u>Fund 100/82, Bureau of Sanitation (SWRRF)</u>			
	3040, Contractual Services	\$ 14,000	<u>Fund 100/74, Board of Public Works</u>	\$ 14,000
			3040, Contractual Services	

ATTACHMENT 6
FY 2007-08 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

DEPARTMENT	TRANSFER FROM	AMOUNT	FUND/ACCOUNT	TRANSFER TO	AMOUNT
	<u>Fund 47R/50, CLARTS Trust Fund</u>		<u>Fund 47S/14, City Clerk</u>		
	C330, Community Amenities Fee	\$ 378,756	3040, Contractual Services		\$ 378,756
	<u>Fund 100/82, Bureau of Sanitation (SWRRF)</u>		<u>Fund 47S/14, City Clerk</u>		
	3040, Contractual Services	\$ 313,000	3040, Contractual Services		\$ 313,000
	<u>Fund 100/82, Bureau of Sanitation (BIF)</u>		<u>Fund 556/50, Integrated Solid Waste Management Fund</u>		
	2120, Printing & Binding	\$ 16,776	A500, Beverage Container Recycling		\$ 66,776
	6010, Office & Administrative Expenses	\$ 50,000			
	Subtotal	\$ 66,776			
	<u>Fund 46D/50, Citywide Recycling Trust Fund</u>		<u>Fund 100/82, Bureau of Sanitation (CRTE)</u>		
	C258, Unallocated Balance	\$ 246,553	1010, Salaries General		\$ 246,553
	<u>Fund 48H/50, Los Angeles Regional Agency</u>		<u>Fund 100/82, Bureau of Sanitation</u>		
	C282, Non-Labor Expense	\$ 628	1010, Salaries General		\$ 628
	<u>Fund 508/50, Solid Waste Resources Revenue Fund</u>		<u>Fund 100/82, Bureau of Sanitation (SWRRF)</u>		
	C182, Bureau of Sanitation	\$ 1,412,782	1010, Salaries General		\$ 923,727
			6020, Operating Supplies & Expense		\$ 489,055
			Subtotal		\$ 1,412,782
	<u>Fund 508/50, Solid Waste Resources Revenue Fund</u>		<u>Fund 100/40 General Services Department</u>		
	C140, General Services	\$ 300,000	9130, Mail Services		\$ 300,000
	<u>Fund 47R/50, CLARTS Trust Fund</u>		<u>Fund 100/82, Bureau of Sanitation (SWRRF)</u>		
	C320, Private Hauling Expenses	\$ 108,478	3040, Contractual Services		\$ 108,478
	<u>Fund 760/50, Sewer Construction & Maintenance Fund</u>		<u>Fund 761/50, Sewer Capital Fund</u>		
	C282/601, Office & Administrative Expenses	\$ 55,000	C240/734, Transportation Equipment		\$ 55,000
PW/Street Lighting	<u>Fund 347/50, Street Lighting Maintenance Assessment Fund</u>		<u>Fund 100/78, PW/Bureau of Engineering</u>		
	V600, Available - STM	\$ 54,389	1010, Salaries General		\$ 26,001
			4610, Reimb Fr Other Funds/Depts		\$ 28,388
	Subtotal	\$ 54,389	Subtotal		\$ 54,389

**ATTACHMENT 6
FY 2007-08 BUDGET ADJUSTMENTS
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
PW/Street Services	<u>Fund 100/86, Bureau of Street Services</u>		<u>Fund 100/40 General Services Department</u>	
	1090, Salaries Overtime	\$ 19,433	1014, Construction Salaries	\$ 1,634
			1090, Salaries Overtime	\$ 17,600
			3180, Construction Materials & Supplies	\$ 199
		Subtotal	\$ 19,433	
	<u>Fund 100/86, Bureau of Street Services</u>		<u>Fund 100/32 Information Technology Agency</u>	
	1090, Salaries Overtime	\$ 2,074	1100, Hiring Hall Salaries	\$ 2,074
	<u>Fund 305/50, Subventions & Grants Fund</u>		<u>Fund 100/86, Bureau of Street Services</u>	
	3734, 20th Century Fox, "My Name Is Earl 2"	\$ 1,923	1010, Salaries General	\$ 114,346
	3741, CRA, Pico Union Streetscape Project	\$ 300,000	3030, Construction Materials	\$ 428,737
	3741, CRA, 11th St. from Grande Vista to S. Soto St.	\$ 36,372	6020, Operating Supplies	\$ 14,000
	3734, Bel Air Association, Strada Corta Rd. Asphalt Repair	\$ 1,275	Subtotal	\$ 557,083
	3734, CEPA, Environmental Enforcement & Training Grant	\$ 14,000		
	3741, MTA Pico Corridor Enhancement	\$ 3,513		
	C525, LAWA Asphalt Purchase	\$ 200,000		
	Subtotal	\$ 557,083		
	<u>Fund 697/14, CD 15 Real Property Trust Fund</u>		<u>Fund 100/86, Bureau of Street Services</u>	
	Y200, Sidewalk Repair along E. Cruces Street	\$ 287,210	3030, Construction Materials	\$ 215,408
			6020, Operating Supplies	\$ 71,802
		Subtotal	\$ 287,210	
	<u>Fund 100/86, Bureau of Street Services</u>		<u>Fund 100/78, Bureau of Engineering</u>	
	3040, Contractual Services	\$ 72,000	3040, Contractual Services	\$ 72,000
Transportation	<u>Fund 47H/94 Neighborhood Transportation Management</u>		<u>Fund 100/94, Transportation</u>	
	C194, Transportation	\$ 30,000	1010, Salaries General	\$ 30,000
	<u>Fund 44Z/94 Traffic Congestion Relief Act</u>		<u>Fund 100/94 Transportation</u>	
C194, Dept. of Transportation	\$ 352,510	1010, Salaries General	\$ 310,140	
		1090, Salaries Overtime	\$ 42,370	
		Subtotal	\$ 352,510	

ATTACHMENT 6
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
	<u>Fund 363/94 Special Parking Revenue Fund</u> 0030, Maintenance, Repair and Utility Service	\$ 96,000	<u>Fund 100/94 Transportation</u> 1090, Salaries Overtime	\$ 96,000
	<u>Fund 540/94, Proposition C Antitidlock</u> C700, Transportation Grant Fund Account	\$ 100,000	<u>Fund 100/86 Bureau of Street Services</u> 3030, Construction Materials	\$ 100,000
	TOTAL ALL DEPARTMENTS AND FUNDS	\$ 6,568,993		\$ 6,568,993

**ATTACHMENT 7
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS TO UNAPPROPRIATED BALANCE, RESERVE FOR ECONOMIC UNCERTAINTIES**

BEGINNING BALANCE (from 4th FSR) \$ 35,761,437

TRANSFERS FROM DEPARTMENTS (Year-End FSR):

DEPARTMENT	FUND/ACCOUNT	AMOUNT
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TRANSFER FROM:

Aging	<u>100/02</u>	
	1010, Salaries General	\$ 60,888
	1090, Overtime General	\$ 900
	2120, Printing	\$ 2,500
	2130, Travel	\$ 3,000
	3040, Contractual Services	\$ 1,500
	6020, Operating Supplies	\$ 2,000
	<i>Subtotal</i>	\$ 70,788

Animal Services	<u>Fund 100/06</u>	
	1010, Salaries General	\$365,930

Building and Safety	<u>Fund 100/08</u>	
	1010, Salaries General	\$ 281,553
	1070, Salaries As-Needed	\$ 6,250
	2120, Printing and Binding	\$ 8,000
	3040, Contractual Services	\$ 13,425
	3310, Transportation	\$ 13,774
	6010, Office & Admin. Expense	\$ 9,702
	6020, Operating Supplies	\$ 2,000
	<i>Subtotal</i>	\$ 334,704

City Clerk	<u>Fund 100/14</u>	
	1010, Salaries General	\$ 143,376
	7300, Furniture, Office & Tech. Equipment	\$ 120,982
	<i>Subtotal</i>	\$ 264,358

Environmental Affairs	<u>Fund 100/37</u>	
	1010, Salaries General	\$ 38,554

**ATTACHMENT 7
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS TO UNAPPROPRIATED BALANCE, RESERVE FOR ECONOMIC UNCERTAINTIES**

TRANSFERS FROM DEPARTMENTS (Year-End FSR):

<u>DEPARTMENT</u>	<u>FUND/ACCOUNT</u>	<u>AMOUNT</u>
TRANSFER FROM:		
Human Resources Benefits	<u>Fund 100/61, Human Resources Benefits</u>	
	9100, Unemployment Insurance	\$ 460,000
	9200, Civilian Flex Benefits	\$ 1,000,000
	9210, Fire Health & Welfare	\$ 500,000
	9220, Police Health & Welfare	\$ 400,000
	<i>Subtotal</i>	<u>\$ 2,360,000</u>
Information Technology Agency	<u>Fund 100/32</u>	
	2120, Printing and Binding	100,000
	3040, Contractual Services	\$ 150,000
	9810, Equipment Lease & Acquisition	\$ 200,000
	<i>Subtotal</i>	<u>\$ 450,000</u>
Neighborhood Empowerment	<u>Fund 100/47</u>	
	1010, Salaries General	\$ 217,025
	1070, Salaries As-Needed	\$ 4,000
	1090, Salaries Overtime	\$ 25,000
	3040, Contractual Services	\$ 120,000
	<i>Subtotal</i>	<u>\$ 366,025</u>
Planning	<u>Fund 100/68</u>	
	1010, Salaries General	\$ 244,219
	1070, Salaries As-Needed	\$ 39,433
	<i>Subtotal</i>	<u>\$ 283,652</u>
PW/Board	<u>Fund 100/74</u>	
	1010, Salaries General	\$ 47,896
	1090, Salaries Overtime	\$ 29,000
	<i>Subtotal</i>	<u>\$ 76,896</u>
PW/Contract Administration	<u>Fund 100/76</u>	
	1010, Salaries General	\$ 1,000,000
PW/Engineering	<u>Fund 100/78</u>	
	1090, Salaries Overtime	\$ 40,000
	3040, Contractual Services	\$ 3,000
	6010, Office and Admin. Expense	\$ 1,000
	<i>Subtotal</i>	<u>\$ 44,000</u>

**ATTACHMENT 7
 FY 2007-08 BUDGET ADJUSTMENTS
 TRANSFERS TO UNAPPROPRIATED BALANCE, RESERVE FOR ECONOMIC UNCERTAINTIES**

TRANSFERS FROM DEPARTMENTS (Year-End FSR):

<u>DEPARTMENT</u>	<u>FUND/ACCOUNT</u>	<u>AMOUNT</u>
TRANSFER FROM:		
PW/Sanitation	<u>Fund 100/82</u> 1090, Salaries Overtime	\$ 253,209
<u>Other</u> Zoo Enterprise Trust Fund	<u>Fund 40E/87</u> See Recommendation No. 39	\$ 200,000
Capital Impr. Expend. Program Fund (Library GO Bond)	<u>Fund 100/54</u> See Recommendation No. 40	\$ 791,802
Non Dept. General (Matching Campaign Fund)	<u>Fund 100/62</u> See Recommendation No. 41	\$ 1,342,487
Subtotal - Transfers from Departments/Funds		\$ 8,242,405
TOTAL AVAILABLE, UB, RESERVE FOR ECON. UNCERTAINTIES ACCOUNT:		\$ 44,003,842

ATTACHMENT 8
FY 2007-08 BUDGET ADJUSTMENTS
APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE

APPROPRIATE FROM:	APPROPRIATE TO:	AMOUNT
Youth Development Strategy (0232)	<u>302/88, Recreation and Parks</u> 1070, Salaries As-Needed \$ 175,959 3040, Contractual Services \$ 122,197 6010, Office and Administrative \$ 7,000 6020, Operating Supplies \$ 9,800 7300, Furniture, Office and Tech. Equip \$ 10,000 Subtotal \$ 324,956	
LAPD Consent Decree Program (inc. reapprop) (0078)	<u>100/56, General City Purposes</u> 0829, Domestic Abuse Response Teams \$ 6,876	
Nate Holden Performing Arts Center (0214)	<u>100/56, General City Purposes</u> 0829, Domestic Abuse Response Teams \$ 33,124	
Outside Counsel Incl. Workers Comp. (0197)	<u>100/12, City Attorney</u> 9301, Outside Counsel \$ 30,098	
SUBTOTAL (Appropriations from Existing UB Line-items):		\$ 395,054
Reserve for Economic Uncertainties Account (See Attachment 7)	<u>100/12, City Attorney</u> 1010, Salaries General \$ 1,526,893 1020, Salaries Grant Reimbursed \$ 331,173 1080, Salaries Proprietary Reimbursed \$ 591,356 4200, Litigation Expense \$ 500,000 9301, Outside Counsel \$ 1,164,993 9302, Outside Counsel-Workers Comp. \$ 125,007 Subtotal \$ 4,239,422	
Total Available:	\$44,003,842	\$ 41,000

ATTACHMENT 8
FY 2007-08 BUDGET ADJUSTMENTS
APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE

<u>APPROPRIATE FROM:</u>	<u>APPROPRIATE TO:</u>	<u>AMOUNT</u>
Reserve for Economic Uncertainties Account	<u>100/20, Commission on the Status of Women</u>	
	1010, Salaries General	\$ 54,471
	<u>737/33, El Pueblo de LA Hist. Mon. Rev. Fund</u>	
	4844, Interfund Oper. Transfer fr. General Fund	\$ 604,868
	<u>100/38, Fire</u>	
	1093, Constant Staffing Overtime	\$ 6,814,235
	<u>100/39, Finance</u>	
	1010, Salaries General	\$ 179,000
	1090, Salaries Overtime	5000
	2120, Printing	32000
	3040, Contractual Services	\$ 120,000
	<i>Subtotal</i>	\$ 336,000
	<u>100/40, General Services</u>	
	1010, Salaries General	\$ 2,074,000
	3230, Petroleum Products	\$ 2,400,000
	<i>Subtotal</i>	\$ 4,474,000
	<u>Fund 100/56, General City Purposes</u>	
	0510, Medicare Contributions	\$ 1,020,000
	0505, Retirement Defrayal	\$ 170,000
	<i>Subtotal</i>	\$ 1,190,000
	<u>300/44, Library</u>	
	See Recommendation No. 21	\$ 800,000

**ATTACHMENT 8
 FY 2007-08 BUDGET ADJUSTMENTS
 APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE**

APPROPRIATE FROM:	APPROPRIATE TO:	AMOUNT
	<u>100/70, Police</u>	
	1010, Salaries General	500,000
	1092, Sworn Overtime	6,850,000
	<i>Subtotal</i>	7,350,000
Reserve for Economic Uncertainties Account	<u>Fund 100/94, Transportation</u>	
	1010, Salaries General	141,000
SUBTOTAL (Appropriations from the UB, Reserve for Economic Uncertainties Account):		\$ 26,044,996
	TOTAL APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE	\$ 26,440,050

PROPOSITION O: CLEAN WATER BOND PROGRAM

Attachment 9

APPROPRIATION OF 2007-08 ADDITIONAL STAFF COSTS (JULY 1, 2007 THROUGH JUNE 30, 2008)

FROM		TO			
FUND/DEPT/ACCOUNT	AMOUNT	FUND/DEPT/ACCOUNT	AMOUNT		
SALARIES					
FUND 16M					
16M/50/A074	Office of Accounting	15,611	100/74/1010	Salaries, General	15,611
16M/50/A076	Bureau of Contract Admin	17,740	100/76/1010	Salaries, General	17,740
16M/50/A078	Bureau of Engineering	196,526	100/78/1010	Salaries, General	196,526
16M/50/A082	Bureau of Sanitation	253,540	100/82/1010	Salaries, General	253,540
TOTAL SALARIES		483,417	TOTAL SALARIES		483,417

**ATTACHMENT 10
EMPLOYMENT LEVEL REPORT
FY 2007-08**

Department	Adopted Budget	Position Authorities			Filled Positions			Vacancies	Activated Sub. Auth.
		Start of March	Changes	End of March	Start of March	Changes	End of March		
Aging	44	63	-	63	52	-	52	11	
Animal Services	320	446	-	446	394	(3)	391	55	8
Building and Safety	839	1,117	1	1,118	993	1	994	124	24
City Administrative Officer	128	137	-	137	122	2	124	13	2
City Attorney	851	1,077	-	1,077	1,016	(1)	1,015	62	16
City Clerk	145	161	(1)	160	147	4	151	9	3
Commission on C, Y and their F	16	26	-	26	18	-	18	8	1
Commission on the Status of Women	5	13	-	13	13	(3)	10	3	5
Community Development	262	395	-	395	298	-	298	97	6
Controller	188	260	-	260	191	1	192	68	22
Cultural Affairs	81	86	-	86	70	(1)	69	17	4
Disability	14	21	-	21	19	-	19	2	
El Pueblo	21	23	-	23	18	-	18	5	2
Emergency Management	16	25	-	25	23	-	23	2	
Employee Relations Board	3	3	-	3	3	-	3	-	
Environmental Affairs	37	40	-	40	34	-	34	6	3
Ethics Commission	27	31	-	31	28	-	28	3	
Finance	361	382	1	383	353	10	363	20	21
Fire - Civilian	346	445	(3)	442	389	(3)	386	56	45
Fire - Sworn	3,594	3,649	-	3,649	3,641	49	3,690	(41)	23
General Services	2,267	2,346	-	2,346	2,126	(20)	2,106	240	20
Housing	503	597	-	597	540	-	540	57	12
Human Relations Commission	10	16	-	16	16	-	16	-	
Information Technology Agency	730	840	-	840	753	(7)	746	94	24
L.A. Convention Center	165	184	-	184	156	-	156	28	15
Neighborhood Empowerment	52	52	-	52	45	(3)	42	10	
Personnel	436	553	-	553	515	-	515	38	21
Planning	271	379	-	379	301	4	305	74	
Police - Civilian	3,778	3,838	-	3,838	3,171	4	3,175	663	
Police - Sworn	10,466	10,493	-	10,493	9,660	2	9,662	831	
PW/Board of Public Works	158	172	-	172	159	(3)	156	16	3
PW/Bureau of Contract Admin	309	488	-	488	397	(4)	393	95	
PW/Bureau of Engineering	980	1,204	(1)	1,203	1,026	(10)	1,016	187	33
PW/Bureau of Sanitation	2,907	2,989	-	2,989	2,692	(13)	2,679	310	14
PW/Bureau of Street Lighting	246	258	-	258	228	(12)	216	42	1
PW/Bureau of Street Services	1,282	1,589	-	1,589	1,488	8	1,496	93	4
Transportation	1,581	1,724	-	1,724	1,604	(7)	1,597	127	12
Treasurer	38	44	-	44	37	-	37	7	4
Zoo	268	270	-	270	236	(3)	233	37	1
Subtotal	33,745	36,436	(3)	36,433	32,972	(8)	32,964	3,469	349
Library	1,133	1,186	-	1,186	1,137	(9)	1,128	58	-
Recreation and Parks	2,117	2,291	-	2,291	1,989	(14)	1,975	316	128
Subtotal	3,250	3,477	-	3,477	3,126	(23)	3,103	374	128
Total	36,995	39,913	(3)	39,910	36,098	(31)	36,067	3,843	477

"Position Authorities-Start of March" 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	36,995	39,759	56	39,815	34,829	978	35,807	4,008	457
August	36,995	39,815	37	39,852	35,807	64	35,871	3,981	473
September	36,995	39,852	6	39,858	35,871	20	35,891	3,967	444
October	36,995	39,858	9	39,867	35,891	109	36,000	3,867	452
November	36,995	39,867	6	39,873	36,000	50	36,050	3,823	457
December	36,995	39,873	26	39,899	36,050	60	36,110	3,789	473
January	36,995	39,899	25	39,924	36,110	51	36,161	3,763	480
February	36,995	39,924	(11)	39,913	36,161	(63)	36,098	3,832	481
March	36,995	39,913	(3)	39,910	36,098	(31)	36,067	3,843	477
April			-			-		-	-
May			-			-		-	-
June			-			-		-	-